

January 6, 2017

Mr. Brian J. Wagner
President
National Association of Postal Supervisors
1727 King Street, Suite 400
Alexandria, VA 22314-2753

Dear Brian:

As a matter of general interest, the Postal Service intends to preview a new innovation called "The Most Wonderful Ornament" at the Consumer Electronics Show in January.

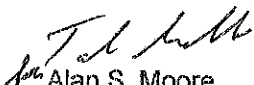
The Postal Service will also produce several videos centered on this innovation.

"The Most Wonderful Ornament" is a device shaped like a holiday ornament that plugs into a USB port and signals the sender of a package when the package is en route, delivered, and opened. The en route and delivered signals will be sent to the ornament using information pulled from USPS Tracking that utilizes our traditional carrier scans. The opened signal will be sent to the ornament from a chip contained in the packaging.

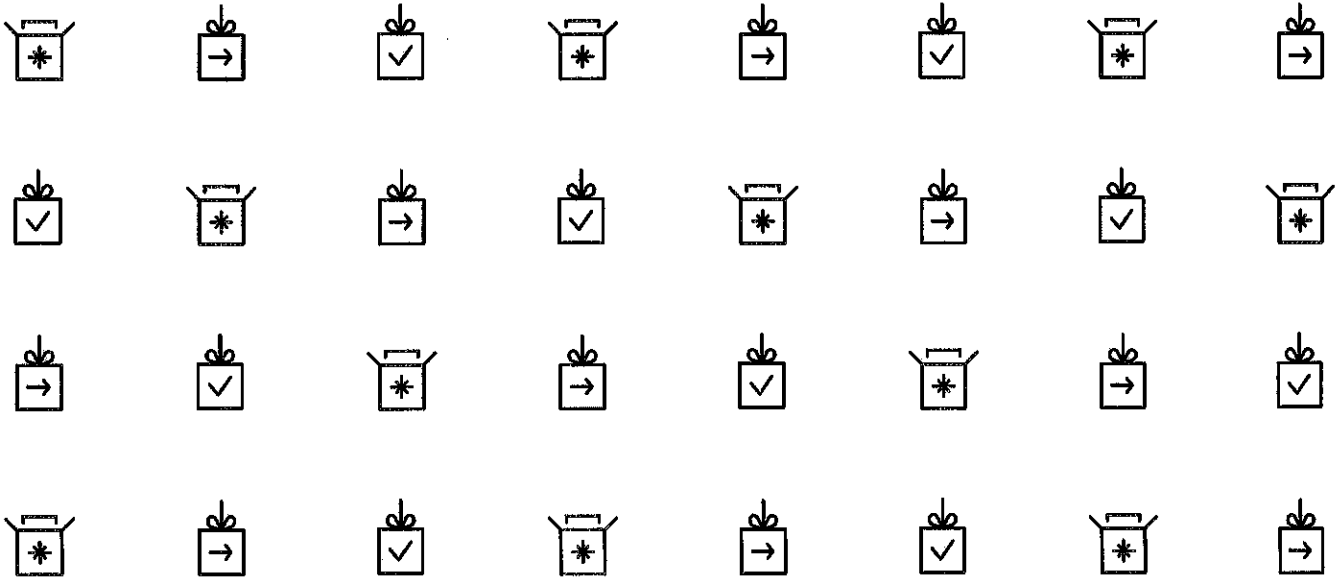
Enclosed are two promotional brochures.

Please contact Bruce Nicholson at extension 7773, if you have questions concerning this matter.

Sincerely,


for Alan S. Moore
Manager
Labor Relations Policy and Programs

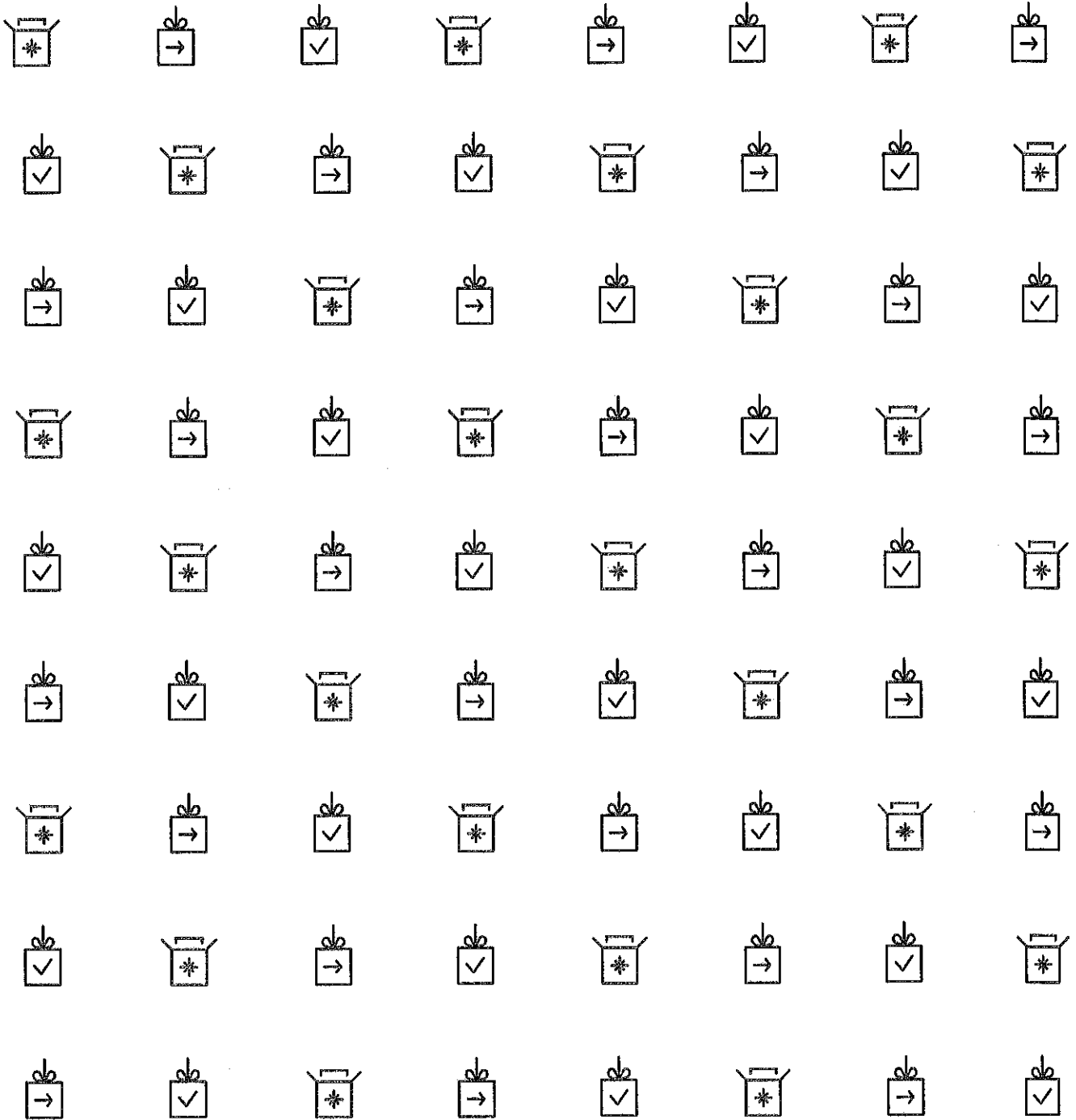
Enclosures

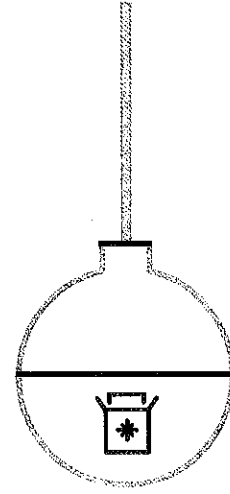
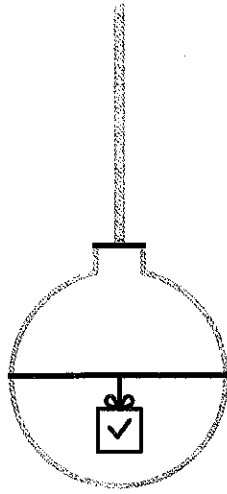
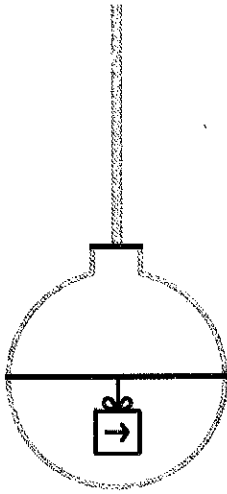


THE MOST WONDERFUL ORNAMENT

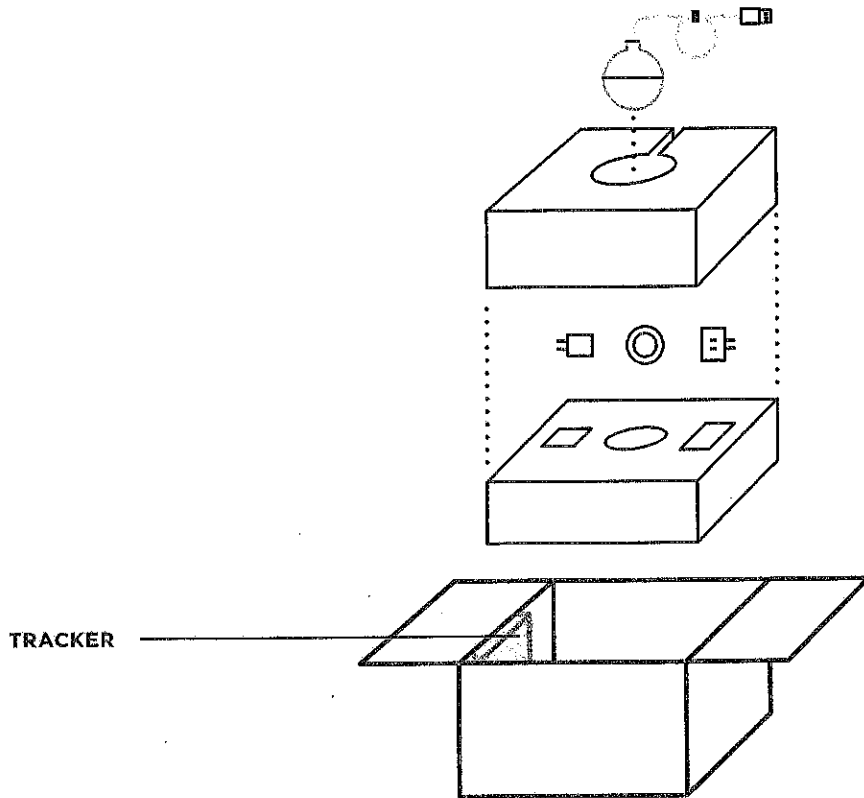
UNITED STATES POSTAL SERVICE®







The Most Wonderful Ornament tracks your package from the moment it's sent, delivered and opened by your recipient. You can track the package from your tree, desk, bedside, or anywhere you like.



OPENING

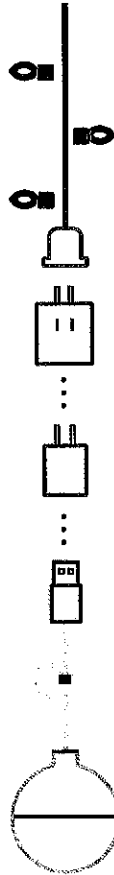
IMPORTANT! You'll find a white device attached on the inside of the box. This is your tracker. When you remove the foam packaging, please do not detach the tracker. The ornament communicates with the tracker and will not work without it.

EASY SETUP

HOLIDAY LIGHTS

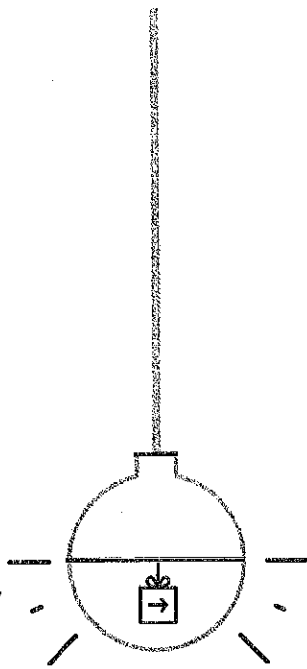
SPLITTER

USB POWER

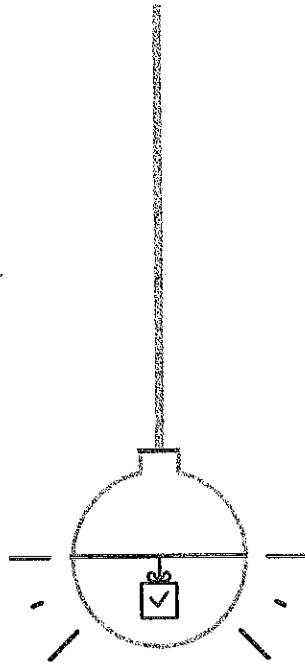


CONNECTING TO THE LIGHTS

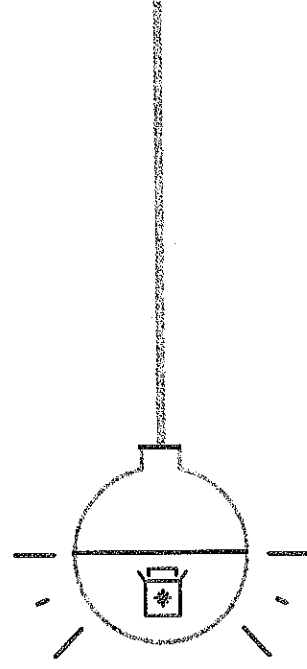
Connect the ornament by plugging the power adapter into a strand of holiday lights or a wall outlet.



"sent"



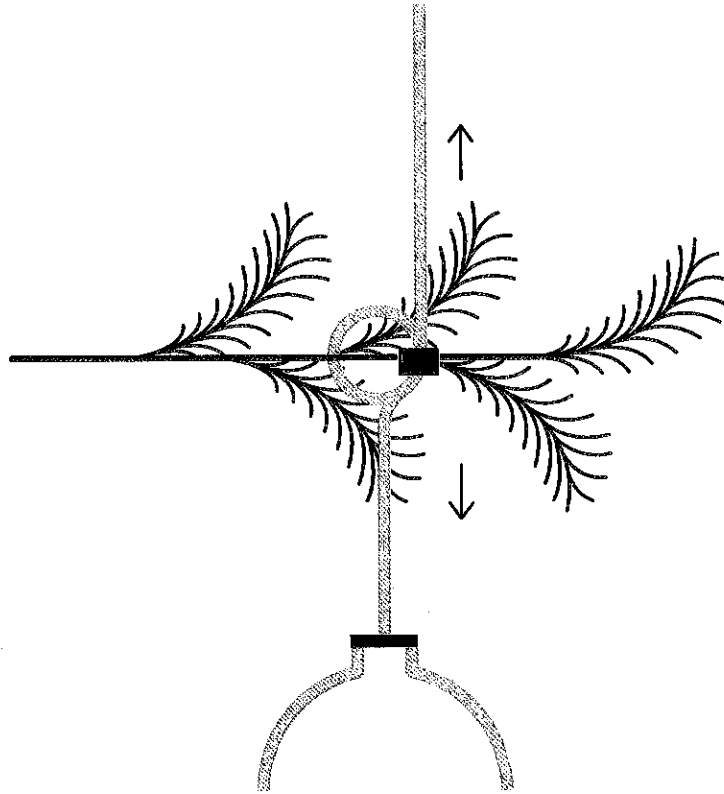
"delivered"



"opened"

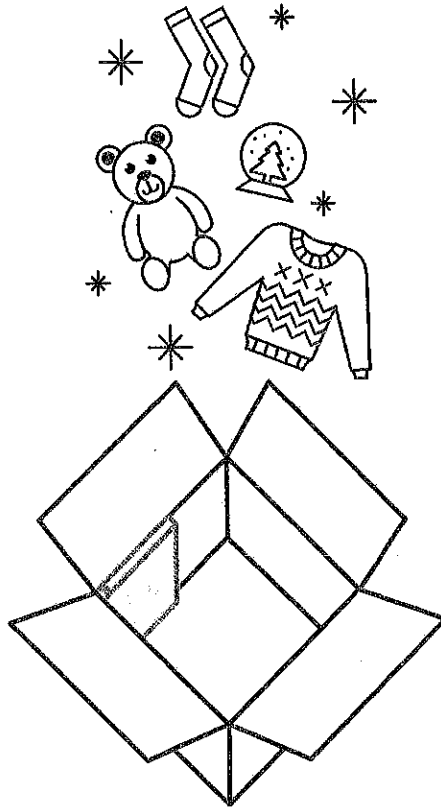
STARTUP

The Most Wonderful Ornament will flash blue, red and green during startup. Once the flashing stops, the connection is complete and your ornament is ready.



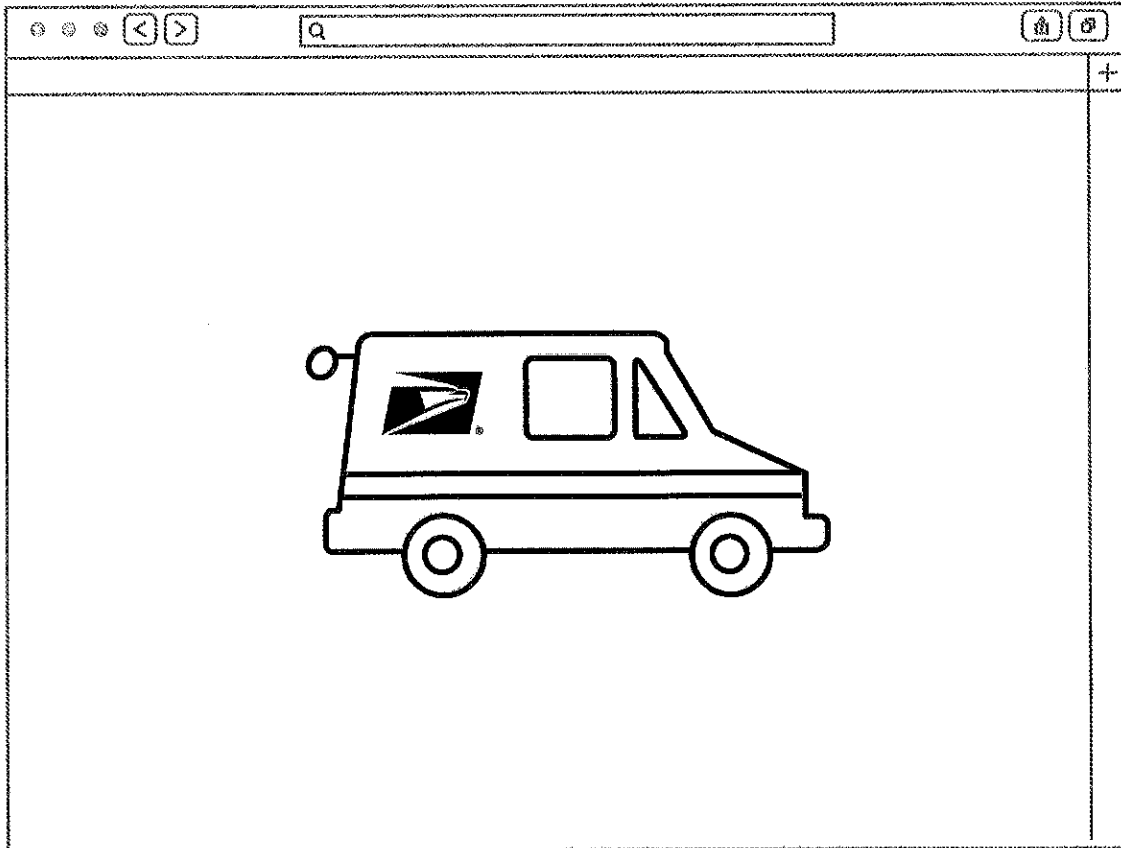
HANGING ON THE TREE

Use the power cable as a fastener to hang the ornament from your tree.



PACKING

Place your gifts inside the box and add packing material for safe shipping. Fill out the pre-paid shipping label located on the outside of the box.



There are a few different ways to send your gift. You can schedule a pickup at usps.com/pickup, visit your local Post Office™, or drop it off at a USPS® Collection Box.

DETAILED INSTRUCTIONS (FOR THOSE WHO REALLY LOVE INSTRUCTIONS)

SETTING UP THE ORNAMENT

To hang The Most Wonderful Ornament on your tree with a single strand of holiday lights, simply plug the ornament using the power adapter into the end of the cord.

If you have more than one strand of holiday lights on your tree, simply disconnect a strand of cords and insert the power splitter between the two. Then, plug the power adapter into the power splitter.

The power cable acts as a fastener you can use to hang the ornament from a branch on the tree. When hanging, make sure to keep the ornament away from high heat sources.

If you're not placing the ornament on your tree, plug the power adapter into a wall outlet. Then, rest the ornament on a surface using the ring stand.

The ornament will flash brightly during startup and connection. If the ornament flashes for more than two minutes, try moving it around for better reception. Once the flashing stops, the connection is complete and your ornament is ready.

The ornament will shine white to indicate it is in standby mode. Once the package is processed, the ornament has begun the first phase of tracking!

OPENING AND PACKING THE GIFT BOX

Remove all foam packaging with the easy-to-use tabs.

IMPORTANT! You'll find a white device attached on the inside of the box. This is your tracker. When you remove the foam packaging, please do not detach the tracker. The ornament communicates with the tracker and will not work without it.

Fill box with as many gifts as you like and add packing material for safe shipping and seal the box with tape.

Fill out the pre-paid shipping label located on the outside of the box.

Schedule a pickup using usps.com/pickup, visit your local Post Office™, or drop it off at a USPS® Collection Box.

