

UNITED STATES OF AMERICA
FEDERAL LABOR RELATIONS AUTHORITY
OFFICE OF ADMINISTRATIVE LAW JUDGES
WASHINGTON, D.C. 20424

.....
DEPARTMENT OF HEALTH AND
HUMAN SERVICES, SOCIAL
SECURITY ADMINISTRATION

Respondent

and

Case No. 3-CA-80274

AMERICAN FEDERATION OF
GOVERNMENT EMPLOYEES,
AFL-CIO

Charging Party
.....

Linda A. Ruiz, Esquire
For the Respondent

Anne M. Wagner, Esquire
For the Charging Party

Peter A. Sutton, Esquire
Saul Y. Schwartz, Esquire
For the General Counsel

Before: WILLIAM B. DEVANEY
Administrative Law Judge

DECISION

Statement of the Case

This proceeding, under the Federal Service Labor-
Management Relations Statute, Chapter 71 of Title 5 of the
United States Code, 5 U.S.C. § 7101, et seq. ^{1/}, and the

^{1/} For convenience of reference, sections of the Statute
hereinafter are, also, referred to without inclusion of the
initial "71" of the statutory reference, e.g., Section
7121(f) will be referred to, simply, as "§ 21(f)."

Rules and Regulations issued thereunder, 5 C.F.R. § 2423.1, et seq., concerns the award of Arbitrator Justin C. Smith in the matter of Kirk Bigelow on September 12, 1986. The matter is before me on motion of Respondent for summary judgment (dismissal) and cross-motions of the Charging Party and General Counsel for summary judgment (violation). For reasons set forth hereinafter, Respondent's Motion for Summary Judgment is granted.

This case was initiated by a charge filed on February 29, 1988; the Complaint and Notice of Hearing issued on September 26, 1988; the Complaint alleged violations of §§ 16(a)(8) and (1) of the Statute for the failure and refusal to comply with the award of September 12, 1986; and the hearing was set for December 14, 1988, in Washington, D.C. Respondent filed its Answer on, on about, October 21, 1988, in which it, inter alia, admitted the factual allegations of the Complaint; asserted that Arbitrator Justin Smith was without jurisdiction to issue the award of September 12, 1986; and denied that it violated § 16(a)(1) or (8) of the Statute.

On, or about October 21, 1988, Respondent pursuant to § 2423.22(a) of the Rules and Regulations, also filed its Motion For Summary Judgment with the Regional Director of Region III. By Order dated November 3, 1988, the Regional Director, pursuant to § 2423.22(b) of the Rules and Regulations referred Respondent's Motion For Summary Judgment together with General Counsel's Opposition, Motion To Postpone, Motion For Judgment On The Pleadings And, In The Alternative, Cross-Motion For Summary Judgment, to the Chief Administrative Law Judge for disposition. The Chief Administrative Law Judge duly delegated the matter to the undersigned and by Order dated November 8, 1988, it was first noted that Counsel for Respondent had filed a Motion For Summary Judgment which, by Order dated November 3, 1988, had been referred to the Office of Administrative Law Judges for disposition, and that General Counsel had filed an Opposition to Respondent's Motion and a Cross-Motion for Summary Judgment, and then Ordered that: (a) All parties were granted until November 23, 1988, to file responses; (b) Each party was requested to respond to four stated questions, as well as any other matter not previously addressed which any party deems material; (c) The record would be closed with the filing of responses on, or before, November 23, 1988; and (d) the hearing, scheduled for December 14, 1988, was cancelled as it clearly appeared that there was no material factual issue in dispute.

Pursuant to the Order of November 8, 1988, the Charging Party timely mailed on November 23, 1988, the Union's Opposition to Respondent's Motion For Summary Judgment, and Cross-Motion For Summary Judgment, received on November 25, 1988; General Counsel on November 23, 1988, filed his Response; and on November 22, 1988, Respondent mailed a Supplemental Response to General Counsel's Motion for Judgment On The Pleadings And, In The Alternative, Cross-Motion For Summary Judgment, received on November 23, 1988. All documents filed herein have been carefully considered and, on the basis of the entire record, I make the following findings and conclusions:

FINDINGS

The facts are undisputed. Respondent's Motion For Summary Judgment contained as attachments (Respondent's Attachments 1 through 9) most of the pertinent documents. General Counsel with his Response attached the following documents to complete the record: (1) a copy of the charge (G.C. Attachment A); and (2) the parties' submissions to Arbitrator Arvid Anderson (G.C. Attachments B-D).

