



MAIL HANDLER UPDATE

NATIONAL POSTAL MAIL HANDLERS UNION

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OPPORTUNITY FOR VOLUNTARY EARLY RETIREMENT OR SEPARATION INCENTIVES UP TO \$15,000

After in-depth discussions between NPMHU and management officials at the headquarters level, the Postal Service is offering financial incentives during a new round of retirement and separation opportunities for most Mail Handlers.

Under the terms of a Memorandum of Understanding signed by both parties on May 22, 2012, eligible Mail Handlers who choose to leave employment with the USPS on or before August 31, 2012 will each receive incentive payments totaling up to fifteen thousand dollars (for full-time employees). The MOU also provides a moratorium on excessing in all facilities until at least August 11, 2012 (unless excessing was already scheduled). This provision should eliminate excessing in some facilities that will now have vacancies due to retirements, and may provide vacancies closer to home for other employees who have to be excessed after August 11.

The monetary incentives included in the MOU will be available (with certain restrictions) to all Mail Handlers who are currently eligible for regular retirement, voluntary early retirement, and all other employees who may wish to separate from the Postal Service. Any Mail Handler wishing to participate in this retirement incentive offer must do so no later than July 2, 2012—which date, as detailed in the MOU, is the deadline for accepting this incentive offer, and is also the deadline for revoking a submitted acceptance. Those Mail Handlers who are eligible should be receiving a package in the mail from the Postal Service, but in general terms VERA offers apply to employees covered under both the Civil Service Retirement System (CSRS) and the Federal Employees Retirement System (FERS). More specifically, to be eligible the employee must:

- Meet the minimum age and service requirements:
- Be at least 50 years of age with at least 20 years of service, or any age with at least 25 years of service, and
- Have at least five years of creditable civilian service, not military service. Employees may use military service to meet the balance of service required for eligibility.
- The above criteria MUST be met by the VERA effective retirement date, which in this case is August 31, 2012.
- CSRS employees must have been employed under CSRS for at least one year out of the last two years, but the service need not be continuous.

In addition, certain retirement videos are available on the “lite-blue” network. An employee needs his/her Employee Identification Number (EIN) and Personal Identification Number (PIN) to log on at www.liteblue.usps.gov. Once logged on, the employee can go to “My HR,” then to “Browse By Subject,” then to “Retirement,” and then to “Watch Retirement Videos.” Both the regular and VER retirement videos are available at this site.

The agreement with the Postal Service is intended to provide a financial cushion, and added peace of mind, for Mail Handlers who might be prepared to move on to the next chapter of their lives by leaving the Postal Service—a decision that could be particularly trying during these difficult economic times. In addition, with many closings and consolidations expected to be implemented at mail processing facilities in August 2012 and February 2013, the MOU also will benefit remaining Mail Handlers to the extent that some Mail Handlers choose to retire because of this incentive. More specifically, remaining Mail Handlers will experience less excessing and will benefit from more landing spots if excessed, more bidding opportunities, and other results of reduced staffing.

Please understand that none of the information in this bulletin should be considered as official retirement advice, and the NPMHU National Office is neither recommending retirement or separation nor assuming any responsibility for decisions that you may make about your retirement or separation from the USPS. We recognize that retirement or separation from the Postal Service is a very personal decision, based on each individual’s own finances and circumstances. Therefore, the National Office cannot provide individual retirement advice.

Moreover, you may want to seek advice from the USPS at retirement counseling sessions that will be scheduled, and you also may wish to consult with your own financial advisor on this important decision. There are many personal and financial factors to be considered if you are thinking of accepting this incentive offer. For just some examples, you need to consider your personal family and health situation; how your health, life insurance, and other benefits may be affected; what your future sources of income will be; and whether you have alternative plans and opportunities.

Again, any Mail Handler who may be considering this incentive-based retirement or separation option should closely review the terms of the Memorandum of Understanding that are printed below, do the necessary research on the liteblue webpage, and participate in a USPS retirement counseling session to ensure that any and all questions are answered prior to applying for this retirement or separation option.