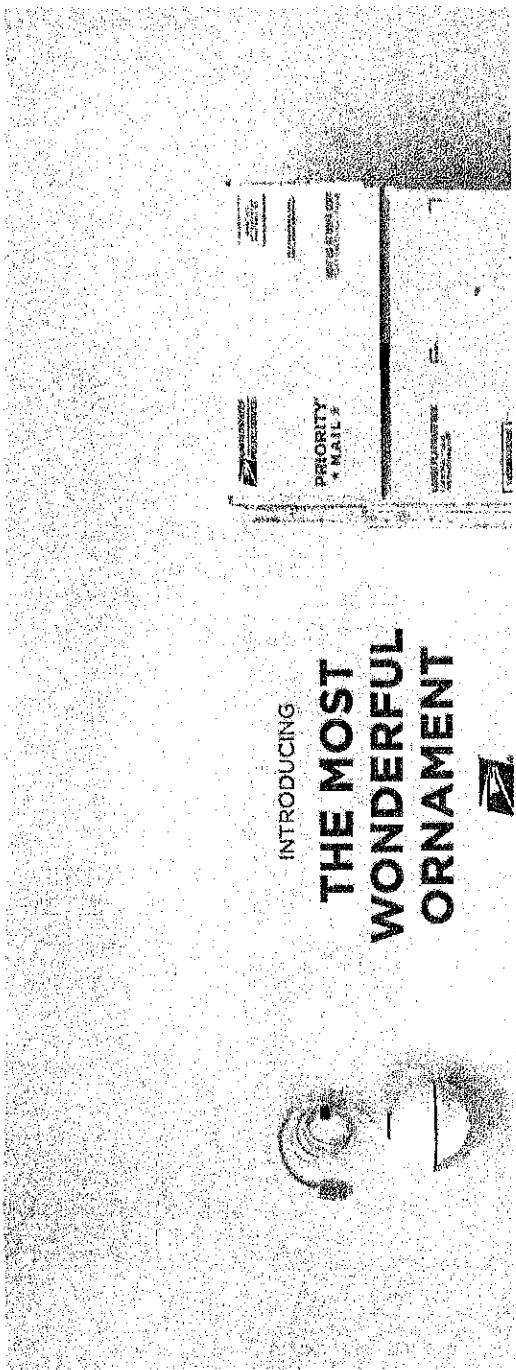
*This package is utilizing tracking technology that will enable the sender, The Postal Service and developers to know when the box has been opened. By opening the box you agree to participate in this technology.





The Most Wonderful Ornament

The Most Wonderful Ornament



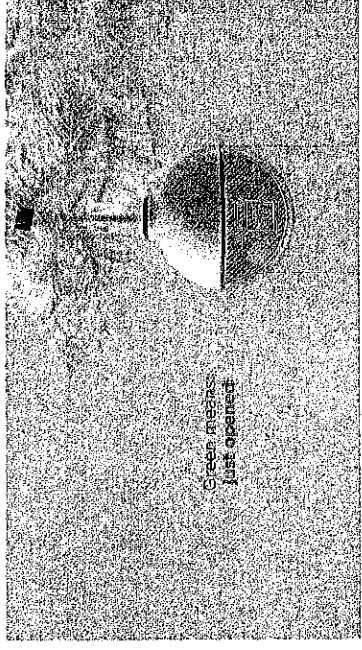
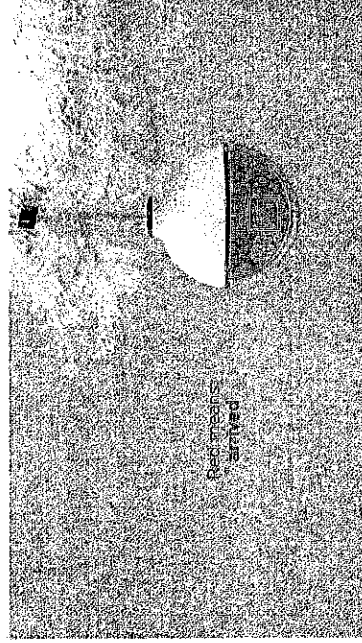
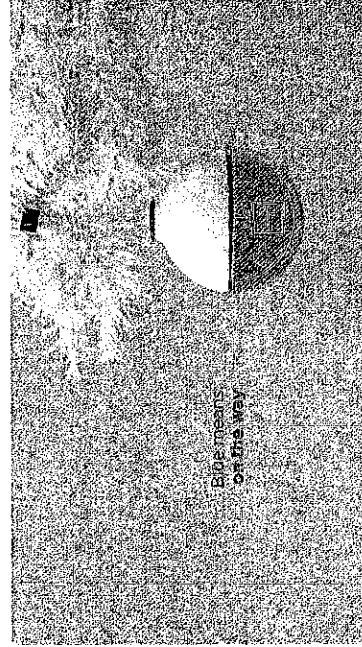
Background

- The United States Postal Service has developed The Most Wonderful Ornament, a first-of-its-kind technology that will give users a special glimpse into the future of tracking and smart packaging.
- During the holiday season, when confirmation of deliveries is at an all-time high, we want to generate attention for the Ornaments to help tell the Postal Service's story of continued technology innovation.

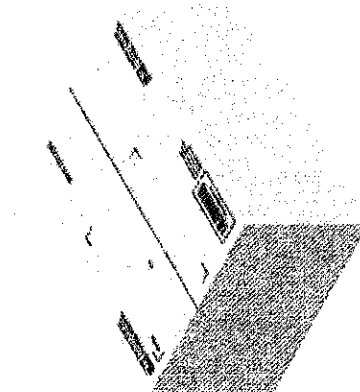


How It Works

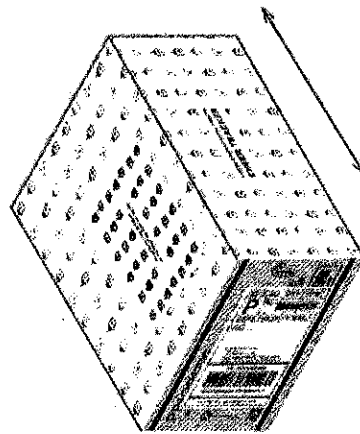
The Most Wonderful Ornament combines a custom box-opening tracker with the existing USPS tracking platform to visually connect users to the status of their packages. The ornament updates the sender on the state of their package from sent, to delivered, to opened as it changes color and icon for each state.



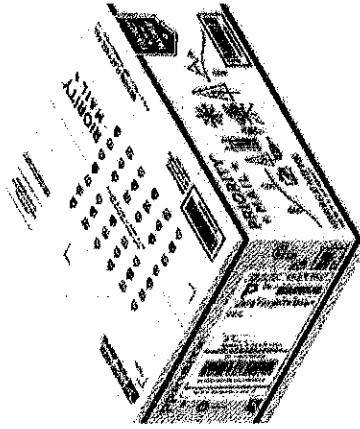
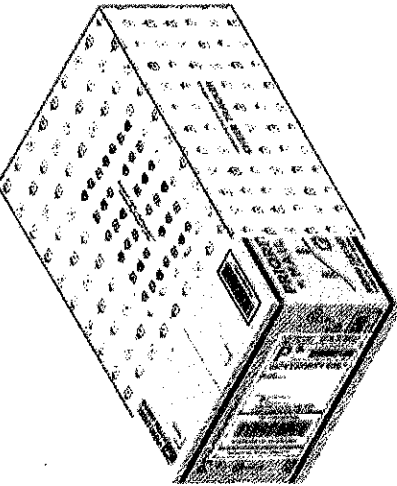
Kit Exterior: Option 2: Sticker



1. The kit is shipped in a padded white USPS box.

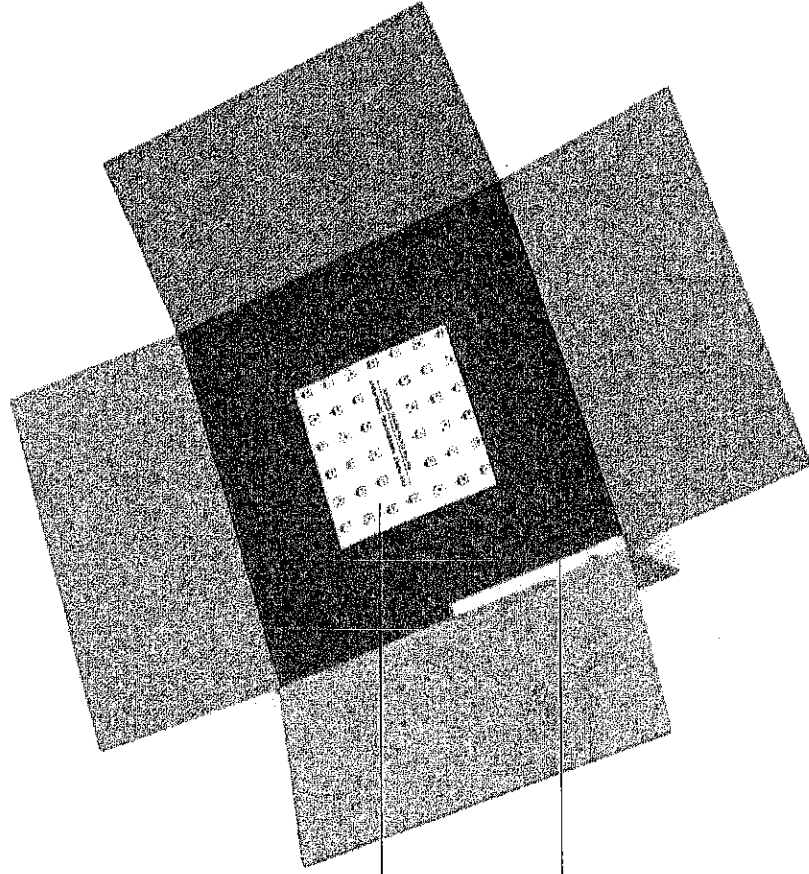


2. A custom designed sleeve wraps around a Large USPS Priority Mail Holiday Box. This sleeve keeps the box closed without the need to use adhesives.



3. When the sleeve is removed the box opens revealing the kit contents. A custom printed sticker is placed over the seal when shipping to remind the receiver that the gift should not be opened until the Christmas Holiday.

Sleeve Removed Box Open

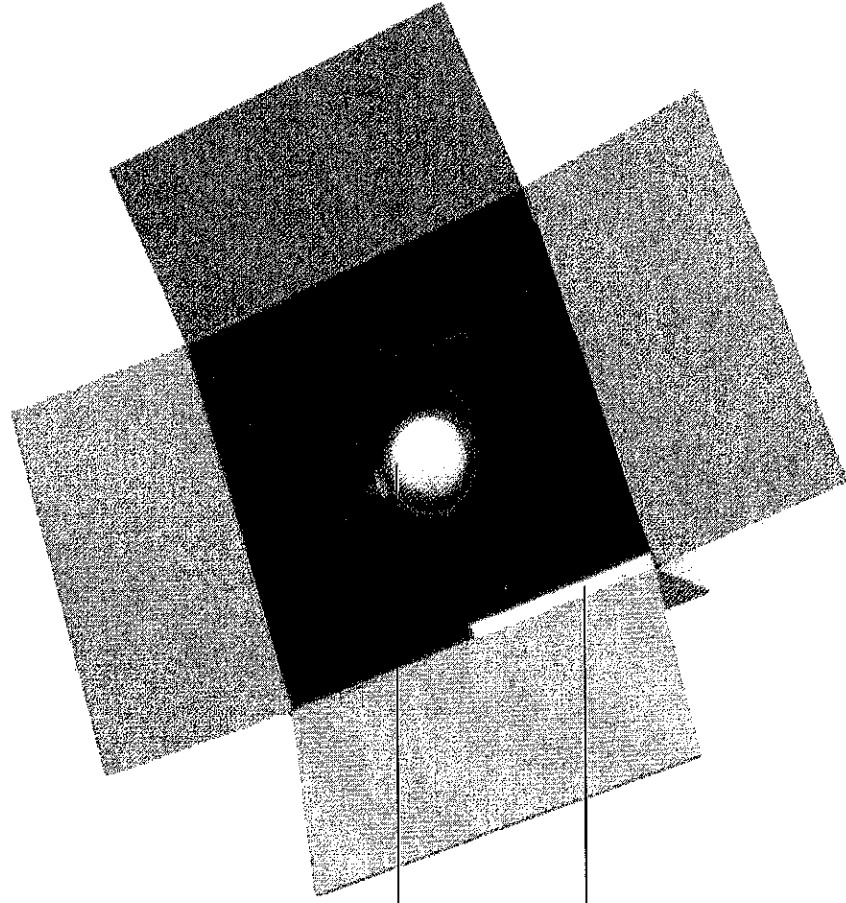


Instruction Manual

Tracker Unit



Box Open Ornament Revealed



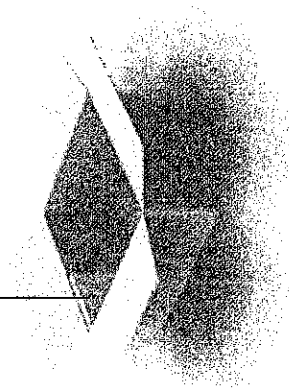
Ornament

Tracker Unit

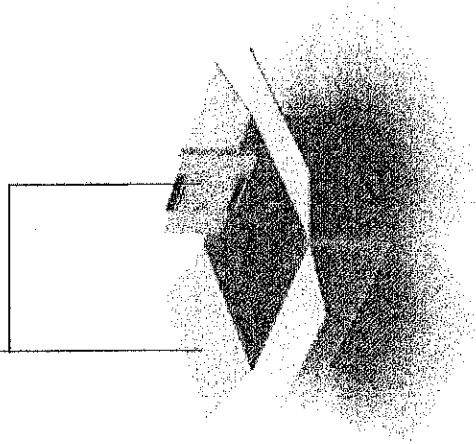


Gift Tracker Kit Breakdown

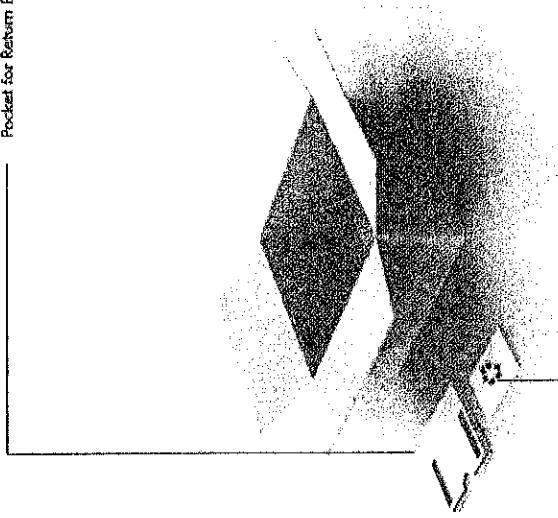
Tracker Unit
attached to inside
of box with Velcro.



Tracker Unit detached



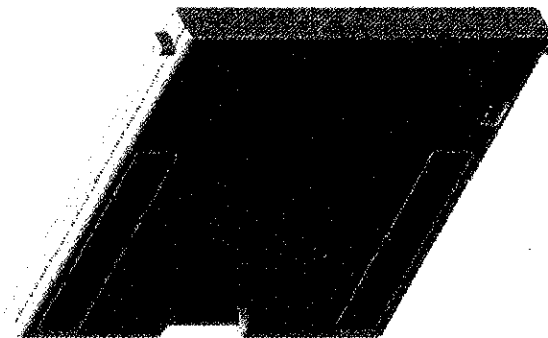
Pocket for Return Envelope



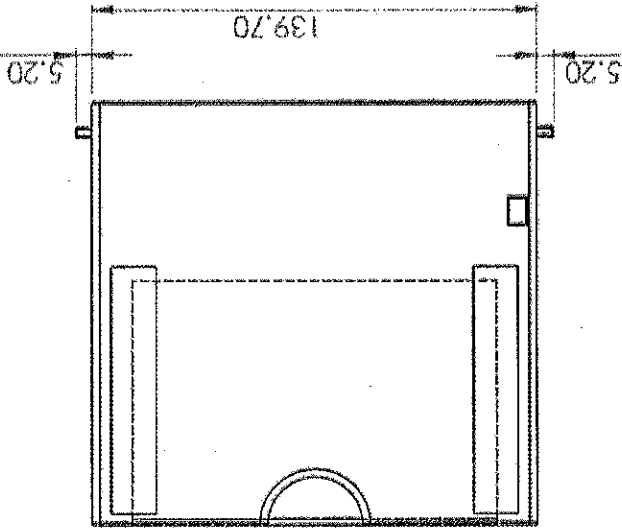
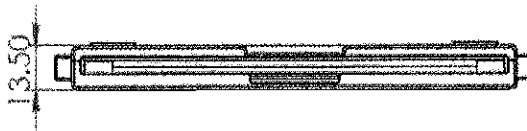
Return envelope



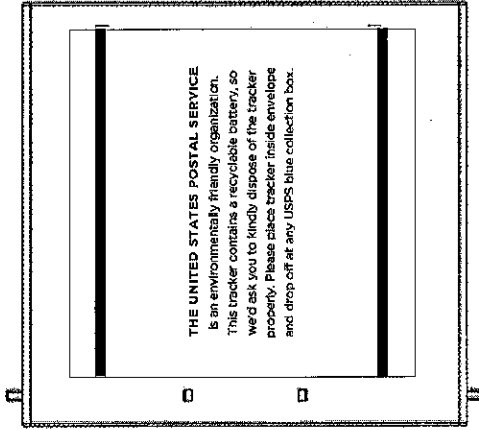
Tracker Details



Tracker

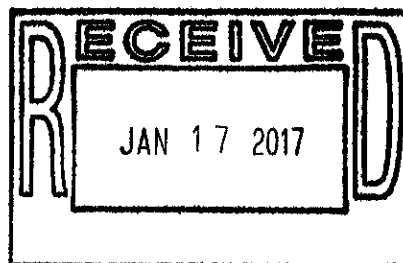


Tracker Back



Tracker front





December 30, 2016

Mr. Brian J. Wagner
President
National Association of Postal Supervisors
1727 King Street, Suite 400
Alexandria, VA 22314-2753

Dear Brian:

As a matter of general interest, the Postal Service is updating the Mobile Delivery Device (MDD) to enhance its functionality.


The update includes: Eliminate Out of Sequence SPM Trigger, Disable Package Intercept, January 2017 Price Changes, MDD Log cleaning, MDD Registry Update, and MDD Verizon Over the Air (OTA) switching.

The update will be tested beginning the week of January 9, with national release scheduled for January 23.

Enclosed is the final draft copy of the MDD Release 5.2 Service Talk.

Please contact Bruce Nicholson at extension 7773 if you have questions concerning this matter.

Sincerely,


for Alan S. Moore
Manager
Labor Relations Policy and Programs

Enclosure

MDD Release 5.2 Service Talk

The deployment schedule for release 5.2 is, Beta/Pilot on January 9, 2017 and national deployment on January 23, 2017. New features added in Release 5.2 include:

1. Eliminate Out of Sequence SPM Trigger

An enhancement to the SPM request trigger logic done at the background. No workflow or screen change in SPM application. Carriers won't be alerted by the SPM requests at addresses they do not intend to deliver packages after breaking geo fence.

2. Disable Package Intercept

Previously, if a carrier scanned a Package Intercept label a popup question would display asking the carrier if they wanted to confirm the Package Intercept. Because of carrier safety concerns brought up by Delivery Operation and Inspection Service, Package Intercept has now been disabled on the scanner.

MDD Release 5.2 Service Talk

3. January Price Change changes

- ECOMPRO - Enable scans of barcode HC-HZ
- Rename Standard Mail to USPS Marketing Mail
- Rename Standard Post to USPS Retail Ground

4. MDD Logs cleaning

Update the process of MDD cleaning logs to ensure sufficient storage memory is available on the scanner. No impact to carriers.

5. MDD Registry Update

A new process to manage MDD registries and application configuration settings to facilitate MDD software deployment in Mobile Device Management(MDM)tool. No impact to carriers

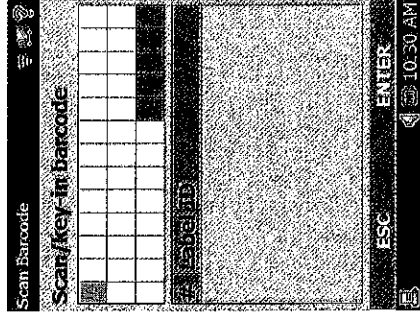
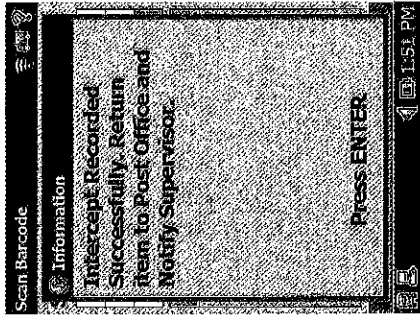
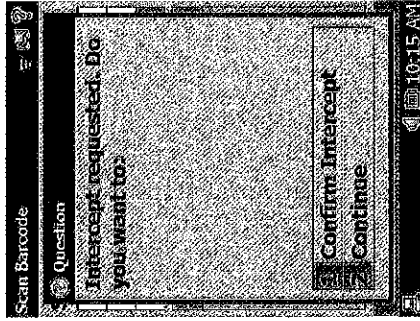
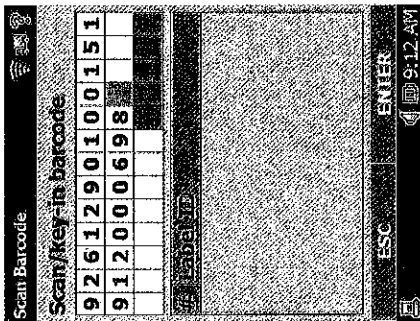
MDD Release 5.2 Service Talk

6. MDD Verizon OTA

A standalone application outside MDD software to enable seamless cellular service switch from AT&T to Verizon. No impact to carriers.