1. The grievance underlying the award which is the subject of this proceeding involved Mr. Kirk Bigelow, a former Claims Representative employed by Respondent in New York City. Mr. Bigelow was also Executive Vice President of Local 3369 of the American Federation of Government Employees, AFL-CIO (hereinafter referred to as the "Union") in 1983.

2. During 1983, Mr. Bigelow had been suspended and, eventually, removed for insubordination and had grieved the discipline. The grievance was arbitrated (Case No. FMCS-83K/08059) and heard by Arbitrator Eva Robins. On December 6, 1983, Arbitrator Robins issued the following:

"Award

"1. There was just cause for the disciplinary suspension of Kirk Bigelow for five work days.

"2. There was not just cause for the removal of Kirk Bigelow from his position as Claims Representative, GS-105-10. He shall be offered reinstatement in that position as soon as reasonably possible following the receipt of this Opinion and Award. The period from the date of his removal to the date of his

reinstatement shall be considered a period of disciplinary suspension for insubordination, without pay. If Kirk Bigelow accepts the offer of reinstatement, he shall honor the requirements of the Agreements, as stated in the Opinion herein, as to the manner and the requirements of taking Official Time, and as to the performance of work to which he is assigned.

"3. Grievant's status as an Executive Vice President for AFGE Local 3369 does not protect him against charges of insubordination, under the facts and circumstances here."
(Respondent's Attachment 1).

3. By letter dated December 16, 1983, in accordance with the Robins Award, Respondent offered Mr. Bigelow reinstatement to his position of Claims Representative, GS-10, in the North Harlem Office. Mr. Bigelow responded sometime prior to December 20, 1983, the date not having been shown, stating, ". . . I accept your offer of reinstatement" (Respondent's Attachment 2, p. 412); but, by letter dated December 20, 1983, Mr. Bigelow, through Mr. John Riordan, President of the Union, requested "at least" six months of Leave Without Pay (LWOP) to attend law school (Respondent's Attachment 7, p. 4).

4. By letter dated December 29, 1983, Respondent denied the request for LWOP because, it asserted, the request sought to avoid the very precondition upon which Arbitrator Robins had based Bigelow's reinstatement, namely, that Bigelow carry out Respondent's functions at least part of the time (Respondent's Attachment 2, p. 412; Respondent Attachment 7, p. 4).

5. On January 11, 1984, the Union filed a grievance challenging the denial of LWOP. On January 27, 1984, prior to any action on the grievance, Mr. Bigelow submitted his resignation which was accepted. By letter, also dated January 27, 1984, Mr. Bigelow asserted he had been "constructively discharged" (Respondent Attachment 5, p. 3). The Union submitted a second grievance on behalf of Mr. Bigelow concerning the allegation of "constructive discharge"; subsequently the two grievances were consolidated; and arbitration was invoked by the Union by letter dated February 13, 1984. After receipt of two panels of arbitrators from the Federal Mediation and Conciliation Service (FMCS), the parties selected Mr. Walter Eisenberg as

the arbitrator and notified FMCS by a jointly signed letter dated August 2, 1984; however, by letter dated September 14, 1984, FMCS advised the parties that Mr. Eisenberg had declined to serve as arbitrator (G.C. Attachment C, p. 4) In January, 1985, the parties agreed upon Mr. Arvid Anderson as the arbitrator and notified FMCS in a Jointly signed letter dated January 25, 1985 (G.C. Attachment C, p. 4).

6. A hearing was scheduled for July 21, 1985, but was postponed at the request of the Union and rescheduled for September 12, 1986 (G.C. Attachment C, p. 4).

7. On August 28, 1986, the Union unilaterally, and without notice to Respondent, submitted a request to Arbitrator Anderson for a postponement of the September 12, 1986, hearing (G.C. Attachment C, p. 5).

8. The Union then unilaterally submitted the same grievance, i.e. Bigelow's LWOP-Constructive discharge, to Arbitrator Justin C. Smith under the Smith award, infra, notwithstanding that, as more fully set forth in Paragraph 9, infra, the time period for filing claims under the Smith award had expired nearly a year before, and Mr. Smith issued his Award on September 12, 1986 (Respondent Attachment 2).

