

On behalf of the Regional Director Committee, we express our grave concerns about the possibility of restructuring the field offices as you described at the January 11, 2018, conference call.

The RD Committee had understood that any restructuring of the field offices would be in response to budgetary concerns; however, you informed us that the restructuring you envision would take place regardless of budgetary considerations. We agree that significant changes must be made in how the Agency operates in order to continue to fulfill the mission of our Agency with significantly less resources. However, in our view, the restructuring you described, including the possible establishment of large Districts in the field, elimination of Regions, increasing the supervisory ratio, and downgrading of Regional Directors from SES positions to GS15 positions, would have a severe and negative impact on our Agency and our stakeholders. You are suggesting very major changes, and we have not heard an explanation of the benefits to be gained from these changes, nor how those changes will interrelate with changes in the Agency's Headquarters Divisions. We urge you to take the necessary time, in consultation with others, to analyze the benefits to be gained from the type of restructuring you are suggesting to be sure these changes make sense.

While the RD Committee fully appreciates your sharing of your preliminary thoughts, with so many unknown variables at this time, we are concerned that the significant changes in the field

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<sup>1</sup> Regional Directors David Leach, Peter Sung Ohr, Mori Rubin, and Nancy Wilson serve on the executive committee representing all Regional Directors.

offices would greatly affect the communities the Agency serves. As the RD Committee has expressed numerous times, we understand that the field offices must share in any cost-saving measures, but since over 95 percent of all casehandling matters are completed in the field, disproportional cuts to the field offices will exponentially negatively impact the Agency's ability to enforce the Act. Moreover, in reviewing the outstanding cost-saving recommendations, it appears that by implementing the Cost-Saving Committee's recommendations most of the potential budgetary shortfall for FY18 can be addressed without making significant structural changes, understanding that the savings will be less because of the delay in the implementation.

As you know, the enforcement of the Act extends beyond the prosecution of alleged unfair labor practices. The enforcement of the Act consists of high quality and unbiased investigations that parties can rely on, which results in about 65 percent of the cases being withdrawn or dismissed often within 90 days. The efficient and unbiased investigations of the 65 percent of non-meritorious cases bring disputes to a conclusion rather than prolonging industrial strife. And of the other 35 percent of cases determined to be meritorious, nearly 95 percent of those cases result in resolutions that contribute to the strength of the economy. Simply, those thousands of settlements help maintain industrial peace throughout the country in all industries. However, with the quick and significant structural changes expressed in your presentation, the RD Committee is concerned that much of the Agency's hallmark successes will be swept aside.

Regional Directors are responsible for substantively and administratively managing the operations of the Regional offices, and both are integral to enforcing the Act. Our stakeholders rely upon for appropriate and consistent decisions. We enjoy a great deal of confidence, respect, and trust from our stakeholders, which we believe would be undermined by removing many of the cores responsibilities of the sitting Regional Directors and by removing us from the Senior Executive Service. We believe that the changes you suggest, including the removal of Directors from the Senior Executive Service, will cause senior Directors and managers, whose institutional knowledge is a valuable asset to the Agency, to retire sooner than they otherwise intended.

As you can imagine, the information you provided to the Regional Directors has created much uncertainty and has disheartened us. Although you stated that informal committees will work on developing specifics details of the restructuring, the RD Committee seeks your insight on your general intentions so that we are not developing recommendations in a vacuum. It was unclear to us how many Districts you envision, how many Regional Offices would remain, how many Regional Directors would remain in that position, what the supervisory ratio would be, and when you would envision removing Regional Directors from the Senior Executive Service.

Also, were you envisioning that the many important substantive decisions made by Regional Directors, including whether there is merit to complicated and important unfair labor practice allegations and including the issuance of representation case decisions, would be handled by District Directors overseeing large geographical areas or would they continue to be handled by Regional Directors (who might be working at the GS 15 level)? Finally, what changes do you anticipate in Headquarters and how will those changes interrelate with the field office changes?

The RD Committee is committed to help modernize the Agency and address head-on the fiscal dilemma. However, any anticipated changes must be thoughtfully considered so that the great work of the Agency remains. We would like to work with you in developing changes that would be appropriate to meet our challenges.

With all due respect,

Regional Director Committee