MEMORANDUM OF UNDERSTANDING Between The United States Postal Service And The National Postal Mail Handlers Union, AFL-CIO, A Division of the Laborers’ International Union of North America

Re: One-time Retirement Incentive

The parties agree that the Postal Service will make lump sum incentive payments totaling \$15,000 (less applicable taxes and deductions) to eligible full-time career employees who choose optional retirement, retire pursuant to a Voluntary Early Retirement Authority (VERA), or voluntarily resign from the Postal Service. Part-time employees shall be eligible for a prorated amount, as provided below. These payments are subject to the following terms and conditions:

1. All career employees covered by the USPS-NPMHU 2006-2011 National Agreement are eligible for incentives pursuant to this Memorandum of Understanding (MOU) except for:
 - Employees in a probationary status on the date of retirement or voluntary resignation
 - Employees who have received a Notice of Removal or Letter of Decision as of the effective date of retirement or voluntary resignation.
 - Employees who separate via disability retirement
 - Employees who separate via transfer to another Federal Agency
2. Employees must indicate in a manner prescribed by the Employer on or before July 2, 2012, their intent to participate in the incentive program by indicating that they wish to take optional retirement, retirement pursuant to a VERA, or voluntary resignation and separate effective August 31, 2012.
 - On the date of this MOU, eligible employees who had a previously scheduled retirement date that is earlier than August 31, 2012, may retire on their scheduled date and receive the incentive.
 - On the date of this MOU, eligible employees who had a previously scheduled date that is later than August 31, 2012, must change their date to August 31, 2012, and meet retirement eligibility on that date, in order to receive the incentive.
 - Eligibility for optional or VERA retirement, with incentive, will be based on a August 31, 2012, effective date.
 - Employees who indicate they are taking a VERA under the terms of this MOU and wish to revoke their decision must do so on or before July 2, 2012, which is the irrevocable date provided in the written offer letter.
 - All retirement counseling will be conducted via phone in

group sessions not to exceed 10 retirees. Any employee seeking additional assistance after participation in a group session will be accommodated on an individual basis.

3. The \$15,000 incentive for eligible full-time career employees will be paid as Follows:

\$7,500 to be paid on 12/21/2012
\$7,500 to be paid on 12/20/2013

Part-time flexible and part-time regular employees shall receive incentive payments that are prorated based on the number of hours paid in the twenty-six full pay periods prior to the effective date of their retirement or resignation in accordance with the following schedule:

Number of Paid Hours	Percent of Incentive Payment
Under 520	25
520 and under 1020	50
1020 and under 1520	75
1520 and over	100

The prorated percentage shall be applied separately to each of the two incentive payments (\$7,500 & \$7,500). These payments shall be made on the same dates as for full-time employees.

An employee who accepts the incentive payment, and subsequently seeks future career employment with the Postal Service, must return the incentive payment received to the Postal Service as a precondition for employment, unless a period of two years has passed from the date of retirement or separation and the date of rehiring.

4. The parties agree to relax some of the contractual restrictions in those installations where employees accept the one-time retirement incentive. The Postal Service may replace each career Mail Handler who accepts the incentive with a casual employee for a period not to exceed ninety (90) days from the effective date of the voluntary separation or the August 31 separation date. The hiring of these casuals will not be subject to the “in lieu of” restrictions contained in Article 7.1.B of the

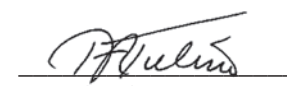
national agreement. This provision does not provide authority to exceed the 12.5% casual cap when the number of casuals to be hired under this section can be accomplished under the existing cap.

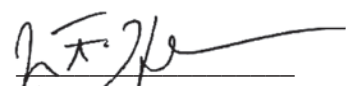
5. When career employees are excessed into, or transfer to, those installations where employees have accepted the one-time retirement incentive and casuals have been hired, the number of casual employees in Section 4 above will be reduced by the number of career employees brought into the installation. If an installation is under the 12.5% cap and can justify the casual use under existing contractual requirements, then this reduction will not apply.
6. The parties further agree that there will be no excessing of Mail Handlers from one installation to another from the effective date of this Memorandum of Understanding until August 11, 2012, so that if excessing is necessary, the parties will be able to determine the appropriate impact consistent with the provisions of Article 12. This temporary stay on excessing will not apply to other planned excessing events already scheduled for implementation.

The parties further agree that these incentives will be provided to all eligible employees who elect to take advantage of the offer with no limit or cap

Any disputes arising under this MOU will be referred to the National Administrative committee for discussion and resolution.

This MOU is without prejudice to the positions of the parties on any issue and shall not be cited in any dispute resolution proceedings, except for the purpose of enforcing its terms.


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United States Postal Service


John F. Hegarty
National President
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Date: 5/22/12

Please Post!!

May 2012