9. Mr. Smith had been selected by the parties in 1982 at the local level to resolve numerous official time grievances (AAA Case No. 74-30-0228-82). ". . . on February 22, 1984, Arbitrator Smith issued an 'Interim Award'. . . On April 5, 1985, Arbitrator Smith issued his 'Final Award', which incorporated the Interim Award and 'set forth a mechanism, providing for submission of claims" Social Security Administration, 33 FLRA No. 87, 33 FLRA 743, 744 (1988). In order to carry out Arbitrator Smith's Final Award, the parties entered into two agreements: Memoranda of Understanding (MOUs) I and II which set forth the claim periods and procedures for processing claims related to the official time dispute, including quite specific time limitations on the submission of claims. Thus MOU I covered claims from June 11, 1982, to June, 1984, and specifically provided that,

"(1) Beginning 6/6/84, the Union at the field operations level will have 45 calendar days to submit claims under the Smith award" (Respondent's Attachment 9, p. 16) (Emphasis supplied).

MOU II covered claims from June 12, 1984 to April 5, 1985, and specifically provided that,

"(1) Beginning August 12, the Union at the field level will have 30 calendar days to submit claims under the Smith award (ending close of business, September 10, 1985)" (Respondent's Attachment 9, p. 24) (Emphasis supplied)

10. Mr. Bigelow had filed claims for official time under the Smith award but his claims did not include the LWOP-constructive discharge. Some of Mr. Bigelow's official time claims were addressed and decided during hearings in New York City in June, 1985, and others were heard and decided during proceedings in San Francisco, California, in August, 1985; but at neither time was the LWOP-constructive discharge asserted or filed under the Smith award (G.C. Attachment C, pp. 6, 7-8). As noted in Paragraph 9, above, the latest date for submission of a claim under the Smith Award would have been September 10, 1985.

11. Mr. Bigelow's grievance, because it arose under 5 U.S.C. § 7512, was governed by § 21(f) of the Statute and, of course, the arbitrator's decision was not subject to review by the Authority.

12. OPM, pursuant to § 21(f) of the Statute and § 7703(d) of title 5 of the United States Code, on July 9, 1987, sought review of Arbitrator Smith's award but the petition for review was denied on August 31, 1987, by the United States Court of Appeals for the Federal Circuit (Misc. Docket No. 178; Respondent's Attachment 8). The Court made no determination of the jurisdiction of the arbitrator.^{2/}

13. By letter dated October 1, 1986, Mr. Smith had informed Arbitrator Anderson of his bench award of September 12, 1986 (Respondent's Attachment 3); and by letter dated October 8, 1986, Arbitrator Anderson advised the parties,

^{2/} Nor was the jurisdiction of Arbitrator Smith to hear and determine the matter raised, perhaps because, ". . . the term of Arbitrator Smith's employment under the parties' agreement to arbitrate the official time issue in AAA Case No. 74-30-0228-82" (Social Security Administration, supra, 33 FLRA at 754) had not then been determined, although the jurisdiction, ". . . to grant LWOP retroactive to the date of Bigelow's voluntary resignation" (Respondent's Attachment 7, p. 17 n. 12) was asserted.

". . . I have concluded that there is no issue for me to decide because the matter has been decided on September 12, 1986 by Arbitrator Justin C. Smith. The matter in legal terms is res judicata." (Respondent's Attachment 4, p. 1).

Although Arbitrator Anderson stated that, ". . . since the Union [as the moving party] has concluded that the matter has been decided, there is nothing left for me to determine . . . I have construed the Union's statement of position to be in effect a withdrawal with prejudice of the above grievance" (*id*, p. 2), he recognized that there was a question of Mr. Smith's jurisdiction but stated,

". . . I also have concluded that this jurisdictional question can be referred by the Agency for resolution to the Federal Labor Relations Authority and ultimately to the Courts rather than have a local arbitrator decide the jurisdictional questions." (*id*, p. 3).

14. The Authority, on November 6, 1987, in American Federation of Government Employees, 29 FLRA 1568, (1987), Member McKee, dissenting, held, in part, as follows:

". . . we find that the dispute over the Arbitrator's authority is arbitrable. Accordingly, the parties are directed to submit the dispute concerning the nature and extent of the Arbitrator's authority to another neutral arbitrator. . . ." (29 FLRA at 1580).

