



# National Postal Mail Handlers Union

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January 13, 2025

**TO:** All Local Presidents  
National/Regional CAD  
National Executive Board

**FROM:** Paul Hogrogian, National President *PdH*  
Kevin P Tabarus, National Secretary-Treasurer *KT*  
Teresa Harmon, Manager, Contract Administration Department *TH*

**RE:** One Time Retirement Incentive

The NPMHU and the USPS have reached an agreement on the terms of a One Time Retirement Incentive. The parties have agreed 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 optimal retirement or retire pursuant to a Voluntary Early Retirement (VER). Part-time career employees shall be eligible for a prorated amount based on their paid hours. Attached is the January 13, 2025, Memorandum of Understanding (MOU) which sets forth the terms of this agreement.

To be eligible to retire under a Voluntary Early Retirement (VER), there are minimum age and service requirements. The requirements are:

- At least age 50 with at least 20 years of creditable Federal service  
OR
- Any age with at least 25 years creditable Federal service.
- An employee must have at least 5 years of creditable civilian service to be eligible for an early voluntary retirement.

More detailed information will be widely circulated to all eligible mail handlers, directly from the Postal Service, during the coming weeks.

Although we are pleased to provide this opportunity to the membership, please be advised that the NPMHU neither encourages nor discourages anyone from taking this opportunity. Retirement is a very important and personal

decision, and mail handlers should proceed very cautiously to evaluate what this offer means to them personally.

Please disseminate this information as you deem appropriate.

MEMORANDUM OF UNDERSTANDING BETWEEN  
THE  
UNITED STATES POSTAL SERVICE  
AND THE  
NATIONAL POSTAL MAIL HANDLERS UNION

**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 or retire pursuant to a Voluntary Early Retirement<sup>1</sup> (VER). 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 2022 – 2025 National Agreement are eligible for incentives pursuant to this Memorandum of Understanding (MOU) except for:
  - 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 March 7, 2025, their intent to participate in the incentive program by indicating that they wish to take optional retirement or retirement pursuant to a VER and separate effective April 30, 2025.
  - Eligibility for optional or VERA retirement, with incentive, will be based exclusively on an April 30, 2025, effective date.
  - Effective on the date of this MOU, eligible employees who had a previously scheduled retirement date that is earlier than April 30, 2025, may retire on their scheduled date and receive the incentive.
  - Effective on the date of this MOU, eligible employees who had a previously scheduled date that is later than April 30, 2025, must change their date to April 30, 2025, and meet retirement eligibility on that date, in order to receive the incentive.
  - All retirement counseling will be conducted via phone in group sessions not to exceed 10 retirees no later than March 7, 2025. Any employee seeking additional assistance after participation in a group session will be accommodated on an individual basis.<sup>2</sup>
  - Employees who indicate they are taking a VER under the terms of this MOU and wish to revoke their decision must do so on or before March 7, 2025, which is the irrevocable date provided in the written offer letter. Exceptions will only be granted by mutual agreement of the parties at the National level. In the event a VER group counseling appointment is not available for an employee who met the conditions identified above, the employee may withdraw their VER application in writing by close of business April 18, 2025.
3. The \$15,000 incentive for eligible full-time career employees will be paid as follows:
  - \$10,000 to be paid on August 15, 2025
  - \$5,000 to be paid on August 28, 2026

<sup>1</sup> Voluntary Early Retirement offers apply to employees covered under both the Civil Service Retirement System (CSRS) and the Federal Employees Retirement System (FERS). Employees who meet the below listed general eligibility requirements are eligible to retire early:

1. The minimum age and service requirements -
  - At least age 50 with at least 20 years creditable Federal service, OR
  - Any age with at least 25 years creditable Federal service.
  - An employee must have at least 5 years of creditable civilian service to be eligible for an early voluntary retirement.

<sup>2</sup> Retirement counseling will include explanation of any penalties related to a voluntary early retirement.

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 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 (\$10,000 and \$5,000). 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 and the date of rehire.

- The parties agree to relax some of the contractual complement 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 Mail Handler Assistant (MHA) employees for a period not to exceed ninety (90) days from the effective date of the voluntary separation or the April 30, 2025 separation date. The hiring of these MHAs will not count towards the existing MHA caps. This provision does not provide authority to exceed the MHA cap when the number of MHAs to be hired under this section can be accomplished under the existing cap. There will be no involuntary reassignment of career employees from an installation (physically moved out of installation) while the Installation exceeds the MHA cap as a result of this provision.
- When career employees are excessed into, or transfer to, those installations where employees have accepted the one-time retirement incentive and MHAs have been hired, the number of MHA employees in Section 4 above will be reduced by the number of career employees brought into the installation. If an installation is under the 25% cap and can justify the MHA use under existing contractual requirements, then this reduction will not apply.

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, including the grievance/arbitration process except for the purpose of enforcing its terms.

  
Dedg Tulino  
Deputy Postmaster General & Chief  
Human Resources Officer  
United States Postal Service

  
Paul Hogrogian  
National President  
National Postal Mail Handlers Union

Date: 1/13/25