MDD Release 5.2 Service Talk

Disable Package Intercept Screen Flows -- Previously



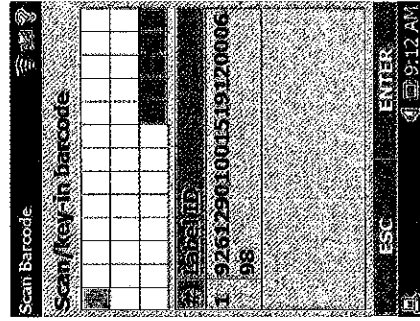
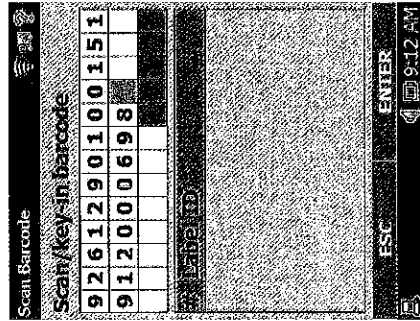
1. Scan Barcode Label requiring interception

2. MDD identifies package to be intercepted and displays "Intercept request" message:
Select 1. Confirm Intercept

3. Upon Confirmation, MDD displays instruction to return package to Postal office and report to Supervisor.
Press Enter

4. Package label will be rejected and scanner returns to Scan/Key-in Barcode screen.

After Change

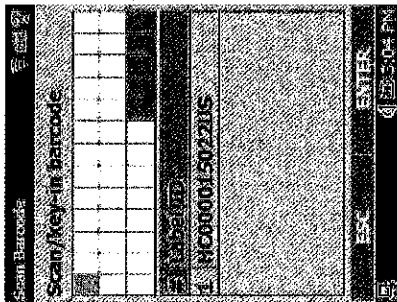


1. Scan Barcode Label requiring interception.

2. Label shall be listed under Label ID. No Package Intercept popup will display

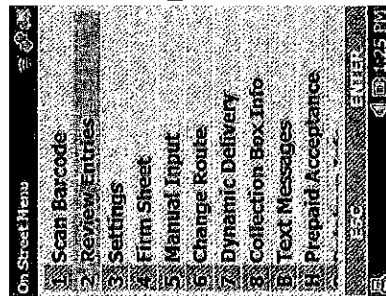
MDD Release 5.2 Service Talk

ECOMPRO Screen Flows

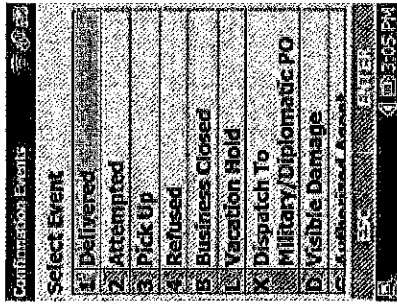


Scan a barcode in the service type range HC - HZ.

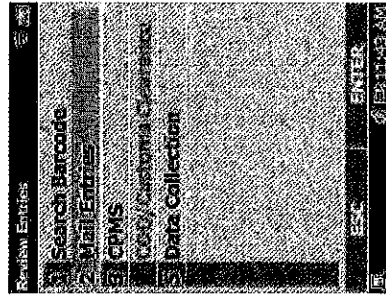
Review Entries:



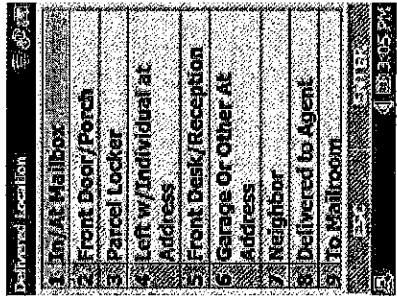
Select 2. Review Entries from On Street menu.



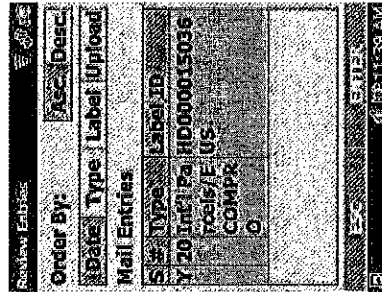
Select 1. Delivered.



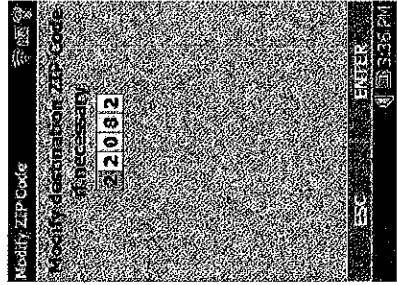
Select 2. Mail Entries.



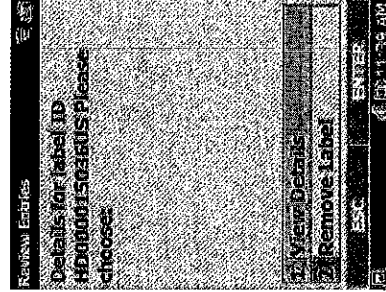
Select a Delivered Location.



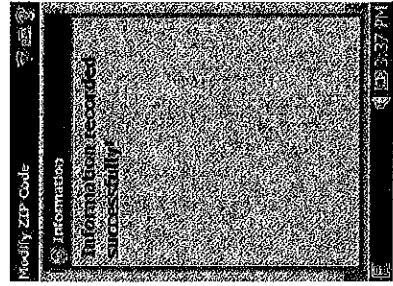
Select the entry to view.



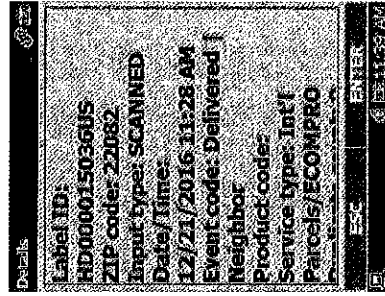
Modify or accept the destination zip code.



Select 1. View Details.



Information recorded successfully.

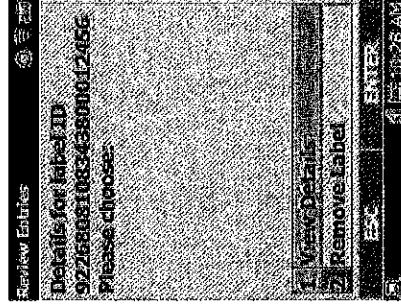
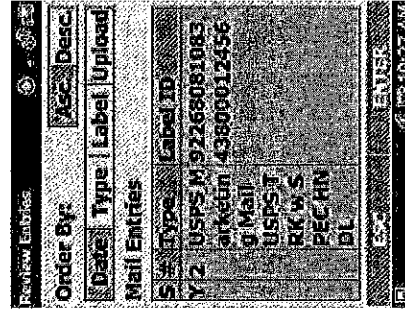
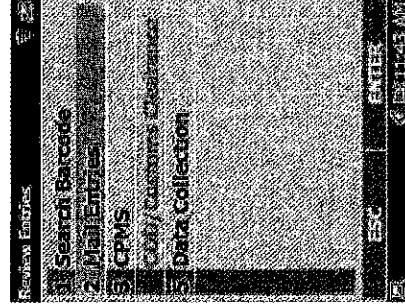
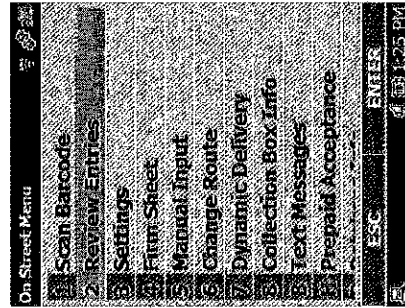


Details are displayed.

MDD Release 5.2 Service Talk

Rename Standard Mail to USPS Marketing Mail Screen Flows

| Service Type | Service Type Description |
|--------------|---------------------------------------------|
| 253 | USPS Marketing Mail INS > \$500 USPS TRK |
| 259 | USPS Marketing Mail INS <= \$500 USPS TRK |
| 268 | USPS Marketing Mail USPS TRK w SPEC HNDL |
| 269 | USPS Marketing Mail USPS TRK |
| 308 | USPS Marketing Mail USPS TRK RRM |
| 702 | USPS Marketing Mail |
| 703 | USPS Marketing Mail |
| 704 | USPS Marketing Mail P USPS TRK |
| 705 | USPS Marketing Mail SPH |
| 706 | USPS Marketing Mail USPS TRK SPH |
| 991 | USPS Marketing Mail INS LESS EQ 500 TRK RRM |



Select 2. Review Entries from On Street menu.

Select 2. Mail Entries.

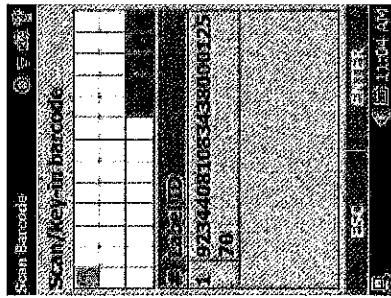
Highlight the entry.

Select 1. View Details.

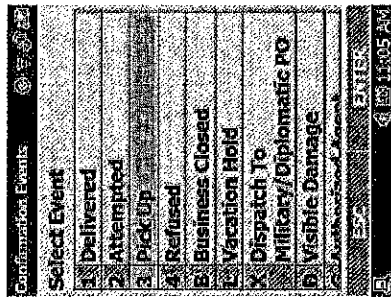
Scroll down to see the new service type description

MDD Release 5.2 Service Talk

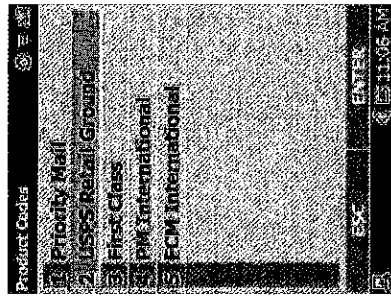
Rename Standard Post to USPS Retail Ground Screen Flows



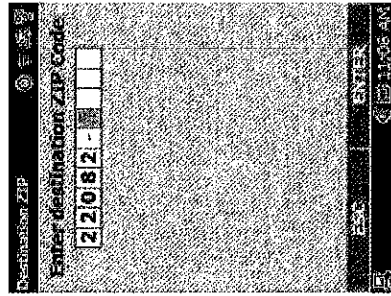
Scan barcode and press Enter.



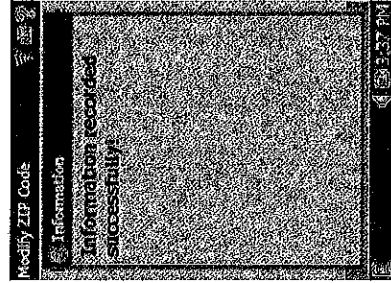
Select 3. Pick Up



Select 2. USPS Retail Ground.

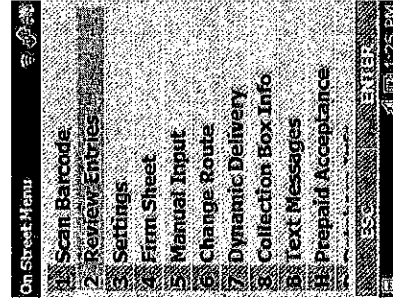


Enter destination zipcode.

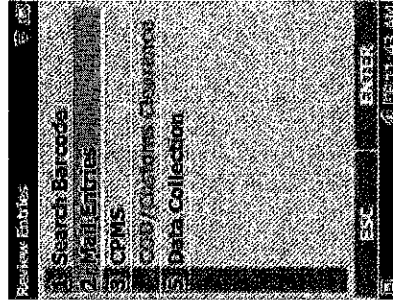


Information recorded successfully.

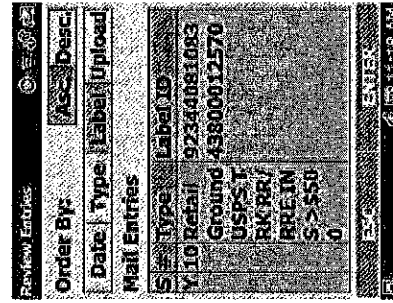
Review Entries:



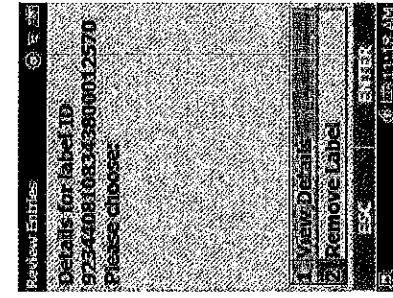
Select 2. Review Entries from On Street menu.



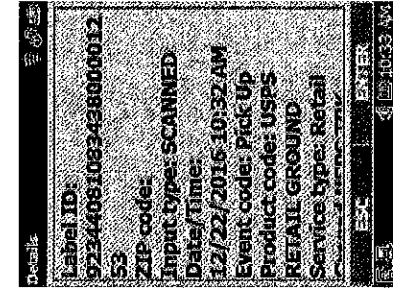
Select 2. Mail Entries.



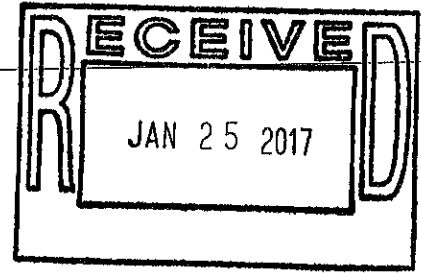
Highlight the entry.



Select 1. View Details.



Details are displayed.



January 18, 2017

Mr. Brian J. Wagner
President
National Association of Postal Supervisors
of the United States
1727 King Street
Alexandria, VA 22314-2753

Certified Mail tracking Number:
7016 1370 0002 3014 1026

Dear Brian:

As a matter of general interest, the Postal Service will be expanding MyPO access to include a clerk role. Currently, there are eighteen tasks in MyPO that are completed by a supervisor or manager. The expansion will allow clerks access to six of those tasks.

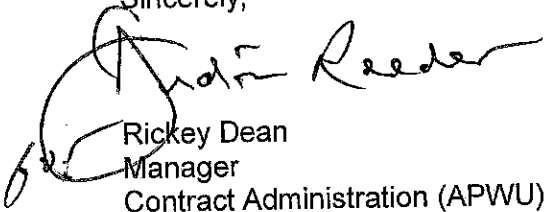
The clerk role will include the following tasks:

1. Hold for Pick-up/COD
2. Expedited Packaging Supplies
3. Retail Inventory
4. 3849-Second/Final Notice
5. Return to Sender Items
6. PO Box Sampling

The supervisor or manager in the office will oversee the assignment and completion of the six clerk role tasks. Logging into MyPO will be done on a daily basis by both management and the assigned clerk(s). Clerks will request MyPO clerk role access through eAccess and be trained locally. Any office that uses MyPO will have access. The effective date for this initiative will be January 21st.

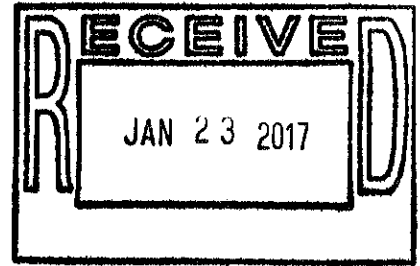
If there are any questions, please contact Ms. Shannon Richardson of my staff at extension 5482.

Sincerely,


Rickey Dean
Manager
Contract Administration (APWU)



January 18, 2017



Mr. Brian J. Wagner
President
National Association of Postal Supervisors
1727 King Street, Suite 400
Alexandria, VA 22314-2753

Dear Brian:

As a matter of general interest, the Postal Service has updated the Intelligent Mail Data Acquisition System (IMDAS) to include: SPM Back Office Flat Mail Sampling Requests; Dial up sites connection to RIMS; IMD Connection to RIMS Icon Indicator; Renaming Standard Post to USPS Retail Ground; Renaming Standard Mail to USPS Marketing Mail; New International Barcode Added – HA-HZ; and No Package Intercept for On-Street Users.

Enclosed is the final draft copy of the IMDAS Release 16 (SW Version 16.12) January 2017 Service Talk.

Please contact Bruce Nicholson at extension 7773 if you have questions concerning this matter.

Sincerely,

A handwritten signature in black ink, appearing to be "Alan S. Moore".

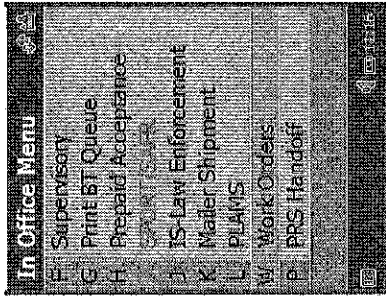
Alan S. Moore
Manager
Labor Relations Policy and Programs

Enclosure

Effective Jan 21, 2017, all Intelligent Mail Data Acquisition System (IMDAS) hand-held scanners shall have the following updated features:

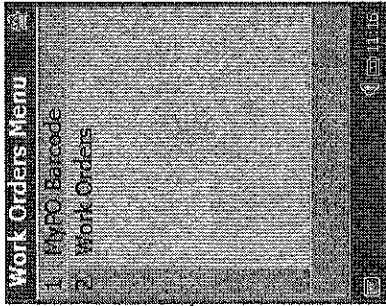
- SPM Back Office Flat Mail Sampling Requests
- Dial up sites connection to RIMS
- IMD Connection to RIMS Icon Indicator
- Renaming Standard Post to USPS Retail Ground
- Renaming Standard Mail to Marketing Mail
- New International Barcode Added – HA-HZ
- No Package Intercept for On-Street Users

SPM Back Office Flat Mail Sampling Request



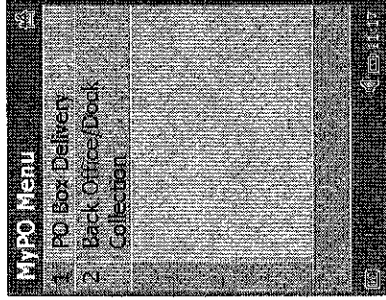
Select Work Orders

Press
Enter



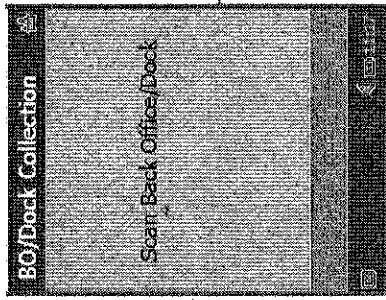
Select MyPO Barcode

Press
Enter

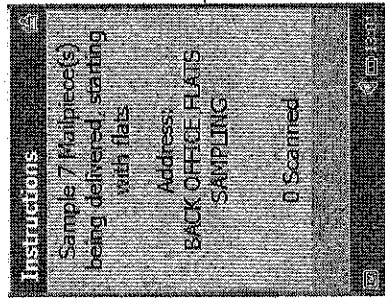


Select Back Office/Dock
Collection

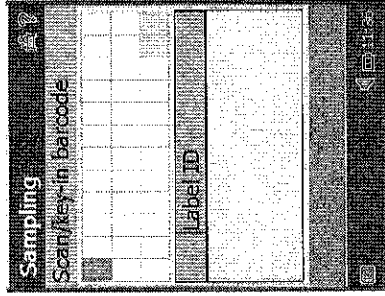
Press
Enter



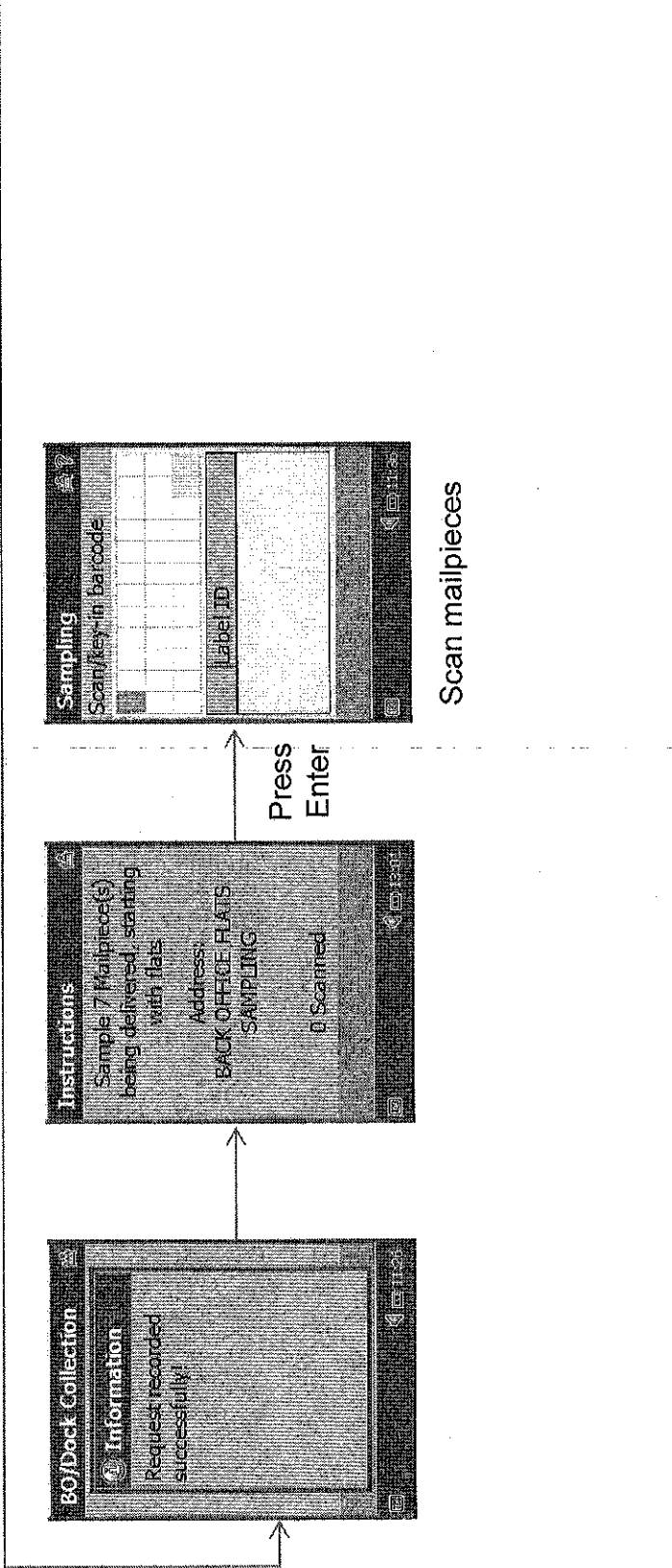
Scan Back Office Barcode



Press
Enter

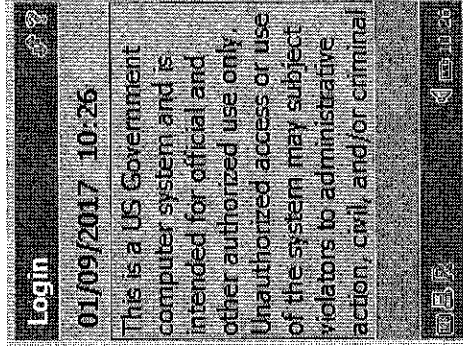


Scan mailpieces



RIMS Environment Setting on IMD's

- RIMS is not configured (R)
 - LAN (identifies any IMD that RIMS environment is disabled)
 - Dialup (on all Dial Up IMD's prior to conversion)