The parties selected Arbitrator Ira F. Jaffe, a hearing was held on January 21, 1988, and on April 7, 1988, Arbitrator Jaffe issued his decision (AAA Case No. 16-30-00422-87) (Respondent's Attachment 9).

Arbitrator Jaffe's Award was as follows:

"The jurisdiction of the Arbitrator in AAA Case No. 74-30-0228-82 is limited to the application of the rulings encompassed in the April 5, 1985 'Final Award' of Arbitrator Smith (which incorporated the rulings contained in Arbitrator Smith's 'Interim Award' of

February 22, 1984 in the same matter) to those claims (if any) which were properly processed through the procedures outlined in the Parties' May, 1984 and July, 1985 Memoranda of Understandings, but which have not been paid in full by the Agency.

"Any changes to the April 5, 1985 Final Award by Arbitrator Smith were in excess of the authority delegated to him in this case.

"Arbitrator Smith's purported retention of jurisdiction in the April 5, 1985 Award and in the subsequently issued bench awards for the purpose of the 'enforcement' of his Award is invalid and unenforceable as contrary to the authority granted him by the Parties and as contrary to the properly recognized role of arbitrators with respect to the process of enforcement of arbitral Awards." (Respondent's Attachment 9, p. 82).

15. Exceptions to the Award of Arbitrator Jaffe were filed with the Authority and, on October 31, 1988, the Authority denied the Union's exceptions, Social Security Administration, 33 FLRA No. 87, 33 FLRA 743, 755 (1988).

CONCLUSIONS

The Authority noted in Social Security Administration, supra, that, ". . . it is further apparent that Arbitrator Smith's role in this case contributed to the litigious nature of this dispute." (33 FLRA at 755). The Union's action in this case was equally atrocious. Recognizing that it had its own "hired gun" in Mr. Smith, the Union, immediately prior to a hearing before Arbitrator Anderson, unilaterally submitted the same dispute to Mr. Smith who readily, with the thoughtful and instructive comment, "It is so found and so ordered", rubber stamped the Union's request.

The Authority has held that, while it is clear that it has no jurisdiction to review exceptions to an arbitrator's award falling within § 21(f) of the Statute, it does have jurisdiction to order compliance with § 21(f) arbitration awards. United States Army, Adjutant General Publication Center, St. Louis, Missouri, 22 FLRA 200 (1986); United States Department of Justice, Bureau of Prisons, Washington,

D.C. and Bureau of Prisons, Federal Correctional Institution, Ray Brook, New York, 22 FLRA 928, enf'd mem. sub nom. Department of Justice v. FLRA, 819 F.2d 1131 (2d Cir. 1987) (decision unpublished).

Arbitration is a matter of contract. As the Supreme Court has stated.

"The first principle gleaned from the trilogy [Steelworkers v. American Mfg. Co., 363 U.S. 564 (1960); Steelworkers v. Warrior & Gulf Navigation Co., 363 U.S. 574 (1960); and Steelworkers v. Enterprise Wheel & Car Corp., 363 U.S. 593 (1960)] is that 'arbitration is a matter of contract and a party cannot be required to submit to arbitration any dispute which he has not agreed so to submit.'" AT&T Technologies, Ins. v. Communications Workers of America, 475 U.S. 643, 648 (1986) ("AT&T Technologies")

Of course, as the Supreme Court has further cautioned,

". . . in deciding whether the parties have agreed to submit a particular grievance to arbitration, a court is not to rule on the potential merits of the underlying claims." (AT&T Technologies, supra, 475 U.S. at 649).

And the Authority has likewise made it clear that, matters which go to the merits of an award are not litigable in an unfair labor practice proceeding brought to enforce the award, ". . . matters that go to the merits of the award . . . may only be raised within the appeals procedures established by Congress. United States Army, Adjutant General Publications Center, St. Louis Missouri, supra, 22 FLRA at 206; United States Department of Justice, Bureau of Prisons, Washington, D.C. and Bureau of Prisons, Federal Correctional Institution, Ray Brook, New York, supra, 22 FLRA at 932.

Jurisdiction, or arbitrability, may be raised at any time, Devine v. Levine, 739 F.2d 1567 (Fed. Cir. 1984) and, whether raised or not^{3/}, the jurisdiction of Arbitrator Smith clearly was not decided by the United States Court of Appeals for the Federal Circuit which denied OPM's petition

^{3/} As noted previously, jurisdiction was not raised by OPM.

for review (Respondent's Attachment 8). Congress intended that private sector case law concerning the lack of jurisdiction of an arbitrator should be adhered to in the federal sector. Devine v. White, 697 F.2d 421, 433 (D.C. Cir. 1983); Devine v. Levine, supra, 739 F.2d at 1572; National Center for Toxicological Research, Jefferson, Arkansas, 20 FLRA 692 (1985).

Of course, the question is generally whether an arbitrator exceeded his authority, for example, in the sense of deciding an issue not presented to him, but the selection of the arbitrator is equally jurisdictional and wholly a matter of agreement. Here, there is no dispute whatever that Mr. Justin Smith was selected to arbitrate certain grievances in 1982; or, further, that the parties entered into, two MOU's to carry out Arbitrator Smith's Final Award of April 5, 1985, which covered claims from June 11, 1982 to April 5, 1985. Each MOU specified a fixed period, from June 6, 1984 (MOU I) (45 days) and from August 12, 1985 (MOU II) (30 days), to file claims under the Smith award.

The Bigelow grievance was not filed under MOU I or MOU II. Nor was the Bigelow grievance, when belatedly "filed" with Arbitrator Smith, filed under within the time periods fixed for filing claims under the Smith award. In an arbitration pursuant to the decision of the Authority, American Federation of Government Employees, 29 FLRA 1568 (1987), Arbitrator Jaffe held that Arbitrator Smith's jurisdiction was:

(a) limited to the application of the rulings encompassed in the April 5, 1985, "Final Award" of Arbitrator Smith to claims properly processed through the procedures outlined in the parties' Memoranda of Understandings (i.e., MOU I and MOU II);

(b) any changes to the April 5, 1985, Final Award were in excess of the authority delegated to Arbitrator Smith; and,

(c) Arbitrator Smith's purported retention of jurisdiction for the purpose of "enforcement" of his award is invalid and enforceable as contrary to the authority granted him by the parties and contrary to the properly recognized role of arbitrators. (Respondent's Attachment 9, p. 82).

Exceptions to the Award of Arbitrator were filed with the Authority and were denied, Social Security Administration, 33 FLRA No. 87, 33 FLRA 743, 755 (1988).

With full awareness that the Court of Appeals for the District of Columbia Circuit has stated that Courts should be reluctant to override an earlier commitment of both parties to select a particular arbitrator, Devine v. White, supra, 697 F.2d at 438, there cannot, and should not, be any reluctance whatever here to override the selection of Arbitrator Smith to arbitrate the Bigelow grievance inasmuch as it has already been determined that Arbitrator Smith was without jurisdiction over any claim which had not been filed under the Smith award on, or before, September 12, 1985 (the Bigelow grievance was not "filed" with Arbitrator Smith until on, or about, September 12, 1986 -- a year after the time for filing claims under the Smith award had expired!). Moreover, it has further been determined that: any changes to the April 5, 1985, Final Award were in excess of the Authority delegated to Arbitrator Smith; and Arbitrator Smith's purported retention of jurisdiction for the purpose of "enforcement" of his award was invalid and unenforceable.

The Authority made clear in its decision in Social Security Administration, supra, that the only awards which are final and binding are those:

"1. Arbitration awards to which no exceptions were timely filed, as well as any awards to which exceptions were resolved by the Authority, are final and binding" (33 FLRA at 755).

As a § 21(f) award, exceptions could not be filed with the Authority, VAMC, Fargo, 20 FLRA 854 (1985), and, of course, the Authority resolved no exceptions to the Bigelow award. Although the Authority has held that,

". . . agencies are required to implement validly obtained arbitration awards which become 'final and binding'", Veterans Administration Central Office, Washington and Veterans Administration Medical and Regional Office Center, Fargo, North Dakota (hereinafter, VA Central Office), 27 FLRA 835, 838 (1987) (Emphasis supplied)

The Authority, further held that once § 21(f) awards become final and binding,

". . . because judicial review is not sought . . . those awards are enforceable without regard to the merits." (27 FLRA at 839).