- To correct this problem, scan Site Configuration Barcode

Dial Up Sites Converting to RIMS

➤ **Convert all Dial up sites to communicate with RIMS**

- Engineering to create Site Configuration Barcode
 - Distribute to AREA Coordinators
- Engineering to upload configuration data to RIMS
- Configuration data due to Engineering on 1/06/2017
- Pilot Dial Up during the week of 1/30/2017

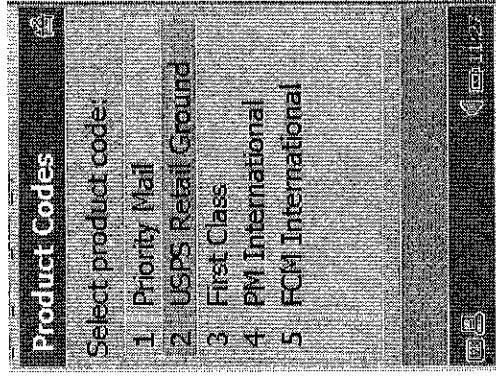
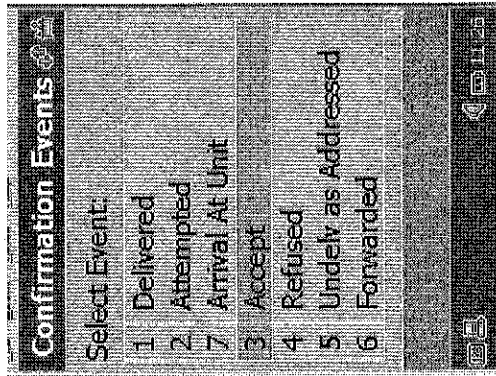
➤ **What the site to do?**

- Verify Release 16.12 has been installed on IMD
- Scan the Site Configuration Barcode on each IMD
 - Instructions provided

➤ **Goal for conversion**

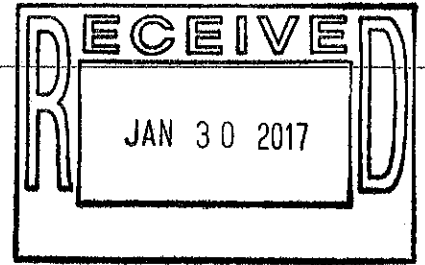
- All Dial Up sites to be converted by 3/31/2017

Renaming Standard Post to USPS Retail Ground



Additional Features:

- 1. Renaming Standard Mail to Marketing Mail**
- 2. IMD is able to scan New International Barcode H series (HA-HZ)**
- 3. Removed Package Intercept alert for On-Street Users**



January 27, 2017

Mr. Brian J. Wagner
President
National Association of Postal Supervisors
1727 King Street, Suite 400
Alexandria, VA 22314-2753

Dear Brian:

This is in further reference to our May 10, 2016, notice concerning testing mobile shelving units in 2-Ton vehicles at the Fort Point Station in Boston, Massachusetts.

In order to test this equipment in different environments, we are moving the shelving units and vehicles to the Mount Oliver Station Pittsburgh, Pennsylvania (15203, 15210, and 15211) in the Western Pennsylvania District.

Baseline data collection is scheduled to begin the week of February 6, with vehicles scheduled to be moved the week of February 27. We will continue with data collection in the new location.

Please contact Bruce Nicholson at extension 7773 if you have questions concerning this matter.

Sincerely,

A handwritten signature in black ink, appearing to read "Alan S. Moore".

Alan S. Moore
Manager
Labor Relations Policy and Programs



NATIONAL ASSOCIATION OF POSTAL SUPERVISORS

National Headquarters
1727 KING STREET, SUITE 400
ALEXANDRIA, VA 22314-2753
Phone (703) 836-9660

February 3, 2017

Mr. Bruce Nicholson
Manager, Labor Relations Policy Administration
United States Postal Service
475 L'Enfant Plaza SW Room 9426
Washington DC 20260-4101

RE: USPS FY2017 NPA Proposed Revisions and Clarifications to Unit Indicators

Dear Bruce,

The National Association of Postal Supervisors (NAPS) is in receipt of your February 2, 2017 letter regarding FY2017 National Performance Assessment (NPA) where the USPS is proposing changes and clarifying Unit Indicators related to Machine "At-Risk", Remote Encoding Center (REC) Machine *At-Risk* and Customer Insights.

Per our January 26, 2017 USPS/NAPS consultative meeting at USPS to address the above FY2017 NPA Unit Indicators, NAPS was satisfied with the USPS position regarding the REC and the Customer Insights Unit Indicators. Specifically:

- NAPS has no objection to the USPS revising the scorecard for Remote Encoding Center (REC) and removing the Machine *At-Risk* Performance and redistributing the weight of that indicator proportionately to the remaining indicators of the REC than add another unit indicator.
- NAPS has no objection to the USPS revising only the definition of the FY2017 NPA Indicator *Customer Insights* to provide clarity to the definition and the calculations used within the indicator. NAPS further understands there will be no change to the target or thresholds for this indicator.
- NAPS appreciates the USPS recognizing that the established goals for the Machine "At-Risk" Performance indicator from Cell 10-Cell 15 were deemed unobtainable and has elected to correct this error. NAPS is in agreement to re-spread Cell 8 through Cell 15 for this indicator to allow for attainable incremental improvement for all equipment sets. However, NAPS further reviewed the Machine "At-Risk" indicator with our subject matter experts (SME's) in the plants. If the USPS is committed to ensure all equipment sets have attainable goals for incremental improvement, NAPS suggests the following revision:
 - USPS split the AFMS goals between Automatic Infeed (AI) and Automatic Tray Handling System (ATHS) machines. AFMS machines that have the Automatic Infeed (AI) and the Automatic Tray Handling System (ATHS) will always have higher at risk numbers than AFMS machines that are fed and swept manually. NAPS position is that it would be fairer not to compare plant operations that have automated systems against plants that run manually.

Please contact me if you should have any questions regarding this letter or NAPS Machine "At-Risk" suggestion.

Regards,

A handwritten signature in black ink, appearing to read "Brian J. Wagner", is written over a white background.

Brian J. Wagner
National President

Representing supervisors, managers and postmasters in the United States Postal Service



February 2, 2017

Mr. Brian J. Wagner
President
National Association of Postal Supervisors
1727 King Street, Suite 400
Alexandria, VA 22314-2753

Dear Brian:

This is in further reference to our December 23 and November 23 correspondence regarding the FY2017 National Performance Assessment (NPA) Unit Indicators.

The Postal Service proposes to make revisions to the *Machine "At-Risk" Performance* indicator in order to correct an error in the 15-cell matrix (by equipment type.) The error consisted of set individual equipment type thresholds ranging from Cell 10-Cell 15 at levels which have been deemed unobtainable. Therefore, we propose to re-spread Cell 8 through Cell 15 to allow for attainable incremental improvement for all equipment sets.

The Postal Service also proposes to revise the scorecard for the Remote Encoding Center (REC) and remove the *Machine "At-Risk" Performance* indicator. It has been determined that data is not available for this indicator at the REC site. The Postal Service has determined that it would be more appropriate to redistribute the weight of that indicator proportionally to the remaining indicators rather than add another unit indicator. Pursuant to Title 39 U.S. Code §1004 (d), we invite your recommendations concerning these proposals.

In addition, the Postal Service will revise the definition of the FY2017 NPA Indicator *Customer Insights* in order to provide clarity to the definition and the calculations used within the indicator. The explanation of each survey calculation has been enhanced to incorporate more visual representations of the methodology used in each survey. This change will promote a more concise understanding of the factors within each survey and its corresponding impact on the overall indicator score. There has been no change to the target or the thresholds for this indicator.

Please contact Seth Lennon at extension 2238 if you have questions concerning this matter.

Sincerely,

A handwritten signature in black ink, appearing to read "B. Nicholson", written over the word "Sincerely".

Bruce A. Nicholson
Manager
Labor Relations Policy Administration

Enclosures

cc: Mr. Tulino
Mr. Nicholson (LRPA 2016-116)
Mr. Alexandrovich*
Mr. Dean*
Mr. Devine*
Ms. Hércules*
Mr. Mlakar*
Mr. Moore*
Ms. Perron*
Mr. Vinay Gupta
Ms. Pam Grooman
Mr. Jim Herrmann
Chron

Doc. ID: Labor Relations\SHARED\Policy Administration\PPF\FY2017\ LRPA- 2016-116\Unit
Indicators\1-27-17 Unit Indicator Revisions\REC Site Unit Indicator Proposal.doc

LR10:BNicholson:bn:20260-4101

* Copy sent electronically

FY2017 NPA Correction Overview

REC Site Scorecard:

Issue: REC Site services all plants/facilities and has very limited equipment type within the facility. Machine-At-Risk indicator was weighted at 20%. It has been determined Machine-at-Risk indicator data is not available for the REC Site.

Recommendation: Past practice has been when an indicator score is unavailable, NPA makes the indicator an "exception". The weight of that indicator and is redistributed proportionately to the remaining indicators. We are recommending revising the REC Site scorecard accordingly.

As originally planned

| SCORECARD | | REC | |
|------------------------|--------------------------------------|--------|-----------------|
| FY2017 Unit Indicators | | Weight | Depth |
| 1 | TOE % Plan | 40% | LF |
| 2 | TWH % Plan | | |
| 3 | Grievance Backlog and Cost Reduction | | |
| 4 | Employee Availability | 20% | LF |
| 5 | Trips on Time | | |
| 6 | Total Accident (Unit) | 10% | LF |
| 7 | Non-Career Employee Turnover | 10% | LF |
| 8 | Retail Revenue % Plan | | |
| 9 | Surface Visibility Scanning | | |
| 10 | Controller Index | | |
| 11 | BMEU Index | | |
| 12 | Customer Insights | | |
| 13 | Composite Scan Performance | | |
| 14 | Parcel Select | | |
| 15 | EEO Forms Per 100 Employees vs SPLY | | |
| 16 | 3-5 Day Surface | | |
| 17 | AAU / ADE Scan Performance | | |
| 18 | OE / DE Scan Performance | | |
| 19 | Machine At Risk | 20% | Specific to REC |
| | | 100% | |

Proposed Revision

| SCORECARD | | REC | |
|------------------------|--------------------------------------|--------|-------|
| FY2017 Unit Indicators | | Weight | Depth |
| 1 | TOE % Plan | 50% | LF |
| 2 | TWH % Plan | | |
| 3 | Grievance Backlog and Cost Reduction | | |
| 4 | Employee Availability | 25% | LF |
| 5 | Trips on Time | | |
| 6 | Total Accident (Unit) | 12.5% | LF |
| 7 | Non-Career Employee Turnover | 12.5% | LF |
| 8 | Retail Revenue % Plan | | |
| 9 | Surface Visibility Scanning | | |
| 10 | Controller Index | | |
| 11 | BMEU Index | | |
| 12 | Customer Insights | | |
| 13 | Composite Scan Performance | | |
| 14 | Parcel Select | | |
| 15 | EEO Forms Per 100 Employees vs SPLY | | |
| 16 | 3-5 Day Surface | | |
| 17 | AAU / ADE Scan Performance | | |
| 18 | OE / DE Scan Performance | | |
| 19 | Machine At Risk | | |
| | | 100% | |

Machine-At-Risk Indicator:

Issue: Targets were established based on the Top Quartile for each equipment type. An error in the 15-cell matrix by equipment type has been brought to our attention. Individual equipment type targets ranging from Cell 10 – Cell 15 for some equipment sets have been set at levels that are unattainable.

Recommendation: Re-spread Cell 8 – Cell 15 to allow for attainable incremental improvement for all equipment sets.

CI Indicator:

Issue: Definition referenced incorrect Question number for identified surveys.

Recommendation: Revised definition to eliminate referenced question numbers and provide additional clarity/visual on calculated score.

FY17 - Customer Insights

CI - BSN

Targets and Thresholds

| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 | 15 |
|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| 94.07 | 94.45 | 94.82 | 95.20 | 95.97 | 96.73 | 96.87 | 97.01 | 97.15 | 97.29 | 97.43 | 97.57 | 97.71 | 97.85 | 98.00 |

CI - ECC

Targets and Thresholds

| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 | 15 |
|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|
| 6.60 | 6.13 | 5.67 | 5.20 | 4.32 | 3.44 | 2.57 | 2.46 | 2.35 | 2.25 | 2.14 | 1.98 | 1.82 | 1.66 | 1.50 |

CI - POS

Targets and Thresholds

| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 | 15 |
|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| 81.83 | 83.35 | 84.88 | 86.40 | 88.41 | 90.42 | 92.52 | 92.77 | 93.02 | 93.26 | 93.51 | 93.86 | 94.26 | 94.63 | 95.00 |

CI - Delivery

Targets and Thresholds

| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 | 15 |
|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| 75.00 | 75.43 | 75.87 | 76.30 | 79.49 | 82.67 | 85.88 | 86.79 | 87.70 | 88.62 | 89.53 | 90.90 | 92.26 | 93.63 | 95.00 |

CI - CCC

Targets and Thresholds

| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 | 15 |
|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| 80.00 | 82.00 | 84.00 | 85.20 | 86.00 | 86.80 | 87.60 | 88.40 | 89.20 | 90.00 | 91.00 | 92.00 | 93.00 | 94.00 | 95.00 |

CI - Index

Targets and Thresholds

| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 | 15 |
|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| 80.00 | 83.00 | 86.00 | 87.70 | 88.30 | 89.00 | 90.00 | 92.00 | 93.00 | 94.00 | 95.00 | 96.00 | 97.00 | 98.00 | 99.00 |

Description

The customer experience measurement for USPS is referred to as Customer insights (CI). The CI composite metric is a weighted multi-channel customer driven measurement which presents an improved holistic view of the customer's experience with USPS. The weighting of the components is based on the depth of the indicator on each scorecard as listed below. A cell value is assigned to each CI component based on targets for that specific component which are then combined using the weights for the appropriate depth. Each of the five components of the CI indicator is assigned a weighted proportional value from which the aggregate value is used to calculate final cell and apply the CI Index for that cell.

CI Components

1. **Business Service Network (BSN):** Based on accounts in Panorama USPS' CRM database that have opened a service request and responded to a survey. The BSN survey is an event based survey which measures the customer's level of satisfaction with their BSN Account Representative. BSN is measured at the National and Area depths only, and District BSN scores are for the entire Area.

Survey Question: How satisfied are you with the OVERALL service provided during this interaction?

Weight towards calculation (based on depth): National - 30%, Area - 30%, District - 30% (measured at the area level)

2. **Enterprise Customer Care (eCC) Reopen Rate:** Based on % of cases reopened - Final score will be based on Open Cases as of last day of FY

Weight towards calculation (based on depth): National - 10%, Area - 20%, District - 20%

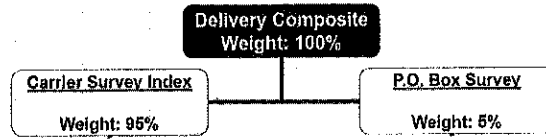
3. **Point of Sale (POS):** Based on retail customers who conduct transactions at USPS locations with POS equipment and respond to a survey. The POS survey is an event-based customer satisfaction survey which measures the customers experience at POS retail locations.

Survey Question: Thinking about this visit to the Post Office, overall, how satisfied were you? (Retail)

Weight towards calculation (based on depth): National - 20%, Area - 25%, District - 25%

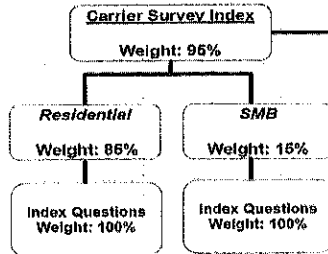
CI Components Cont'd

4. **Delivery:** The Delivery Composite Score is derived from a Carrier and P.O Box survey, which is a hybrid relational / event driven customer satisfaction survey. The survey measures the customers' level of satisfaction with the receipt of mail and packages to residential and small/medium business customers. The Delivery Composite Score is comprised of two primary components, the Carrier Survey Index score and the P.O. Box Survey score. The scores for each component are weighted and then aggregated to create the Delivery Composite Score.

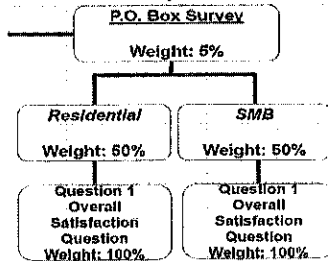


Carrier Survey Index Score (95%): The index score is created by weighting the scores of the 4 questions below and then aggregating the results, for Residential and for Small/Medium Business. Each channel has its own Index score and those are weighted again and aggregated to become the Carrier Survey Index score.

| Index Questions | Weight |
|------------------------------------------|--------|
| Overall Satisfaction with Letter Carrier | 25% |
| Delivered to the correct address | 25% |
| Delivered in good condition | 25% |
| Carrier friendly & courteous | 25% |
| Index Total | 100% |



P.O. Box Survey (5%): The P.O Box survey is comprised of responses from both Residential and SMB customers. Question (Overall Satisfaction) is collected from each channel and then weighted to create the P.O Box Survey Score.



Weight towards calculation (based on Depth): National - 20%, Area - 25%, District - 25%

5. **Customer Care Center (CCC) Live Agent:** Based on Customers that call the USPS Care Center and interact with a live agent, and then take a survey to measure their overall satisfaction with the agent's performance. The Live Agent Survey is an event driven customer satisfaction survey which measures the level of satisfaction with a customer's interaction with a USPS Live Agent. Invitations are offered on a random basis to customers who call the USPS Customer Care Center toll free number and speak with a USPS Live Agent.

Survey Question: Think only about the agent who handled your recent call. On a scale from 1 to 9, how would you rate the agent's overall quality of service?

Weight towards calculation is based on depth: National - 20%, Area - 0%, District - 0%

Measurement Period

This performance indicator will be measured across each month and cumulative scores will be reported as Year-To-Date (YTD) results leading to an annual score.

Data Source and Calculation

- Source** – Extract from CI database maintained by vendor, Maritz Research provided to NPA.
- Indicator Value** – Weighted % of overall Customer Satisfaction with USPS
- Business Rule** – Differentially Weighted Aggregate Composite Cell Score:

| Customer Insights (CI) | Weighting | | |
|---------------------------------------|------------------|-------------|---------------------|
| | National | Area | District |
| BSN - Business Service Network | 30% | 30% | 30% (Area Score) |
| eCC - % Reopened cases | 10% | 20% | 20% |
| POS - Point of Sale | 20% | 25% | 25% |
| Delivery - Res & SmB | 20% | 25% | 25% |
| CCC - Customer Care Center | 20% | NA | NA |

Each of the five components of the CI indicator is assigned a cell which is then weighted proportionally and aggregated based on the depth of the indicator. The aggregate value is rounded to achieve a final cell and apply the CI Index for that cell.

Decimal Precision – Two decimals

FY17 - Machine "At Risk" Performance (UNIT - NEW)

Description
 At Risk performance will be measured using a composite score of At Risk performance by equipment set versus nationally set targets. To accomplish this, overall performance scores will be calculated by determining the variance of the At Risk performance to the national target (top quartile) of each of the following machine types: AFCS, AFCS200, AFSM100, FSS, APBS, APBS and DBCS. The APBS and APBS have a composite At Risk value based on the % of volume ran on parcel and parcel volumes.
 Each equipment set: AFCS, AFCS200, AFSM100, FSS, APBS, APBS and DBCS have their own scaling based on the variance to Top Quartile.

Measurement Period
 This performance indicator will be measured each month and cumulative scores will be reported as Year-To-Date (YTD) result.

Data Source and Calculation
 Source - MIRS2
 Indicator Value - Variance to target
 Business Rule - Sum of the equipment set block scores for each applicable machine set / # of applicable
 Decimal Precision - Two Decimal

Data Validation
 ID: //NLS2.Labs.gov/
 Select At Risk

Original 15-Cell Matrix

| Equipment Set | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 | 15 | Target |
|-----------------------|------|------|------|------|------|------|------|-------|-------|-------|-------|-------|-------|--------|--------|--------|
| AFCS | 7.22 | 6.02 | 4.81 | 3.61 | 2.41 | 1.20 | 0.00 | -1.25 | -2.49 | -3.74 | -4.98 | -6.23 | -7.49 | -8.74 | -10.00 | 4.86 |
| AFCS200 | 2.70 | 2.25 | 1.80 | 1.35 | 0.90 | 0.45 | 0.00 | -0.53 | -1.05 | -1.58 | -2.11 | -2.64 | -3.17 | -3.70 | -4.23 | 7.22 |
| AFSM | 1.34 | 1.12 | 0.89 | 0.67 | 0.45 | 0.22 | 0.00 | -0.19 | -0.39 | -0.58 | -0.78 | -1.02 | -1.27 | -1.53 | -1.79 | 1.72 |
| DBCS | 0.93 | 0.79 | 0.63 | 0.47 | 0.32 | 0.16 | 0.00 | -0.11 | -0.22 | -0.33 | -0.44 | -0.55 | -0.66 | -0.78 | -0.89 | 1.91 |
| FSS | 1.58 | 1.31 | 1.05 | 0.79 | 0.53 | 0.26 | 0.00 | -0.25 | -0.49 | -0.74 | -0.98 | -1.23 | -1.47 | -1.71 | -1.95 | 4.13 |
| APBS - FC & PR | 6.54 | 4.61 | 3.69 | 2.77 | 1.85 | 0.92 | 0.00 | -1.33 | -2.66 | -3.99 | -5.33 | -6.66 | -8.00 | -9.34 | -10.67 | 8.92 |
| APBS - STD | 6.88 | 4.59 | 3.44 | 2.29 | 1.15 | 0.00 | 0.00 | -1.57 | -3.15 | -4.72 | -6.30 | -7.87 | -9.45 | -11.03 | -12.61 | 7.03 |
| APBS - FC & PR | 2.24 | 1.87 | 1.49 | 1.12 | 0.75 | 0.37 | 0.00 | -0.58 | -1.17 | -1.75 | -2.33 | -2.92 | -3.50 | -4.09 | -4.67 | 7.03 |
| APBS - STD & STD Post | 5.02 | 4.18 | 3.35 | 2.51 | 1.67 | 0.84 | 0.00 | -0.85 | -1.70 | -2.55 | -3.41 | -4.27 | -5.12 | -5.97 | -6.82 | 7.58 |

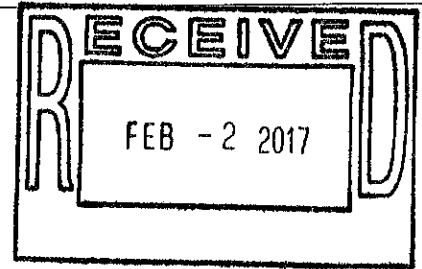
Exposed Revised 15-Cell Matrix

| Equipment Set | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 | 15 | Target |
|-----------------------|------|------|------|------|------|------|------|-------|-------|-------|-------|-------|-------|--------|--------|--------|
| AFCS | 7.22 | 6.02 | 4.81 | 3.61 | 2.41 | 1.20 | 0.00 | -0.50 | -1.00 | -1.50 | -2.00 | -2.50 | -3.00 | -3.50 | -4.00 | 4.86 |
| AFCS200 | 2.70 | 2.25 | 1.80 | 1.35 | 0.90 | 0.45 | 0.00 | -0.75 | -1.50 | -2.25 | -3.00 | -3.75 | -4.50 | -5.25 | -6.00 | 7.22 |
| AFSM | 1.34 | 1.12 | 0.89 | 0.67 | 0.45 | 0.22 | 0.00 | -0.19 | -0.38 | -0.56 | -0.75 | -0.94 | -1.13 | -1.31 | -1.50 | 1.72 |
| DBCS | 0.93 | 0.79 | 0.63 | 0.47 | 0.32 | 0.16 | 0.00 | -0.13 | -0.25 | -0.38 | -0.50 | -0.63 | -0.75 | -0.88 | -1.00 | 1.91 |
| FSS | 1.58 | 1.31 | 1.05 | 0.79 | 0.53 | 0.26 | 0.00 | -0.38 | -0.75 | -1.13 | -1.50 | -1.88 | -2.25 | -2.63 | -3.00 | 4.13 |
| APBS - FC & PR | 5.54 | 4.61 | 3.69 | 2.77 | 1.85 | 0.92 | 0.00 | -1.00 | -2.00 | -3.00 | -4.00 | -5.00 | -6.00 | -7.00 | -8.00 | 8.92 |
| APBS - STD | 6.88 | 4.59 | 3.44 | 2.29 | 1.15 | 0.00 | 0.00 | -0.94 | -1.88 | -2.81 | -3.75 | -4.69 | -5.63 | -6.56 | -7.50 | 7.03 |
| APBS - FC & PR | 2.24 | 1.87 | 1.49 | 1.12 | 0.75 | 0.37 | 0.00 | -1.50 | -3.00 | -4.50 | -6.00 | -7.50 | -9.00 | -10.50 | -12.00 | 7.03 |
| APBS - STD & STD Post | 5.02 | 4.18 | 3.35 | 2.51 | 1.67 | 0.84 | 0.00 | -0.81 | -1.63 | -2.44 | -3.25 | -4.06 | -4.88 | -5.69 | -6.50 | 7.58 |

EXAMPLE:

| Equipment Set | At Risk Top Quartile Rate | Plant A ¹ Variance | Block | Plant B ² Variance | Block | Plant C ³ Variance | Block | MIPS Type | Target |
|----------------|---------------------------|-------------------------------|-------|-------------------------------|-------|-------------------------------|-------|----------------------|--------|
| AFCS | 4.86 | 6.23 | 1.37 | 5 | 4.78 | -0.08 | 7 | AFCS | 4.86 |
| AFCS200 | 7.22 | 1.73 | -0.18 | 8 | 6.94 | -0.28 | 7 | AFCS200 | 7.22 |
| DBCS | 1.91 | 1.73 | -0.18 | 8 | 1.85 | -0.06 | 7 | AFSM100 | 1.72 |
| AFSM100 | 1.72 | 2.75 | 1.03 | 2 | 1.65 | -0.07 | 7 | APBS - FC and PR | 8.92 |
| FSS | 4.13 | | | | | | | APBS - STD | 7.03 |
| APBS | | | | | | | | APBS - FC and PR | 7.03 |
| | | | | | | | | APBS - STD and STD R | 7.58 |
| | | | | | | | | DBCS | 1.91 |
| | | | | | | | | FSS | 4.13 |
| Sum of Blocks | 7.03 | | | | 7.51 | 0.48 | 5 | | |
| Equipment Sets | 7.58 | | | | 7.95 | 0.07 | 6 | | |
| NPA Score | | | | | | | 6 | | |
| NPA Block | | | | | | | 5 | | |
| | | | | | | | 5 | | |
| | | | | | | | 7 | | |
| | | | | | | | 7 | | |
| | | | | | | | 8 | | |

¹ Plant A has 50% parcels and 50% bundles on APBS
² Plant B has 75% parcels and 25% bundles on APBS
³ Plant C has 80% parcels and 20% bundles on APBS and 40% parcels and 60% bundles on APBS



February 1, 2017

Mr. Brian J. Wagner
President
National Association of Postal Supervisors
1727 King Street, Suite 400
Alexandria, VA 22314-2753

Dear Brian:

As a matter of general interest, the Postal Service intends to update Handbook EL-800, *Managing Contractor Environmental, Health, and Safety Compliance*.

The revision includes updates to environmental and security policy, reflects changes to Occupational Safety and Health Administration (OSHA) policy and is expected to improve compliance with contractor safety. Additional changes were made throughout the document to clarify language.

We have enclosed final draft copies of the Handbook EL-800, *Managing Contractor Environmental, Health, and Safety Compliance*, one with and one without changes identified.

Please contact Bruce Nicholson at extension 7773 if you have any questions concerning this matter.

Sincerely,

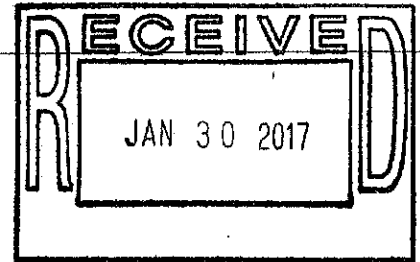
A handwritten signature in black ink, appearing to read "Alan S. Moore".

Alan S. Moore
Manager
Labor Relations Policy and Programs

Enclosures

NAPS NOTE:

This document is over 200 pages, NAPS recommends you visit U.S. Postal Service website and search Handbook EL-800 if you wish to review.



January 27, 2017

Mr. Brian J. Wagner
President
National Association of Postal Supervisors
1727 King Street, Suite 400
Alexandria, VA 22314-2753

Dear Brian:

As a matter of general interest, the Postal Service is revising Handbook EL-307, *Reasonable Accommodation, An Interactive Process*; Publication 316, *Reasonable Accommodation in the U.S. Postal Service*; Publication 317, *Manager's Guide to Reasonable Accommodation*; and Poster 315, *The Reasonable Accommodation Process*.

The purpose of these revisions is to align Postal Service guidance on reasonable accommodation procedures with the Americans with Disabilities Act Amendments Act of 2008, as well as Management Instruction EL-670-2013-6, *Providing Communication Accommodations to Employees and Applicants Who are Deaf or Hard of Hearing*. Additionally, the revisions modify the processes by which reasonable accommodation requests are evaluated.

We have enclosed copies of Handbook EL-307, Publication 316, Publication 317, and Poster 315, with and without changes identified.

Please contact Bruce Nicholson at 7773 if you have questions concerning this matter.

Sincerely,

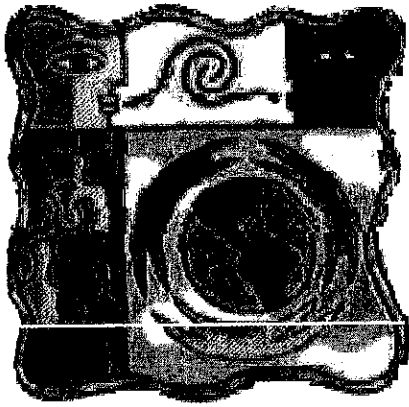
A handwritten signature in black ink, appearing to read "Alan S. Moore".

Alan S. Moore
Manager
Labor Relations Policy and Programs

Enclosures

If anyone wants to see the copy with track changes may contact NAPS Headquarters.

The final Handbook EL-307 is not attached because it's over 200 pages. If you want to see the final version please go to the U.S. Postal Service website.



THE REASONABLE ACCOMMODATION PROCESS

The Rehabilitation Act of 1973 applies to the Postal Service™. The Act does the following:

- Prohibits discrimination, based on a disability, against qualified employees and job applicants.
- Imposes an obligation on the Postal Service to find reasonable ways to accommodate qualified individuals with disabilities.

The Americans with Disabilities Act Amendments Act (ADAAA) of 2008 amended the Rehabilitation Act so that it conforms to the ADAAA changes.

A Postal Service employee or someone acting on an employee's behalf may make an oral or written request for reasonable accommodation to the employee's supervisor or manager; the local manager, Human Resources; or the Reasonable Accommodation Committee (RAC). An applicant or someone acting on an applicant's behalf may make an oral or written request for reasonable accommodation to the examiner; the selecting official; the local manager, Human Resources; or as instructed in the job announcement.

The request will activate an informal, interactive process to determine if the individual is a qualified person with a disability and, if so, whether the Postal Service can provide accommodation so the individual can enjoy equal employment opportunity in the application process or in Postal Service employment.

The Postal Service will do the following:

- Contact the employee or applicant.
- Discuss the request with the employee or applicant.
- Explore reasonable accommodation.

The interactive process will take place at the earliest opportunity upon receipt of the request and the Postal Service will make a determination as promptly as possible.

Employees who are deaf or hard of hearing and require communication accommodations may submit an oral or written request to their supervisor or manager, the RAC Chair, or the District Disability Coordinator. Applicants who are deaf and hard of hearing and require communication accommodations must follow the instructions in the job announcement.

If the Postal Service denies a request for accommodation, the Postal Service notifies the employee or applicant of the reason for the decision and the name of the person or office that made the decision. The Postal Service will advise the employee or applicant of the following:

- The ability to participate in any informal dispute resolution process.
- The right to file an EEO complaint.
- Any other appeal rights to which the employee or applicant may be entitled.

This poster is a general reference for information purposes. For detailed information, see Handbook EL-307, *Reasonable Accommodation, An Interactive Process*, available in the following formats:

- Hard copy from your Human Resources Office and the Material Distribution Center.
- Online on the Postal Service's Intranet (PolicyNet at *blue.usps.gov*) and Internet (*about.usps.com*).

Reasonable Accommodation in the U.S. Postal Service

A Guide for Employees and Applicants

Publication 316

Month Year

The Rehabilitation Act of 1973 applies to the Postal Service™. The Act does the following:

- Prohibits discrimination based on a disability against qualified employees and job applicants.
- Imposes an obligation on the Postal Service to find ways to accommodate qualified individuals with disabilities where appropriate.

The Americans with Disabilities Act Amendments Act (ADAAA) of 2008 amended the Rehabilitation Act so that it conforms to the ADAAA changes.

Who Is Eligible for Protection Under the Rehabilitation Act?

For the Act to protect a person, the individual must be qualified to perform the job and show that he or she is a person who meets one of the following conditions:

- Has a disability;
- Has a record of a disability;
- Is associated with a person with a disability; or
- Is regarded as having a disability.

Who Is a Qualified Person With a Disability?

A qualified person with a disability is someone who meets the following conditions:

- a. Has a physical or mental impairment that substantially limits a major life activity.
- b. Meets the prerequisites (e.g., skills, experience, education, and other requirements) for the job the individual holds or desires.
- c. Can perform the essential functions of the position with or without reasonable accommodation.

What Is a Physical or Mental Impairment?

A physical or mental impairment can include any of the following:

- Any physiological disorder or condition.
- Cosmetic disfigurement.
- Anatomical loss affecting one or more of the following body systems: neurological, musculoskeletal, special sense organs, respiratory, circulatory, cardiovascular, reproductive, digestive, genitourinary, hemic, lymphatic, skin, immune, or endocrine.
- Any mental or psychological disorder, such as an intellectual disability, organic brain syndrome, emotional or mental illness, and specific learning disabilities.

What Is a Major Life Activity?

A major life activity includes, but is not limited to, the following:

- Obvious functions such as hearing, seeing, walking, speaking, caring for oneself, performing manual tasks, breathing, eating, sleeping, standing, reading, working, lifting, and communicating.
- The operation of a major bodily function such as, but not limited to, functions of the immune, digestive, neurological, circulatory, lymphatic and musculoskeletal systems; and normal cell growth.

When Does an Impairment Substantially Limit a Major Life Activity?

The “substantially limits” standard is not a demanding one. An impairment need not prevent, or significantly or severely restrict, the

individual from performing a major life activity. The Postal Service must determine whether an impairment limits substantially a major life activity without regard to the ameliorative effects of mitigating measures (with the exception of ordinary eyeglasses or contact lenses). An impairment that is episodic or in remission is a disability if it would substantially limit a major life activity when active.

What is the Goal of Reasonable Accommodation?

The goal of reasonable accommodation is to enable individuals with disabilities to enjoy equal employment opportunity. The Postal Service requires the same performance standards and conduct of employees with disabilities as it does of other employees.

Does Every Individual With a Disability Require an Accommodation?

No. Many qualified individuals with disabilities are able to advance through the selection process and perform their jobs without any accommodation.

How Do I Make a Request for Reasonable Accommodation?

If you are an employee and believe you are a qualified individual with a disability who requires accommodation in the application process (including a Postal Service exam), in your job, or in a job you seek, make an oral or written request to any one of the following:

- Your supervisor or manager.
- The manager, Human Resources (District).
- The Reasonable Accommodation Committee (RAC) chair.

If you are applying for Postal Service employment, make your request to one of the following:

- The examiner.
- The selecting official.
- The local manager, Human Resources.

Explain the nature of your limitations and the accommodation you need. Someone else can make this request on your behalf.

If you are an employee who is deaf or hard of hearing and require communication accommodations, you must submit your request for the accommodation to one of the following:

- Your supervisor or manager.
- The RAC Chair.
- The District Disability Coordinator.

If you are an applicant who is deaf or hard of hearing and require communication accommodations, you must follow the instructions in the job announcement.

What Are My Responsibilities?

If your disability is not obvious or already known, the Postal Service may require you to provide documentation from an appropriate professional. The documentation must do the following:

- a. Explain clearly the nature, impact, or both of the impairment;
- b. Explain the need for reasonable accommodation; and
- c. Clarify how the requested accommodation may help you to perform the essential functions of the job.

If your documentation is insufficient, the Postal Service may require supplemental medical information, including, where appropriate, examination by a medical specialist of the Postal Service's choosing and at the Postal Service's expense.

As a job applicant, if you believe that a mental or physical disability will make the testing process an artificial barrier to your demonstration of the knowledge, skills, and abilities required in the job, you must make your needs known as early as possible to the

appropriate official. You may request accommodation in advance by contacting one of the following:

- The examination administration office.
- The selecting official.
- The local manager, Human Resources.

If you are an employee bidding or applying for a job and need accommodation for the job desired or in some component of the selection process (e.g., application completion, interview, training), you must make your needs known to one of the following:

- The examiner.
- The local manager, Human Resources.
- As stated in the instructions provided on the job announcement.

Request an accommodation early enough to allow for a timely decision.

What Happens After My Request Is Made?

Your request for reasonable accommodation will activate an interactive process to determine whether you are a qualified individual with a disability who meets the minimum qualifications. You are involved in the interactive process, during which the following occurs:

- The Postal Service identifies essential functions of your job or the job for which you applied.
- You and the Postal Service employee consider your abilities and limitations.
- You and the Postal Service employee identify potential accommodations and their feasibility.
- You determine the reasonableness of the accommodations.

In addition, the Postal Service considers the following:

- Whether the accommodation would pose an undue hardship to the Postal Service.
- Whether the accommodation would eliminate or reduce any direct threat of harm to you or others.

When Will I Receive a Decision?

While expedited processing may be necessary to enable an individual to apply for a job or to participate in a specific activity scheduled to occur shortly, you will receive a decision from your manager or the examination administration office as soon as possible after the conclusion of the interactive process. In cases where the Postal Service requires substantiating documentation or where there are extenuating circumstances, your manager or the examination administration office will notify you of the reason for any delay and the approximate date on which you can expect a decision.

What Else Should I Know?

At the Postal Service's expense, a medical expert of the Postal Service's choosing may review your medical documentation. In all cases, the Postal Service will keep your medical records confidential.

What Happens If My Request Is Denied?

The Postal Service will notify you in writing of the reason for the denial and the name of the person or the office that made the decision. Further, the Postal Service will advise you of your right to do the following:

- Participate in any informal dispute resolution processes,
- File an EEO complaint, and
- Appeal or avail yourself of other rights to which you may be entitled.

Where Can I Get Additional Information About Reasonable Accommodation?

The Postal Service intends this material as a general reference for information purposes. For detailed information, see Handbook EL-307, *Reasonable Accommodation, An Interactive Process*, available in the following formats:

- Hard copy from your Human Resources Office and the Material Distribution Center.
- Online on the Postal Service's Intranet (PolicyNet at blue.usps.gov/cpim/) and Internet (about.usps.com).

The Postal Service is committed to building and maintaining an effective, diverse, and motivated workforce — a goal reinforced in the Postal Service's strategic plan.

Publication 316, Month Year

PSN 7690-07-000-7707

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Cover Illustration © Jose Ortega/SIS

Manager's Guide to Reasonable Accommodation

Publication 317

Month Year

Manager's Guide to Reasonable Accommodation

This publication answers some commonly asked questions about the Rehabilitation Act of 1973 as amended by the Americans with Disabilities Act Amendments Act (ADAAA) of 2008 and will help you in making reasonable accommodation decisions concerning job applicants and your employees.

What Is the Rehabilitation Act?

The Rehabilitation Act does the following:

- a. Prohibits discrimination based on a disability in federal employment.
- b. Imposes an obligation on federal employers to provide reasonable accommodation to qualified individuals with disabilities who are employees or applicants for employment, unless to do so would cause undue hardship to the employer.

Who Is Eligible for Protection Under the Rehabilitation Act?

The Act protects four categories of people. An individual must be qualified to perform the job and show that he or she fits into one of the four categories:

- Has a disability.
- Has a record of a disability.
- Is associated with a person with a disability.
- Is regarded as having a disability.

In addition, the Act protects impermissible inquiries and disclosure of medical information of all employees and applicants, whether or not they are disabled.

Who is Entitled to Reasonable Accommodation?

Employees and applicants are entitled to reasonable accommodation if they meet the following conditions:

- Have, or have a record of, a physical or mental impairment that substantially limits one or more of the major life activities of such individual;
- Can satisfy the requisite skill, experience, education, and other job-related requirements of the employment position the individual holds or desires; and
- With or without reasonable accommodation, can perform the essential functions of the position.

What Is a Physical or Mental Impairment?

A physical or mental impairment can include any of the following:

- Any physiological disorder or condition.
- Cosmetic disfigurement.
- Anatomical loss affecting one or more of the following body systems: neurological, musculoskeletal, special sense organs, respiratory, circulatory, cardiovascular, reproductive, digestive, genito-urinary, hemic, lymphatic, skin, immune, or endocrine.
- Any mental or psychological disorder, such as an intellectual disability or organic brain syndrome, emotional or mental illness, and specific learning disabilities.

What Is a Major Life Activity?

Major life activities include, but are not limited to, the following:

- Caring for oneself, performing manual tasks, seeing, hearing, eating, sleeping, walking, standing, sitting, reaching, lifting, bending, speaking, breathing, learning, reading, concentrating, thinking, communicating, interacting with others, and working; and
- The operation of a major bodily function, including functions of the immune system, special sense organs and skin; normal cell growth; and digestive, genitourinary, bowel, bladder, neurological, brain, respiratory, circulatory, cardiovascular, endocrine, hemic, lymphatic, musculoskeletal, and reproductive functions. The operation of a major bodily function includes the operation of an individual organ within a body system.

When Does an Impairment Substantially Limit a Major Life Activity?

The "substantially limits" standard is not a demanding one. An impairment need not prevent, or significantly or severely restrict, the individual from performing a major life activity. You must determine whether an impairment limits substantially a major life activity without regard to the ameliorative effects of mitigating measures (with the exception of ordinary eyeglasses or contact lenses). An impairment that is episodic or in remission is a disability if it would substantially limit a major life activity when active.

What Is the Goal of Reasonable Accommodation?

The goal of reasonable accommodation is to enable individuals with disabilities to enjoy equal employment opportunity. The Postal Service requires the same performance standards and conduct of employees with disabilities as it does of other employees.