Nevertheless, although it will not examine the merits, the Authority refused to enforce compliance with the § 21(f) award when the arbitrator lacked jurisdiction and dismissed the compliant, Id. at 840-841. The Union appealed and the United States Court of Appeals for the District of Columbia Circuit denied the petition for review, American Federation of Government Employees, AFL-CIO v. FLRA, 850 F.2d 850 (D.C. Cir. 1988). The Court stated, in pertinent part, as follows:

"The VA . . . as a government employer, is not entitled to direct review of an adverse MSPB decision or arbitrator's award before the Federal Circuit in section 7512 removal cases . . . That review can be sought on behalf of the agency only by the Director of the Office of Personnel Management ("OPM") . . . Apparently, the VA did not ask OPM to seek review; instead it refused to comply with the award . . . Although normally the FLRA will not permit a party to challenge an arbitrator's award collaterally in an unfair labor practice proceeding . . . it concluded that where the challenge is to the arbitrator's very jurisdiction - as opposed to his interpretation of a collective bargaining agreement - its usual approach is inapposite" (850 F.2d at 784-785)

"Petitioner claims the FLRA is not authorized to create an exception to its normal rule - barring challenges to the validity of an arbitrator's award in an unfair labor practice proceeding - to allow, in that context, a protest to an arbitrator's assertion of jurisdiction. We find that argument unpersuasive . . . nothing in the Act nor its legislative history is inconsistent with the Authority's view. Indeed, judicial review of private sector labor arbitration is, if anything, more restricted than is

the FLRA's review of arbitration arising out of federal employee collective bargaining . . . Yet even in the private sector an arbitrator's 'jurisdiction' (arbitrability) can be challenged in an enforcement proceeding . . .

" . . . Even had OPM lodged an appeal, . . . judicial review is still discretionary in the Federal Circuit . . . At least, then, where a party wishing to challenge an arbitrator's jurisdiction has no right of direct review, we think the Authority's decision to permit such a challenge as a defense to an unfair labor practice complaint is a quite reasonable procedural interpretation of its statute"
(850 F.2d 785-786)

General Counsel's assertion that VA Central Office, supra, permits the arbitrator's jurisdiction to be challenged only when the subject matter of the award is precluded by law, e.g., removal of a nurse under 38 U.S.C. §§ 4110 (VA Central Office); removal of a probationary employee (Director of Administration, Headquarters, U.S. Air Force, 17 FLRA 372 (1985)); removal of a National Guard Technician under 32 U.S.C. § 709(e) (Wisconsin Army National Guard, 14 FLRA 57 (1984) (General Counsel's Response, pp. 10-11)). I do not agree. VA Central Office, supra, permits the arbitrator's jurisdiction to be challenged in an unfair labor practice proceeding to enforce a § 21(f) award regardless of the reason for the asserted lack of jurisdiction for, as the Supreme Court has repeatedly made clear "arbitration is a matter of contract and a party cannot be required to submit to arbitration any dispute which he has not agreed so to submit" (AT&T Technologies, supra, 475 U.S. at 648), and, as the Court of Appeals stated in American Federation of Government Employees, AFL-CIO v. FLRA, supra,

" . . . where a party wishing to challenge an arbitrator's jurisdiction has no right of direct review, we think the Authority's decision to permit such a challenge as a defense to an unfair labor practice Complaint is a quite reasonable procedural interpretation of its statute"
(850 F.2d at 786).

Moreover, as it has been determined that Arbitrator Smith was without jurisdiction over any claim not submitted in accordance with the agreement of the parties (MOU I and MOU II) not later than September 10, 1985 (the Bigelow grievance was not "filed" with Arbitrator Smith until on, or about, September 12, 1986), Arbitrator Smith's award was ultra vires and unenforceable. Horner v. Garza, 832 F.2d 150, 151 (Fed. Cir. 1987).

For the reasons set forth above, Respondent's refusal to comply with the award did not violate § 16(a)(1) or (8) of the Statute, Respondent's Motion for Summary Judgment is hereby granted the Cross-Motion of the Charging Party and of the General Counsel for summary judgment are denied and the Complaint in Case No. 3-CA-80274 is hereby dismissed.

William B. Devaney
WILLIAM B. DEVANEY
Administrative Law Judge

Dated: August 7, 1989
Washington, DC