What Activates the Accommodation Process?

The Postal Service activates the reasonable accommodation process whenever an employee or applicant, or someone acting on the individual's behalf, makes a request for reasonable accommodation, orally or in writing. To request an accommodation, an individual may use plain language and need not mention the Rehabilitation Act or use the phrase "reasonable accommodation." You will likely receive the request as either an employee's supervisor or manager or as an applicant's selecting official. It is important to recognize that an employee's request for a change due to a medical condition might be a request for reasonable accommodation. A delay in processing or providing a reasonable accommodation for a qualified individual could result in a violation of the Rehabilitation Act.

Further, you must initiate the interactive process to determine if accommodation is necessary if you observe either of the following:

- An employee with a known physical or mental disability having difficulty performing the essential functions of his or her job.
- An employee with a known physical or mental disability is otherwise experiencing workplace problems because of that disability.

To ensure that every request receives a timely decision, requests — including verbal requests — for reasonable accommodation must be documented and acted upon promptly (refer to Handbook EL-307 for a confirmation form and decision guide).

What Is My Responsibility?

As the supervisor or manager who receives the request, you are responsible for processing the accommodation request promptly. Alternatively, there are district, area, and Headquarters Reasonable Accommodation Committees (RACs) to whom you may refer the request for processing. If an employee who is deaf or hard of hearing submits an oral or written request for a communication accommodation, you must forward the request to the respective District Disability Coordinator. Then, the District Disability Coordinator will forward the request to the RAC for review.

How Do I Process a Request for Reasonable Accommodation?

Process a request for reasonable accommodation by involving the employee or applicant in an interactive process. Your discussion with the individual should take place at the earliest opportunity upon receipt of his or her request for accommodation. The six-step interactive process described here is a flexible, problem-solving approach that makes the reasonable accommodation determination individualized and fact specific. If you need assistance at any point in the process, contact the RAC or refer to Handbook EL-307 for more information.

Six Step Interactive Process

Step One: Determine Whether the Individual Requesting the Accommodation Has a Disability and Meets the Minimum Qualification Standards

You are entitled to know that an employee or applicant has a disability that could require a reasonable accommodation. When an applicant's or employee's impairment is obvious, you cannot request medical documentation to confirm the existence of the impairment. When a disability, need for reasonable accommodation, or both is not obvious or otherwise known, the employee or applicant may be required to provide documentation. You must request this documentation promptly. The documentation must come from an appropriate professional and do the following:

- a. Explain the nature of the disability,
- b. The need for reasonable accommodation, or
- c. Clarify how the requested accommodation will assist the employee to perform the essential functions of the job.

Supplemental medical documentation (including, where appropriate, examination by a medical specialist of the Postal Service's choosing and at Postal Service's expense) may be required if the information supplied is not sufficient. Based on all information provided, determine whether the employee or applicant is an individual with a disability. If so, proceed to Step Two. If you believe the applicant or employee is not an individual with a disability, notify the individual in writing that you are referring his or her request to the RAC for further review or assessment. If you have any questions in determining if the individual has a disability, consult with one of the following:

- The Headquarters Manager, Disability Programs.
- The Manager, Human Resources (District).
- The RAC.

Step Two: Determine Essential Functions of the Job

Essential functions of a job are those functions that define the job. The essential functions are determined on a case-by-case basis. Do not presume that any two Postal Service jobs with the same title are the same; the essential functions may vary depending on the location, tour, and other factors. For example, the essential functions of a carrier who holds a bid job in one office might be casing and delivering mail for a prescribed route. In the same office, the essential functions of another carrier's job might include collections in addition to casing and delivering mail. You must identify the essential functions of the position that the individual with a disability holds or desires to reach an individualized determination. *Remember: Determine essential functions of the job on a case-by-case basis.* To identify essential functions, use the Essential Functions Review Worksheet located in Handbook EL-307, Chapter 2, Exhibit 2-4.

Step Three: Identify the Individual's Abilities and Limitations

The individual is best able to tell you what he or she is able to do as related to the essential functions of the position. Discuss the following with the individual:

- The nature of the job.
- The essential functions you expect the individual to perform.
- The manner in which an employee usually performs the essential functions.

Ask the individual to identify the functions for which he or she needs accommodations.

Step Four: Identify Potential Accommodations

If the individual is unable to perform the essential functions of the job, determine whether the Postal Service can make accommodations to enable the individual to perform those functions safely. Begin by asking the individual what he or she thinks is needed to enable him or her to perform the job. Safety specialists, human resources and medical personnel, and external agencies, such as the Job Accommodation Network (JAN), may be able to provide information about types of reasonable accommodation that would enable the individual to perform the job's essential functions. You can make accommodations for testing applicants locally without further consultation as long as the accommodations do not affect the competitive nature or validity of the selection process.

Step Five: Determine the Reasonableness of Accommodations and Whether Implementation Would Impose an Undue Hardship

Consider whether the proposed accommodation would do any of the following:

- Eliminate or alter the essential functions of the job.
- Impose an undue hardship on the Postal Service.
- Violate the provisions of the collective bargaining agreement.
- Fail to eliminate or reduce the direct threat of harm to the disabled individual or others.

Denial may be appropriate in such situations. When you are uncertain or unable to provide the accommodation locally, you must refer the case to the RAC. If your decision is to deny the accommodation, you must refer the request promptly to the RAC for review. See Handbook EL-307, Chapter 2, for a full discussion of considerations.

Step Six: Select and Implement the Accommodation from Identified Reasonable Alternatives That Can Be Implemented Without an Undue Hardship

Consider the individual's preferences and the effectiveness of each accommodation and its cost. Select the accommodation most appropriate for both the operation and the individual. The chosen accommodation need not be the best or most expensive, or even the one preferred by the individual. As long as the accommodation is reasonable and enables the individual to perform the essential functions of the position, it is acceptable. The employer makes the ultimate decision as to what accommodations, if any, are provided. Once you select an accommodation, it is important to ensure the Postal Service implements it properly (e.g., install approved equipment properly or, if a schedule change is required, advise the appropriate managers). Keep the lines of communication open with the employee to ensure that the accommodation remains effective and advise the RAC if there are changes or problems with the accommodation.

How Much Time Do I Have to Make a Decision?

In all instances, you must handle requests for accommodations as promptly as possible given the facts and circumstances. Generally, you should be able to reach a decision to provide the accommodation or to refer the case to the RAC after your interactive meeting with the employee. See Handbook EL-307 for the following:

- More on extenuating circumstances.
- Periods for processing reasonable accommodation requests.
- To obtain the form that documents the analysis you used to reach the decision (Exhibit 2-3, Reasonable Accommodation Decision Guide).

Can I Deny a Request for Reasonable Accommodation?

If your decision is to deny the accommodation, you must refer the request promptly to the RAC. See Handbook EL-307 and consult with your manager, Human Resources, or designee for further advice.

Does Every Individual With a Disability Require an Accommodation?

No. Many qualified individuals with disabilities are able to perform the job without any accommodation. Often, when an accommodation is necessary, it is incidental rather than substantial in scope or cost.

Does Reasonable Accommodation Apply to Applicants Taking Postal Service Examinations?

Most job applicants and current employees taking Postal Service examinations do not need accommodations in testing. However, for some individuals with disabilities, the examination can serve as an artificial barrier to demonstrating the knowledge, skills, and abilities required to perform the essential functions of the job. In these instances, the Postal Service provides reasonable accommodation to individuals to enable their participation in the competitive process.

What is the Purpose of a Medical Assessment?

You cannot schedule a pre-employment medical assessment until you make a conditional job offer. A conditional job offer is one made to an applicant selected either competitively or noncompetitively after having met the overall eligibility and personal suitability requirements. The job offer is conditional on the satisfactory result of the medical assessment. The medical assessment provides critical information about an applicant's ability to perform a job by identifying restrictions or limitations that are physical, mental, or both. The assessment may suggest job modifications or accommodations that would reduce applicant risk and allow the applicant to perform the job safely. The assessment is not a recommendation for or against hiring and placement; that decision rests with the hiring official based on an individualized determination of the situation and the individual in question.

Is an Occupational Injury Always Considered a Disability Under the Rehabilitation Act?

No. An employee with an occupational injury defined as a disability by the Federal Employees' Compensation Act (FECA) may or may not have a disability as defined by the Rehabilitation Act.

Impairments resulting from occupational injury may last only several weeks, have little or no long-term impact, or both. On the other hand, some occupational injuries may limit a major life activity substantially. If you have questions about a particular occupational injury case, consult your RAC or Human Resources office.

What About Other Laws?

There are times when the Rehabilitation Act and other laws may cover an employee. The Rehabilitation Act and FECA may protect an employee who sustains disabling injuries on the job. The Family Medical Leave Act (FMLA) may cover the same employee for absences related to a serious health condition. It is important to understand that the Postal Service's obligations under the Rehabilitation Act, FECA, FMLA, and collective bargaining agreements are not mutually exclusive. The Postal Service must satisfy simultaneously the separate requirements imposed upon it by each authority.

Why Is It Necessary to Use the Reasonable Accommodation Decision Guide?

We have designed the Decision Guide form to document the reasonable accommodation decision-making process and to guide the decision maker conducting an interactive meeting with an applicant or employee. The form is not required to document:

- A recurring job accommodation need for a specific employee.
- Job accommodations made for persons who have medical restrictions but are not disabled as defined by the Rehabilitation Act.
- Requests for communication accommodations by employees who are deaf or hard of hearing. The Postal Service handles these requests under a different process. Refer to Management Instruction EL-670-2013-6, *Providing Communication Accommodation to Employees and Applicants Who Are Deaf or Hard of Hearing*.

What is My Responsibility With Regard to Confidentiality and Privacy of Reasonable Accommodation Request Information?

In accordance with the Privacy Act and Postal Service policy, you must treat an employee's medical records as confidential information (see Management Instruction EL-860-98-2, *Employee Medical Records*). The Privacy Act and the Rehabilitation Act specifically prohibit disclosure of medical information except in certain limited situations. For example, when you need to know specific information in order to provide a requested accommodation, you may give or receive access to the records needed to make that determination. However, the law prohibits an employer from disclosing that an employee is receiving a reasonable accommodation because that usually amounts to a disclosure that the individual has a disability.

Privacy Act

Under the Privacy Act, the Postal Service may disclose information in relevant legal proceedings; to law enforcement when the Postal Service or requesting agency becomes aware of a violation of law; to a congressional office at the request of the employee or applicant; to entities or individuals under contract with the Postal Service; to entities authorized to perform audits; to labor organizations as required by law; to federal, state, local or foreign government agencies regarding personnel matters; to the Equal Employment Opportunity Commission; and to the Merit Systems Protection Board or Office of Special Counsel.

You must provide a copy of the received PS Form 6710, *Communication Accommodation Request Form*, or the *Confirmation of Request for Reasonable Accommodation* form to the requesting individual to ensure she or he receives a Privacy Act Statement.

The Genetic Information Nondiscrimination Act of 2008 (GINA)

The Genetic Information Nondiscrimination Act of 2008 (GINA) prohibits the following:

- Discrimination against employees or applicants because of genetic information.
- Employers from requesting genetic information about their employees except as specifically allowed by this law.

"Genetic information" means information about the following:

- Genetic tests;
- The genetic tests of family members;
- Family medical history (which means the manifestation of a disease or disorder in family members);
- Request for or receipt of genetic services;
- Participation or a family member's participation in clinical research that includes genetic services; or
- Genetic information of a fetus carried by the individual or a family member or an embryo lawfully held by the individual or a family member receiving assistive reproductive services.

Where Can I Get Additional Information About Reasonable Accommodation?

We intend this material as a general reference for information purposes. For detailed information, see Handbook EL-307, *Reasonable Accommodation, An Interactive Process*, available from the following sources:

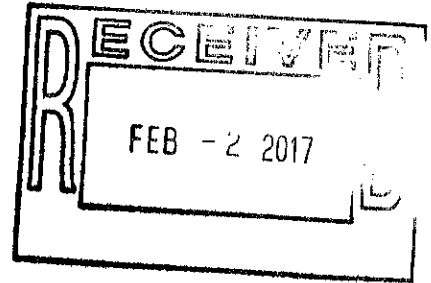
- Hard copy from your Human Resources office or the Material Distribution Center.
- Online on the Postal Service's intranet (PolicyNet at blue.usps.gov) or Internet (about.usps.com).

The Postal Service is committed to building and maintaining an effective, diverse, and motivated workforce — a goal reinforced in the Postal Service's strategic plan.

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Cover Illustration © Jose Ortega/SIS



January 30, 2017



Mr. Brian J. Wagner
President
National Association of Postal Supervisors
1727 King Street, Suite 400
Alexandria, VA 22314-2753

Dear Brian:

This is in further reference to our previous correspondence on August 31, 2015, regarding testing Informed Delivery, a service that provides residential customers with an email message or online dashboard access of an image of letter-sized mail that will be arriving soon. Informed Delivery is currently available in select ZIP Codes in Virginia, the New York metropolitan area, Maryland, and Washington D.C.

The test has successfully concluded. Informed Delivery will be expanded from January through May to include the following major metropolitan areas: Southern California, San Francisco, Houston, Dallas, Philadelphia, Pittsburgh, New York, Northern New Jersey, Long Island, Chicago, Detroit, Minneapolis, Miami, and Atlanta.

We have enclosed a copy of the two standup talks that will be distributed to support this expansion.

Please contact Bruce Nicholson at extension 7773 if you have questions concerning this matter.

Sincerely,

A handwritten signature in black ink, appearing to read "Alan S. Moore". The signature is stylized and somewhat cursive.

Alan S. Moore
Manager
Labor Relations Policy and Programs

Enclosures

PLEASE PRINT, READ, CERTIFY & POST THIS STANDUP TALK

Informed Delivery™ Standup Talk 1 - For Immediate Distribution FOR ALL EMPLOYEES IN MAJOR METRO DEPLOYMENT AREAS

USPS® Expands Informed Delivery™

We are doing something new and digital with mail - and you're invited to try it first!

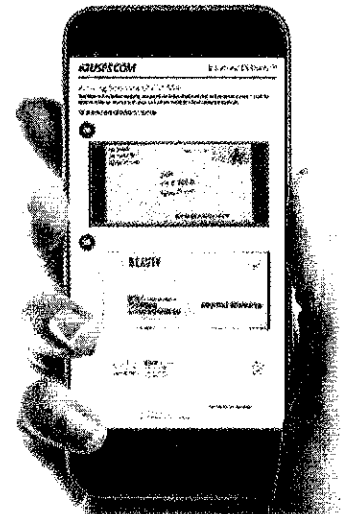
- Informed Delivery is an optional, free feature that gives residential consumers the ability to see a daily preview of their household's letter-sized mailpieces that will be arriving soon.
- This feature offers consumers the convenience of seeing what is coming to their mailbox – anytime, anywhere – even while traveling. Through this feature, USPS is making mail a more valuable and effective communication channel for mailers and consumers, maintaining the relevancy of physical mail in today's highly digital environment.
- Informed Delivery has been piloted for several years and consumers love it! This year, the feature will be expanded nationwide, and our service area is part of the initial expansion.

How Does Informed Delivery Work?

We use existing processes to gather digital images of the exterior of mailpieces as they are processed through automation equipment.

- Informed Delivery uses those images to provide digital notifications to users in advance of the delivery of physical mail.
- Participating users can receive an email notification, referred to as a "digest", that includes grayscale images of the exterior, address side of incoming letter-sized mailpieces, as shown in this illustration.
- Users can also view their household's mailpiece images for the past 7 delivery days on their online dashboard at USPS.com®.

Illustration of cell phone with an Informed Delivery daily digest (email).



Informed Delivery will be activated, in waves, across the U.S. between now and May.

- ZIP Codes™ will be activated based on the Processing and Distribution Centers (P&DCs) that support them. This activation will be facilitated by Headquarters.
- Keep in mind that an entire District may not be activated at the same time.

How Can We or Consumers Sign Up?

- Go to informedelivery.usps.com and use the ZIP Code checker to see if your ZIP Code area is eligible for Informed Delivery. If it is, select "Sign Up".
- If you don't already have your own personal account on USPS.com, you will have to create one first.
- Once you are signed up or signed into your account, to see if your individual home address is eligible for Informed Delivery, go to your Profile, select My Preferences, and see if the feature is showing in the Account Management section.
- Sign up is voluntary and must be completed off the clock. As with My USPS®, an identity verification process is required to participate.

How Does Informed Delivery Impact Us?

Informed Delivery has not been widely marketed to consumers in our ZIP Codes yet, however, it will be in the near future. As a result of this marketing, you may receive questions from consumers about the feature or how to sign up. We recommend you direct consumers to the [Informed Delivery website](http://informedelivery.usps.com) which has an extensive list of FAQs. Thank you for your time and for your support as we roll out this new and exciting feature.

STATION CERTIFICATION:

Station Name _____

Date Service Talk Given _____

Coordinator (Signature) _____

Management Coordinator (Signature) _____

PLEASE PRINT, READ, CERTIFY & POST THIS STANDUP TALK

Informed Delivery™ Standup Talk 2 - For Distribution upon Receipt of Job Aids & Collateral FOR ALL EMPLOYEES IN MAJOR METRO DEPLOYMENT AREAS

Informed Delivery™ Job Aids & Collateral

In our last Standup Talk, we introduced you to Informed Delivery, a new notification service that will soon be marketed and promoted to consumers in our service area as part of the nationwide expansion of the feature.

As a reminder, Informed Delivery is an optional, free feature that gives residential consumers the ability to see a daily preview of their household's letter-sized mailpieces that will be arriving in their mailboxes soon. Once signed up, users can view grayscale images of the outside of their letter-sized mailpieces on a computer, tablet, or mobile device. Informed Delivery offers consumers the convenience of seeing what is coming to their mailbox – anytime, anywhere – even while traveling.

How Does Informed Delivery Impact Us?

You may receive questions as Informed Delivery expands nationwide and the feature is promoted and marketed to consumers in our ZIP Codes™. The purpose of this Standup Talk is to remind you that marketing for this feature will begin in our area soon. To help you understand Informed Delivery and its benefits, as well as to equip you to answer questions about the feature, we've been provided some job aids and collateral.

- **Trifold Brochure:** This brochure provides an overview of the feature, how it works, and information on how to sign up. This resource is for **internal use only** and should not be given to consumers; it is solely for your reference.
- **Pocket Pad:** This Pocket Pad can be used by carriers or clerks. You can tear off a sheet from the Pocket Pad to provide to consumers that express interest. This sheet contains information on how to sign up and provides the URL for the website where consumers can learn more about Informed Delivery. The Pocket Pad does not bear U.S. postage and therefore **should not be placed inside a consumer's physical mailbox or PO Boxes™**.

A select number of these Informed Delivery job aids and collateral have been shipped to our office; we will order additional job aids and collateral online as needed.

Where Can We Find More Information?

You or our consumers can visit the Informed Delivery website at informedelivery.usps.com for an extensive list of FAQs and to get information on how to sign up as a personal user of Informed Delivery. As a reminder, our participation is optional and sign up must be completed outside of work hours.

As USPS® employees, our support is essential in helping USPS make mail a more valuable and effective communication channel and maintain the relevancy of physical mail in today's highly digital environment.

Thank you for your time and support as we roll out this new and exciting consumer feature!

STATION CERTIFICATION:

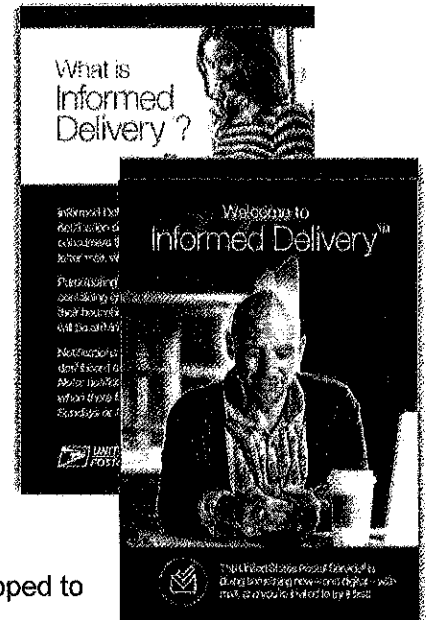
Station Name _____

Date Service Talk was Given _____

Coordinator (Signature) _____

Management Coordinator (Signature) _____

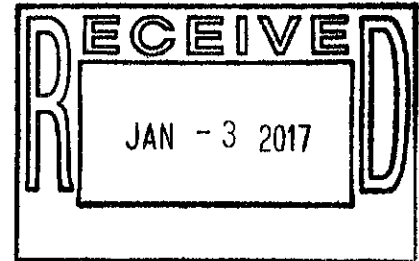
Illustrations of Informed Delivery Pocket Pad and Trifold Brochure (front views).





December 29, 2016

Mr. Brian J. Wagner
President
National Association of Postal Supervisors
1727 King Street, Suite 400
Alexandria, VA 22314-2753



Dear Brian:

This is in further reference to our previous correspondence¹ concerning the Postal Service's transition to a new Flexible Spending Account (FSA) program vendor, FSAFEDS. This is notice that Management Instruction (MI) EL-430-2015-4 *Back Pay*, PS Form 8038, *Employee Statement to Recover Back Pay*, and PS Form 8039, *Back Pay Decision/Settlement Worksheet*, are being revised to conform to the new FSA program.

We have enclosed:

- Copies of Management Instruction, EL-430-2015-4 final draft, one with and one without changes identified
- Copies of PS Form 8038 and PS Form 8039 with changes identified

Please contact Bruce Nicholson at extension 7773 if you have questions concerning this matter.

Sincerely,

A handwritten signature in cursive script that reads "Alan S. Moore".

Alan S. Moore
Manager
Labor Relations Policy and Programs

Enclosures

If anyone wants to see the copy with track changes may contact NAPS Headquarters.

¹ Previous notices on this subject were sent on April 28, October 27, November 2, and November 17.

Management Instruction

Back Pay

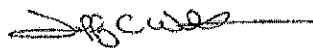
This management instruction (MI) provides:

1. A brief overview of the back pay compensation process,
2. Information about organizational responsibilities, and
3. The procedures for processing a claim.

For a full discussion of the Postal Service's policy on back pay compensation, see *Employee and Labor Relations Manual* (ELM) 436, Back Pay.

Overview

| | |
|-----------|-----------------|
| Date | October 1, 2015 |
| Effective | Immediately |
| Number | EL-430-2015-4 |
| Obsoletes | EL-430-2012-4 |
| Unit | Compensation |


Jeffrey C. Williamson
Chief Human Resources Officer
and Executive Vice President

Definition

Back pay compensation is the retroactive restoration of pay, benefits, or both. The Postal Service provides back pay compensation for:

1. Periods in which compensation is reduced, denied, or terminated due to personnel or hiring actions that are subsequently reversed; or
2. Retirement applications that are denied by the Office of Personnel Management (OPM).

Back pay compensation does *not* include compensation for non-compensation-related claims, such as those found in Article 27 of the collective bargaining agreements or in ELM 640, Employee Claims.

Authorization

Back pay compensation is authorized in one of the following ways:

- ⊕ By a settlement or decision from a recognized authority that reverses or modifies a personnel action. This includes, but is not limited to:
 - A settlement or decision negotiated under or rendered by:
 - ⊕ The Equal Employment Opportunity Commission (EEOC),
 - ⊕ The Merit Systems Protection Board (MSPB),
 - ⊕ Federal district courts, or
 - ⊕ Arbitrators and others operating within the auspices of Article 15 of the collective bargaining agreements.
 - A rescission
- ⊕ By Retirement Program management approval in an erroneous retirement case.

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Definitions

Decision — a document that memorializes an official determination made by a third party (such as a federal judge, administrative law judge, arbitrator, or hearing officer) regarding the appropriateness of a personnel action.

Erroneous retirement — when the Office of Personnel Management (OPM) finds that the eligibility requirements for retirement have not been fulfilled.

Personnel action — an action that modifies the employment status or employment eligibility of an individual. Personnel actions that may result in back pay if reversed include adverse actions such as suspension without pay, removal, or involuntary reassignment (including demotion) as well as status modifications that are not necessarily adverse but result in pay adjustment.

Rescission — a unilateral determination by the Postal Service regarding a personnel action.

Settlement agreement — a document that memorializes an agreement between an individual or his or her representative and the U.S. Postal Service. A settlement represents a negotiated solution to a disagreement outside of, or in lieu of, the official decision-making process by a third party.

Types of Back Pay Compensation

Lump Sum

A *lump sum* is back pay compensation in the form of a single payment of a known amount of money.

A lump sum award does not affect the compensation history used by OPM to calculate retirement annuities or other employment-related benefits such as:

- ⊕ Sick or annual leave,
- ⊕ Health or life insurance, or
- ⊕ Thrift Savings Plan participation.

A back pay lump sum award is *always* subject to:

- ⊕ Federal, state, and local income tax withholding, and
- ⊕ Social Security and Medicare deductions, where applicable.

See Attachment A, Back Pay Lump Sum Inclusions, Deductions, and Withholdings, for the application of lump sum calculations to different kinds of settlements, decisions, rulings, and determinations.

Hours Calculation

An *hours calculation* is back pay compensation that is based on a hypothetical schedule (i.e., the schedule that the claimant would have worked if not for the personnel action that was subsequently reversed or the retirement action that was denied).

This computation method requires determining:

1. The relevant time period;
2. The appropriate basic rate of pay; and
3. The hours the employee would have worked during the back pay period.

The resulting calculation may take into account the claimant's regular work schedule and premium pay attached to that regular schedule or the claimant's work history.

A back pay award that calls for an employee to be "**made whole**" **must be submitted as an hours calculation**. This type of compensation makes the employee whole because:

1. Unlike a lump sum payment, it includes most employment-related benefits such as:
 - a. Sick and annual leave,
 - b. Health and life insurance,
 - c. Thrift Savings Plan, and
 - d. Retirement benefits.
2. It also requires correction of an individual's personnel history, and that change may affect the annuity calculations performed by OPM if and when the individual retires.

An hours calculation may take the form of a *pay differential* adjustment.

1. This calculation takes an individual's existing compensation history and compares it to an alternative that would have occurred under different circumstances.

2. The difference in pay, if any, results in a payroll adjustment to the employee.

An hours calculation payment is *always* subject to:

1. Federal, state, and local income tax withholding, and
2. Social Security and Medicare deductions, where applicable.

See Attachments B and C for more information regarding the application of hours calculations to different kinds of settlements, decisions, rulings, and determinations.

Interest

See ELM 436.7, Interest on Back Pay, for policy regarding when and how interest is calculated for back pay awards.

Erroneous Retirement

Explanation

An individual is considered erroneously retired if he or she voluntarily retires before meeting the requirements for both age and service. In such cases, OPM usually:

- ☞ Disallows the retirement application, and
- ☞ Requests the Postal Service to retroactively restore the employee to the active rolls as of the date of the erroneous retirement.

If the date on which the applicant would attain the age and/or service requirements has already passed and the time span for attaining eligibility is short, e.g., 30 days or less, the Headquarters Compensation Retirement Program manager *may* decide to administratively place the employee in leave without pay (LWOP) status from the date of the erroneous retirement to the date on which the minimum service or age requirement is attained.

Corrective Action

OPM's letter requesting the Postal Service to restore the employee to the rolls will indicate that the employee "may be entitled to back pay covering the period from the date of the erroneous retirement to the date the employee is restored to the rolls."

Before any action is taken on OPM's letter, the Postal Service must verify the employee's service record.

- ☞ If the reason for the erroneous retirement is based on age, records must be verified to ascertain the employee's correct date of birth.
- ☞ After the retirement separation is established as erroneous, the employee must be contacted promptly and action taken to restore him or her to the rolls.

In erroneous retirement cases, back pay is calculated so that an employee is compensated as if he or she had worked during the period of erroneous retirement.

Approval of Back Pay in Erroneous Retirement Cases

Back pay must be approved by Headquarters Compensation if an erroneous retirement is the result of a Postal Service eligibility determination error. If an employee was in LWOP status immediately

before the effective date of separation, back pay may be denied for the erroneous retirement period.

Mitigating Damages

As detailed in ELM 436, an employee who files an appeal challenging a personnel action involving separation, indefinite suspension, or denial of employment is required to mitigate damages during the period necessary to adjudicate his or her appeal. To mitigate damages, the employee is expected to earn income from:

- ⌘ New employment,
- ⌘ Expanded part-time employment, or
- ⌘ Self-employment.

The employing office must provide information concerning efforts made to mitigate damages on PS Form 8039, *Back Pay Decision/Settlement Worksheet*, Section C.

Separation or Indefinite Suspension

If the original action resulted in separation or indefinite suspension and no outside employment was obtained for all or any part of the back pay period, the employee must supply the following:

- ⌘ **Back pay period of 45 days or less** — the employee is not required to certify or to provide documentation showing his or her efforts to secure other employment during this period. —
- ⌘ **Back pay period of more than 45 days and up to 6 months** — the employee must provide a **statement certifying the reasons that outside employment was not obtained** for all parts of the back pay period that exceeded the first 45 days. These periods are excluded from the back pay computation if the employee:
 - Fails to provide a certified statement, or
 - Indicates that he or she did not make a reasonable effort to secure outside employment for the periods in question.
- ⌘ **Back pay period of more than 6 months (e.g., 6 months and 1 day)** — the employee must provide **documentation detailing his or her efforts to secure other employment** for all parts of the back pay period that exceeded the first 45 days. If the employee fails to provide such documentation for the periods in question, these periods are excluded from back pay computation.

Denial of Employment

If the original action resulted in denial of employment with the Postal Service, the individual must provide documentation in support of his or her efforts to secure other employment for all parts of the back pay period.

If the individual fails to provide such documentation for all parts of the back pay period, these periods are excluded from the back pay computation.

If these periods are excluded from a back pay computation, the employing office must document the reasons on PS Form 8039. This documentation becomes part of the back pay file. See Attachments B and C for more information about mitigation of damages.

Compliance Requirements

Merit Systems Protection Board

The MSPB requires that compliance action for back pay be completed within 60 days of its final decision.

- ⊞ Generally, an initial decision is final 35 days after it is dated if a petition for review is not filed.
- ⊞ Decisions of the full board are final on the date set forth in the decision.

If there is any delay in this process caused by administrative problems or the employee's failure to provide the necessary documentation, the employee's manager or district back pay coordinator must:

- ⊞ Notify the MSPB regional office, in writing, of the reasons for the delay, and
- ⊞ Provide an estimated date when the back pay check will be issued.

Equal Employment Opportunity Commission

The EEOC requires that evidence of compliance with its decisions be submitted within 60 days of the decision.

If there is any delay in this process caused by administrative problems or by the employee's failure to provide the necessary documentation, the employee's manager or district back pay coordinator must:

- ⊞ Notify the EEOC district office with jurisdiction over the case, and
- ⊞ Provide the reasons for the delay and an estimated date when the back pay check will be issued.

Arbitration and Court Awards

If an arbitrator or court awards back pay, the postmaster or installation head should attempt to comply with the award within a reasonable time period or within the time period set by the arbitrator or court.

If there is any delay in the process caused by administrative problems or the employee's failure to provide the necessary documentation, the employee's manager or district back pay coordinator should contact the advocate who represented the Postal Service for advice on how to proceed.

Privacy Act Considerations

Back Pay records are private information about individuals and are personal in nature. These records are to be treated as confidential, sensitive, or sensitive-enhanced information. To protect against unauthorized disclosure these records are to be given the same measure of security as other personnel record systems (i.e., storage in locked desk or file cabinets, with access restricted to those with an official need to know). Requirements to protect sensitive or sensitive-enhanced information are derived from law, regulation, policy, the law enforcement and judicial process, the payment card industry (PCI), and the Privacy Act of 1974. These records must be handled and disclosed only in accordance with Privacy and Records Management considerations (see Handbook AS-353, *Guide to Privacy, the Freedom of Information Act, and Records Management*).

Responsibilities

The responsibilities of Postal Service personnel for managing the back pay compensation process are listed in the table below.

Headquarters

| This person or organization... | Is responsible for... |
|-----------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Compensation | <ul style="list-style-type: none"> ☞ Developing back pay compensation policy and updating ELM 436 when required. ☞ Providing guidance to Headquarters Payroll and others concerning the application of federal statutes, regulations, and case precedent to the payment of claims. ☞ Maintaining the list of back pay coordinators on the Postal Service intranet. ☞ Determining whether back pay is warranted in erroneous retirement cases. |
| Manager, Corporate Personnel Management | <ul style="list-style-type: none"> ☞ Administering all aspects of back pay policy for Headquarters and Headquarters field unit employees. |

Human Resources — All Levels

| This person or organization... | Is responsible for... |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Human Resources Shared Services Center (HRSSC): <ul style="list-style-type: none"> ☞ Personnel Processing Specialist; or ☞ Human Resources Generalist | <ul style="list-style-type: none"> ☞ In reversed personnel action cases: <ul style="list-style-type: none"> – Ensuring that the claimant's benefits package is current and correct. – Helping with any correction to the employee's personnel history made necessary by a settlement or decision. – Interacting as needed with back pay coordinators, payroll specialists at Accounting Services, and local certifying officials. ☞ In erroneous retirement cases: <ul style="list-style-type: none"> – Verifying the validity of any OPM rejection of a retirement application. – Forwarding the case to the back pay coordinator for further action. |
| Manager, Human Resources (Area) | <ul style="list-style-type: none"> ☞ Determining whether an eligible employee may participate during the back pay period in any variable pay program (i.e., Pay for Performance (PFP) payments). This determination is required only if the decision, negotiated settlement, or rescission does not specifically address variable pay programs. ☞ Ensuring that districts and area office personnel within the manager's area comply with all rules and regulations regarding back pay processing as defined in this and other official documents. |

| This person or organization... | Is responsible for... |
|-------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Manager, Human Resources (District) | <ul style="list-style-type: none"> ☞ Designating a management employee, typically a labor relations manager or specialist, as the district back pay coordinator and updating the list of back pay coordinators when necessary by informing the manager, Pay Programs (Headquarters Compensation), of any changes. ☞ In erroneous retirement cases, contacting the manager, Retirement Programs (Headquarters Compensation), for authorization to pay back pay compensation. ☞ Ensuring that the district complies with all rules and regulations regarding back pay processing as defined in this and other official documents. ☞ Acting as the final approving authority for all back pay cases. |

Districts

| This person or organization... | Is responsible for... |
|--------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Manager, Labor Relations | <ul style="list-style-type: none"> ☞ Informing claimants of their responsibility to mitigate damages (see ELM 436.2). Attachments E and F provide sample letters to be used as guides for this purpose. ☞ Determining whether a claimant who is required to mitigate damages by seeking other employment has done so satisfactorily. ☞ In reversed personnel action cases, reviewing required back pay forms and documentation before they are submitted to the manager, Human Resources for final approval. |

| This person or organization... | Is responsible for... |
|-------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>Back Pay Coordinator (Certifying Official)</p> | <ul style="list-style-type: none"> ☞ Reviewing and coordinating the back pay claim process. This may include either of the following: <ul style="list-style-type: none"> – Personally completing or submitting the necessary back pay forms. – Monitoring the actions of other management personnel assigned this responsibility. ☞ Verifying the claimant's efforts to mitigate damages. Attachment G provides a sample letter to use when verifying a claimant's attempts to mitigate damages. ☞ Noting other sources of income received by the claimant, such as unemployment insurance and Office of Workers' Compensation Programs awards, during the back pay period. ☞ Ensuring that mitigation efforts and income are reported correctly on PS Form 8038, <i>Employee Statement to Recover Back Pay</i>, and PS Form 8039, <i>Back Pay Decision/ Settlement Worksheet</i>. ☞ Working with personnel processing specialists at HRSSC or the district Human Resources (HR) generalist, as needed, to ensure that: <ul style="list-style-type: none"> – Any necessary service and salary history corrections are processed correctly. – All other employee benefits are correct and current. ☞ Documenting any delays caused by employees, claimants, or others in submitting the information required to process the back pay claim. (See Compliance Requirements on page 5 for more information.) ☞ Promptly verifying with OPM the amount of retirement deposits refunded or annuity payments received, if any, during the back pay period. |

| This person or organization... | Is responsible for... |
|--------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Back Pay Coordinator (Certifying Official) (continued) | <ul style="list-style-type: none"> ☞ Certifying that the back pay claim is complete and accurate by signing PS Form 8039, obtaining the signature of the manager, Human Resources (District), or their designee (final approving authority), and submitting the back pay package to Accounting Services. ☞ Establishing and maintaining a back pay file for each back pay case. The file should be identified by the employee's or claimant's name, and contain the following: <ul style="list-style-type: none"> - Decision, award or settlement agreement. - Notification of the claimant's obligation to mitigate damages during the back pay period (see Attachments E and F). - Copies of any documented evidence submitted by the claimant in support of his or her efforts to secure outside employment during the back pay period. - Copies of letters sent to employer contacts made by the employee during the back pay period (see Attachment G). - Copy of PS Form 8038 and any documented evidence submitted by the employee in support of the information provided on PS Form 8038. - Copy of PS Form 8039 and any supporting documentation provided to Accounting Services as part of the PS Form 8039 submission. - Copy of PS Form 8041, <i>Pre-arbitration or Agency Settlement Worksheet</i>, for lump sum awards. - Copy of PS Form 2240, <i>Pay, Leave, or Other Hours Pay Adjustment Request</i>, if required. - Copies of all correspondence between the Postal Service and the claimant concerning the claimant's back pay claim. - Copies of letters sent to or received from an appropriate authority concerning the processing delays or compliance actions involving the case at hand, including notification from OPM of annuity payments received or employee contributions withdrawn. - Documents on any administrative or judicial action filed by the claimant concerning the Postal Service's final decision on the claimant's back pay claim. - Any other pertinent forms, letters, or other documents related to the back pay case. |

| This person or organization... | Is responsible for... |
|--------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Back Pay Coordinator (Certifying Official) (continued) | <ul style="list-style-type: none"> Ⓒ Retaining the back pay file in the final approving official's organization for 3 years after the effective date of the decision, award or settlement agreement, unless an audit, investigation, or appeal is pending that would require a longer period of retention. |

Accounting Services

| This person or organization... | Is responsible for... |
|--------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Accounting Services | <ul style="list-style-type: none"> Ⓒ Processing back pay claims on a first-in, first-out basis as quickly as possible, based on the information contained in the back pay package. Ⓒ Returning to the submission office packages that do not contain the required forms, documents, information, and signatures of the claimant, the back pay coordinator (the certifying official), and the final approving official. |

Managers and Claimants

| This person or organization... | Is responsible for... |
|--------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Managers of Employees Submitting Back Pay Claims | <ul style="list-style-type: none"> Ⓒ Providing the claimant with the necessary forms and instructions, including, but not limited to, PS Form 8038. Ⓒ In all types of back pay awards, assisting district, area, Headquarters, and Accounting Services staff in gathering and disseminating information and completing required forms concerning the case for prompt and accurate processing of the claim. Ⓒ Documenting any delays caused by employees or claimants in submitting the information required to process their back pay claims. Ⓒ Providing reasonable assistance to employees in obtaining information and completing required forms and documentation. Ⓒ In cases involving a rescission, providing written documentation of the terms of the requested payment or adjustment. |

| This person or organization... | Is responsible for... |
|--------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Back Pay Claimants | <ul style="list-style-type: none"> Ⓒ If required by statutory and regulatory requirements as detailed in ELM 436, mitigating damages by seeking other employment or increasing existing secondary employment during the back pay period. Ⓒ Completing in full and signing PS Form 8038 including documenting their efforts to mitigate damages and the income they received. Ⓒ Submitting PS Form 8038 and any related documentation to the responsible management official as soon as possible after a settlement or decision has been reached. <p>Note: The claimant or his or her authorized agent must submit a back pay claim within 6 years following the date of the action resulting in the claim.</p> |

Procedures

This section lists the steps Postal Service personnel take to process a back pay claim.

Back Pay Coordinator

As soon as possible after receiving the authorizing decision, settlement, rescission, or approval by Headquarters Compensation of back pay in an erroneous retirement case, **review** the checklist in Attachment D, Back Pay Documentation Requirements, to determine the appropriate documentation and submission procedures required by the authorization for back pay.

Coordinate with Labor Relations to ensure the employee is notified of the requirement to mitigate damages during the back pay period, if applicable (see section on Mitigating Damages on page 4).

1. For Lump Sum Awards

- a. You must use GATS to process:
 - i. Wage-related lump sum payments less than \$100,000 that are grievances, pre-arbitration settlements, and arbitration awards.

For more information on GATS, go to Labor Relations Systems and Resources at <http://blue.usps.gov/humanresources/professionalportal/laborrelations/lr/lrsr.shtml>.

- b. You must complete PS Form 8041, obtain signature of the certifying official, and submit to the address on the form if the payment cannot be processed through GATS (refer to Attachment D) because the payment:
 - i. Is not wage-related;
 - ii. Is equal to or greater than \$100,000; or
 - iii. Is not the result of a grievance or arbitration process.

2. **For Hours Calculation Awards (Less than one full pay period and no requirement to make employee whole)**
- a. You must use GATS for Article 15 grievance-arbitration related hours calculations involving:
- i. Less than one full pay period of lost earnings;
 - ii. No requirement to make the claimant "whole"; and
 - iii. At least 1 paid hour (work or leave) in the relevant pay period was previously paid to the claimant.
- For more information on GATS, go to Labor Relations Systems and Resources at <http://blue.usps.gov/humanresources/professionalportal/laborrelations/lr/lrsr.shtml>.
- b. If the payment cannot be processed through GATS (refer to Attachment D), then you must:
- i. Complete the required document:
 - (a) PS Form 2240, *Pay, Leave, or Other Hours Adjustment*; or
 - (b) PS Form 8039, *Back Pay Decision/Settlement Worksheet*.
 - ii. Obtain the necessary signatures and submit the required form(s) and documentation as directed in Attachment D.

3. **For Hours Calculation Awards (One full pay period or more or any period that requires employee to be made whole)**
- a. For all back pay authorizations that require an **hours calculation** including (1) one full Postal Service pay period or more (i.e., at least one Postal Service pay period with **no** previously paid leave or work hours), (2) a provision of back pay to make the employee whole, or (3) a decision rendered by an authorizing agency or third party:
- i. **Direct** the employee to **complete** and **sign** PS Form 8038, *Employee Statement to Recover Back Pay*. **Advise** the employee to include all applicable information on:
 - (a) Mitigating damages and/or receipt of unemployment compensation;
 - (b) Voluntary refunds of retirement plan contributions;
 - (c) Participation in the Thrift Savings Plan (TSP), and/or Health Insurance; and
 - (d) Receipt of annuity payments from OPM.
 - ii. **Inform** employees or claimants that prompt, thorough, and accurate completion of PS Form 8038 allows management to complete PS Form 8039 in a timely and accurate manner that reflects compliance with statutory and regulatory requirements and case law precedent. Failure by the claimant to complete

PS Form 8038 in a timely manner will delay payment of the award.

b. **Complete** PS Form 8039.

- i. **Use** the information provided by the claimant on PS Form 8038, resolving any discrepancies or omissions.
- ii. **Consult** with HR local services or HRSSC, as necessary, to determine service or salary history corrections required by the back pay award.
- iii. **Complete** Part G, Work Schedule, of the form describing what the employee's regular schedule would have been during the back pay period, as follows:
 - (a) For an employee **with a regular schedule**, **check** the regular schedule assigned to the employee's position. **Estimate** any overtime or other premiums, such as night differential, Sunday premium, or higher-level pay, to which the claimant might be entitled for the back pay period.
 - (b) For an employee **without a regular schedule** (e.g., a part-time flexible schedule or non-career employee), **review** the employee's actual work schedule during the 13 pay periods before the suspension, separation, or retirement to arrive at a **fair estimation** of what the employee would have worked if not for the disputed personnel action.
 - 1) If 13 pay periods of history are not available, review all those **available** before the suspension, separation, or retirement.
 - 2) If the employee was on LWOP before separation or suspension, **use** the schedule in effect immediately before the LWOP period began.
 - 3) To evaluate the work history of an employee without a regular schedule, use payroll journals and/or Time and Attendance Collection System (TACS) reports. If you have trouble accessing this information, **contact your district TACS coordinator**. TACS coordinators are listed on the Postal Service intranet at <http://blue.usps.gov/tacs>.
 - (c) For an individual with **no work history** available (such as a claimant who was initially denied employment):
 - 1) Select up to three **comparable employees** and use their work histories to determine the hypothetical hours for

which the claimant should be compensated.

- 2) If three comparable employees are not available, use as many as can be identified.

iv. **If the employee received any distributions of funds from OPM** during the separation period, these payments are considered overpayments, i.e., debts owed to the federal retirement system.

(a) If, during a contested separation, the employee received from OPM a **lump sum refund** of his or her retirement contributions, deposits, voluntary contributions, and interest (as shown in Question 8b of PS Form 8038):

- 1) **Verify** the amount of the refund by faxing a request to the OPM office in Boyer, PA, at 724-794-6633 or 724-794-4668.

- 2) **Include** the claimant's:

- (a) Name and any other names by which the claimant may be known or may have been known in the past;

- (b) CSRS retirement claim number or FERS annuity claim number (CSA), if known;

- (c) Social Security number if the CSA is not known; and

- (d) Date of birth.

- 3) **Include** a fax number to which the reply should be sent.

Note: It may take OPM up to 3 weeks to respond, so this action should be taken immediately upon receipt. If there is a discrepancy between the amounts reported by the claimant and those provided by OPM, reconcile the difference. The claimant may attach a signed statement, advising that they feel there is a discrepancy in the amounts.

- 4) **Write** in Section I, Special Instructions, on PS Form 8039: "Deduct OPM retirement refund and return to OPM."

(b) If, during the back pay period, the employee received **annuity payments** from the federal government (as shown in Question 8a of PS Form 8038 or OPM correspondence), **write** in Section I, Special Instructions, on PS Form 8039: "Deduct OPM retirement refund and return to OPM."

v. **If the claimant is eligible for variable pay program compensation during the back pay period**, and the

back pay authorization is a third-party decision or negotiated settlement involving disciplinary action that was upheld or modified:

- (a) **Determine** whether the decision or settlement specifically addresses any variable pay program compensation (i.e., PFP payments).
 - 1) If so, **follow** the instructions in the decision or negotiated settlement.
 - 2) If not, **contact** the area HR manager for a decision. The area HR manager has the authority to exclude a claimant from program eligibility provided the exclusion does not violate the plain language of the decision or settlement.
- (b) **Use** PS Form 8039, Section I, Special Instructions, to document the decision, negotiated settlement, or area HR manager's instructions regarding PFP processing.
- vi. If the back pay authorization is a **rescission**, annotate Section I, Special Instructions, of PS Form 8039 to document the manager's instructions.
- c. **Request** that the HRSSC make appropriate cancellations, corrections, and reactivations, by sending the following information:
 - i. Copy of the relevant authorization for back pay (negotiated settlement, third-party decision, OPM determination, rescission, etc.).
 - ii. Copies of PS Forms 8038 and 8039.
 - iii. An explanation of the personnel actions that must be performed.
- d. **Send** the information using one of these methods:
 - i. Email to:
HRSSC BENEFITS/COMPENSATION
Subject Line: Field Back Pay
 - ii. Fax to:
651-994-3543
Attn: Field Back Pay
 - iii. Mail to:
HRSSC Benefits & Compensation
Attn: Field Back Pay
P.O. Box 970400
Greensboro, NC 27497-0400

Personnel Processing Specialists at HRSSC

- 4. **Perform** the cancellations, corrections, and reactivations requested and fax a screen print of the updated service history to the back pay coordinator.
- 5. **Communicate** any benefits-related issues the claimant should be aware of to the back pay coordinator.

Back Pay Coordinator

6. Once the HCES actions — cancellation, correction, and/or reactivation — have been performed, and PS Form 8038 and PS Form 8039 have been completed, **certify** that the back pay claim is accurate and complete by signing PS Form 8039 in the space provided.
7. Present the back pay package to the manager, Labor Relations, for review.

Manager, Labor Relations

8. **Review** the completeness and accuracy of the back pay claim paperwork completed by the back pay coordinator.
9. For reversed personnel action cases, determine whether the claimant has satisfied the requirement to mitigate damages by seeking other employment, as detailed in ELM 436.
Note: In making this determination, the responsible manager, Labor Relations, should take into consideration not only the number of prospective employer contacts that were made by the employee or claimant, but also several other factors, such as the job market and the unemployment rate in the local commuting area.
 - ⌘ If the local economy is depressed, the job opportunities will not be as readily available as in an area that is realizing substantial growth.
 - ⌘ The employment opportunities advertised in the local newspaper and the jobs available through the state job service provide good measures not only of the availability of jobs but also of the level of activity that could reasonably be expected from the employee.
10. **Return** the form to the back pay coordinator to make any corrections deemed necessary.

Back Pay Coordinator

11. Present the corrected back pay file to the manager, Human Resources, for review and **final approving signature**.
12. After approval by the manager, Human Resources, **mail** the following items to the address indicated in Attachment D:
 - a. PS Form 8038, PS Form 8039, and a copy of the third party settlement or decision, if applicable.
 - b. A screen print of the updated service history.
 - c. In **erroneous retirement** cases, approval from the manager, Retirement Program (Headquarters Compensation), of the back pay and a copy of the official letter from OPM (1) denying the retirement application and (2) stating any overpayment (debt) owed to the federal retirement system.
 - d. For cases that involve a **rescission**, a copy of the manager's written documentation of the terms of the back pay request.

13. **Arrange** for copies of all forms and documents relevant to the back pay package to be kept on file at the final approving official's organization for 3 years.

Accounting Services

14. **Receive** the back pay package filled out with the information required by statutory, regulatory, and case law authority.
15. Within 60 days of receipt of the **completed** package, **disburse** the funds due to the employee according to calculations based on the information in the back pay claim.

Attachment A

Back Pay Lump Sum Inclusions, Deductions, and Withholdings

Note: Inclusions in this table are considered normal inclusions for a lump sum award if the settlement or decision is otherwise silent.

| Lump Sum Inclusions | YES/NO |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------|
| Wages, Night Differential, Overtime, Additional Straight Time Pay, Sunday Premium, and Holiday Leave (according to the regular schedule and tour of duty at the time of incident or personnel action) | NO |
| Interest | See ELM 436.7, Interest on Back Pay. |
| Annual Leave | NO |
| Sick Leave | NO |
| Variable Pay Programs Compensation (e.g., PFP) | NO |
| Thrift Savings Plan (TSP) Employer Contributions | NO |
| Retirement Credit | NO |
| Lump Sum Deductions and Withholdings | YES/NO |
| Earnings from New Employment or Expanded Part-Time Employment | |
| ☐ Required to certify or document efforts to mitigate damages? | NO |
| ☐ Deduct from back pay award? | NO |
| Unemployment Compensation | NO |
| Welfare or Public Assistance Payments | NO |
| Workers' Compensation (OWCP) (except scheduled awards) | NO |
| Automatic redeposit of refunded retirement contributions for CSRS and CSRS offset employees | NO |
| Retirement Contributions | NO |
| Social Security ¹ | YES |
| Medicare ¹ | YES |
| Federal Income Tax ¹ | YES |
| State Income Tax ¹ | YES |
| Local Income Tax ¹ | YES |
| Indebtedness to USPS (only if employee is terminated) | YES |
| Other Agency Debts ² | YES |
| Child Support ² | YES |
| IRS Levies ² | YES |
| Garnishments ² | YES |
| Health Insurance Premiums | NO |
| Life Insurance Premiums | NO |
| Charity | NO |
| Union-Sponsored Insurance | NO |
| TSP Loan Repayment | NO |
| TSP Employee Contributions | NO |
| TSP Catch-Up | NO |
| Allotments | NO |
| Military Buyback | NO |
| Union Dues | NO |
| Other Involuntary Deductions (such as alimony, state tax levies, and bankruptcy ²) | YES |

¹ The Postal Service may not enter into settlement agreements that require it not to withhold income taxes, Medicare or Social Security deductions or to report any payments as income to the Internal Revenue Service (IRS), or to state and local taxing authorities. A clause in the settlement agreement providing that the claimant will be responsible for any tax liability arising from the payment will not shield the Postal Service from its obligation to appropriately withhold from or report the payment.

² Deducted in dollar or percentage amounts in accordance with court order or legal directive.

Back Pay Hours Calculation Inclusions, Deductions, and Withholdings:

Less Than One Full Pay Period¹ (page 1 of 3)

Note: Inclusions in this table are considered normal inclusions for an hours calculation if the settlement or decision is otherwise silent.

| Inclusions | MSPB Decisions or Settlement Agreements | | EEOC Decisions or Settlement Agreements | Arbitration and Court Decisions | Settlement Agreements | Retirement Program Approval in Erroneous Retirement Cases | Rescissions |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------|--------------------------------------------------|-----------------------------------------|------------------------------------|------------------------------------|-----------------------------------------------------------|-----------------------|
| | Recipients Eligible for Veterans' Preference | Recipients Not Eligible for Veterans' Preference | All Recipients | All Recipients | All Recipients | All Recipients | All Recipients |
| Wages, Night Differential, Overtime, Additional Straight Time Pay, Sunday Premium, and Holiday Leave (according to the regular schedule and tour of duty at the time of incident or personnel action) | YES | YES | YES | YES | YES | YES | Management discretion |
| Interest | See ELM 436.7, Interest on Back Pay. | | | | | NO | NO |
| Annual Leave (if not already credited) | YES | YES | YES | YES | YES | YES | Management discretion |
| Sick Leave (if not already credited) | YES | YES | YES | YES | YES | YES | Management discretion |
| Variable Pay Programs Compensation (e.g., PFP) | Management discretion ² | Management discretion ² | Management discretion ² | Management discretion ² | Management discretion ² | YES | Management discretion |
| Retirement Credit | YES | YES | YES | YES | YES | YES | Management discretion |
| TSP Employer Contributions | YES | YES | YES | YES | YES | YES | Management discretion |

Attachment B

Back Pay Hours Calculation Inclusions, Deductions, and Withholdings:

Less Than One Full Pay Period¹ (page 2 of 3)

| Deductions and Withholdings | MSPB Decisions and Settlement Agreements | | EEOC Decisions or Settlement Agreements | Arbitration and Court Decisions and Settlement Agreements | Retirement Program Approval in Erroneous Retirement Cases | Rescissions |
|---------------------------------------------------------------------------------------------|----------------------------------------------|--------------------------------------------------|-----------------------------------------|-----------------------------------------------------------|-----------------------------------------------------------|----------------|
| | Recipients Eligible for Veterans' Preference | Recipients Not Eligible for Veterans' Preference | All Recipients | All Recipients | All Recipients | All Recipients |
| Earnings from New Employment or Expanded Part-Time Employment | | | | | | |
| ☹ Required to mitigate damages? | | | | | | |
| - Employee (current or former USPS employee) | NO | NO | NO | NO | NO | NO |
| - Applicant (individual who was initially denied USPS employment) | NO | NO | NO | NO | N/A | NO |
| ☹ Required to certify or document efforts to mitigate damages? | NO | NO | NO | NO | NO | NO |
| ☹ Deduct from back pay award? | NO | NO | NO | NO | NO | NO |
| Unemployment Compensation | NO | NO | NO | NO | NO | NO |
| Welfare or Public Assistance Payments | NO | NO | NO | NO | NO | NO |
| Workers' Compensation (OWCP), except scheduled awards ³ | NO | NO | NO | NO | NO | NO |
| Automatic redeposit of refunded retirement contributions for CSRS and CSRS offset employees | NO | NO | NO | NO | NO | NO |
| Retirement Contributions | YES | YES | YES | YES | YES | YES |
| Annuity payments received from OPM | NO | NO | NO | NO | NO | NO |
| Social Security ⁴ | YES | YES | YES | YES | YES | YES |
| Medicare ⁴ | YES | YES | YES | YES | YES | YES |
| Federal Income Tax ⁴ | YES | YES | YES | YES | YES | YES |
| State Income Tax ⁴ | YES | YES | YES | YES | YES | YES |
| Local Income Tax ⁴ | YES | YES | YES | YES | YES | YES |
| Indebtedness to USPS, only if employee is terminated | YES | YES | YES | YES | YES | YES |

Back Pay Hours Calculation Inclusions, Deductions, and Withholdings:

Less Than One Full Pay Period¹ (page 3 of 3)

| Deductions and Withholdings | MSPB Decisions and Settlement Agreements | | EEOC Decisions or Settlement Agreements | Arbitration and Court Decisions and Settlement Agreements | Retirement Program Approval in Erroneous Retirement Cases | Rescissions |
|---------------------------------------------------------------------------------|----------------------------------------------|--------------------------------------------------|-----------------------------------------|-----------------------------------------------------------|-----------------------------------------------------------|----------------|
| | Recipients Eligible for Veterans' Preference | Recipients Not Eligible for Veterans' Preference | All Recipients | All Recipients | All Recipients | All Recipients |
| Other Agency Debts | NO | NO | NO | NO | NO | NO |
| Child Support | NO | NO | NO | NO | NO | NO |
| IRS Levies | NO | NO | NO | NO | NO | NO |
| Garnishments | NO | NO | NO | NO | NO | NO |
| Health Insurance Premiums ⁵ | YES | YES | YES | YES | YES | YES |
| Life Insurance Premiums ⁶ | NO | NO | NO | NO | NO | NO |
| Charity | NO | NO | NO | NO | NO | NO |
| Union-Sponsored Insurance | NO | NO | NO | NO | NO | NO |
| TSP Loan Repayment | NO | NO | NO | NO | NO | NO |
| TSP Employee Contributions | YES | YES | YES | YES | YES | YES |
| TSP Catch-Up | NO | NO | NO | NO | NO | NO |
| Allotment | NO | NO | NO | NO | NO | NO |
| Military Buyback | NO | NO | NO | NO | NO | NO |
| Union Dues | NO | NO | NO | NO | NO | NO |
| Other Involuntary Deductions, such as alimony, state tax levies, and bankruptcy | NO | NO | NO | NO | NO | NO |

¹ The back pay period contains only pay periods for which the claimant already received some compensation for work or paid leave.

² Provided the plain language of the third party decision or negotiated settlement is not violated.

³ If claimant was working less than full time, and receiving OWCP payments for remainder of scheduled tour, back pay compensation will be provided for the hours previously charged to OWCP, and OWCP payments will be deducted from the award.

⁴ The Postal Service may not enter into settlement agreements that require it not to withhold income taxes, Medicare or Social Security deductions or to report any payments as income to the Internal Revenue Service (IRS), or to state and local taxing authorities. A clause in the settlement agreement providing that the claimant will be responsible for any tax liability arising from the payment will not shield the Postal Service from its obligation to appropriately withhold from or report the payment.

⁵ Health Insurance premiums will be invoiced and deducted from employee's next regular pay check.

⁶ If awarded back pay after being separated or suspended erroneously, no withholdings are made for life insurance unless death or accidental dismemberment occurs during the period between removal and the finding that the agency action was erroneous. In such cases, insurance benefits are paid, and premiums are withheld from the back pay award.

Back Pay Hours Calculation Inclusions, Deductions, and Withholdings:

One Full Pay Period or More¹ (page 1 of 3)

Note: Inclusions in this table are considered normal inclusions if the settlement or decision is otherwise silent.

| Inclusions | MSPB Decisions or Settlement Agreements | | EEOC Decisions or Settlement Agreements | Arbitration and Court Decisions | Settlement Agreements | Retirement Program Approval in Erroneous Retirement Cases | Rescissions |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------|--------------------------------------------------|-----------------------------------------|------------------------------------|------------------------------------|-----------------------------------------------------------|-----------------------|
| | Recipients Eligible for Veterans' Preference | Recipients Not Eligible for Veterans' Preference | All Recipients | All Recipients | All Recipients | All Recipients | All Recipients |
| Wages, Night Differential, Overtime, Additional Straight Time pay, Sunday Premium, and Holiday Leave (according to the regular schedule and tour of duty at the time of incident or personnel action) | YES | YES | YES | YES | YES | YES | Management discretion |
| Interest | See ELM 436.7, Interest on Back Pay | | | | | NO | NO |
| Annual Leave (if not already credited) | YES | YES | YES | YES | YES | YES | Management discretion |
| Sick Leave (if not already credited) | YES | YES | YES | YES | YES | YES | Management discretion |
| Variable Pay Programs Compensation (e.g., PFP) | Management discretion ² | Management discretion ² | Management discretion ² | Management discretion ² | Management discretion ² | YES | Management discretion |
| Retirement Credit | YES | YES | YES | YES | YES | YES | Management discretion |
| TSP Employer Contributions | YES | YES | YES | YES | YES | YES | Management discretion |

**Back Pay Hours Calculation Inclusions, Deductions, and Withholdings:
One Full Pay Period or More (page 2 of 3)**

| Deductions and Withholdings | MSPB Decisions and Settlement Agreements | | EEOC Decisions and Settlement Agreements | Arbitration and Court Decisions and Settlement Agreements | Retirement Program Approval in Erroneous Retirement Cases | Rescissions |
|---------------------------------------------------------------------------------------------|----------------------------------------------|--------------------------------------------------|------------------------------------------|-----------------------------------------------------------|-----------------------------------------------------------|--------------------------------|
| | Recipients Eligible for Veterans' Preference | Recipients Not Eligible for Veterans' Preference | All Recipients | All Recipients | All Recipients | All Recipients |
| Earnings from New Employment or Expanded Part-Time Employment | | | | | | |
| ☞ Required to mitigate damages? | | | | | | |
| - Employee (current or former USPS employee) | NO | YES, after 45 days | YES, after 45 days | YES, after 45 days | NO | YES, after 45 days |
| - Applicant (individual who was initially denied USPS employment) | NO | YES, from first day | YES, from first day | YES, from first day | N/A | N/A |
| ☞ Required to certify or document efforts to mitigate damages? | NO | YES | YES | YES | NO | YES, if over 45 days |
| ☞ Deduct from back pay award? | YES, as stated on PS Form 8039 | YES, as stated on PS Form 8039 | YES, as stated on PS Form 8039 | YES, as stated on PS Form 8039 | NO | YES, as stated on PS Form 8039 |
| Unemployment Compensation | When authorized by state law | When authorized by state law | NO | When authorized by state law | N/A | When authorized by state law |
| Welfare or Public Assistance Payments | NO | NO | NO | NO | NO | NO |
| Workers' Compensation (OWCP), except scheduled awards | YES | YES | YES | YES | N/A | YES |
| Automatic redeposit of refunded retirement contributions for CSRS and CSRS offset employees | YES | YES | YES | YES | N/A | YES |
| Retirement Contributions | YES | YES | YES | YES | YES | YES |
| Annuity payments received from OPM | YES | YES | YES | YES | YES | YES |
| Social Security ³ | YES | YES | YES | YES | YES | YES |
| Medicare ³ | YES | YES | YES | YES | YES | YES |
| Federal Income Tax ³ | YES | YES | YES | YES | YES | YES |
| State Income Tax ³ | YES | YES | YES | YES | YES | YES |
| Local Income Tax ³ | YES | YES | YES | YES | YES | YES |
| Indebtedness to USPS, only if employee is terminated | YES | YES | YES | YES | N/A | YES |

Back Pay Hours Calculation Inclusions, Deductions, and Withholdings:

One Full Pay Period or More (page 3 of 3)

| Deductions and Withholdings | MSPB Decisions and Settlement Agreements | | EEOC Decisions and Settlement Agreements | Arbitration and Court Decisions and Settlement Agreements | Retirement Program Approval in Erroneous Retirement Cases | Rescissions |
|----------------------------------------------------------------------------------------------|----------------------------------------------|--------------------------------------------------|------------------------------------------|-----------------------------------------------------------|-----------------------------------------------------------|----------------|
| | Recipients Eligible for Veterans' Preference | Recipients Not Eligible for Veterans' Preference | All Recipients | All Recipients | All Recipients | All Recipients |
| Other Agency Debts ⁴ | YES | YES | YES | YES | YES | YES |
| Child Support ⁴ | YES | YES | YES | YES | YES | YES |
| IRS Levies ⁴ | YES | YES | YES | YES | YES | YES |
| Garnishments ⁴ | YES | YES | YES | YES | YES | YES |
| Other Involuntary Deductions, such as alimony, state tax levies, and bankruptcy ⁴ | YES | YES | YES | YES | YES | YES |
| Health Insurance Premiums ⁵ | YES | YES | YES | YES | YES | YES |
| Life Insurance Premiums ⁶ | NO | NO | NO | NO | NO | NO |
| Charity | NO | NO | NO | NO | NO | NO |
| Union-Sponsored Insurance | NO | NO | NO | NO | NO | NO |
| TSP Loan Repayment | NO | NO | NO | NO | NO | NO |
| TSP Employee Contributions ⁷ | YES | YES | YES | YES | YES | YES |
| TSP Catch-Up ⁸ | YES | YES | YES | YES | YES | YES |
| Allotment | NO | NO | NO | NO | NO | NO |
| Military Buyback | NO | NO | NO | NO | NO | NO |
| Union Dues ⁹ | YES | YES | YES | YES | YES | YES |

- 1 The back pay period contains one or more pay periods with no previously paid work or leave hours.
- 2 Provided the plain language of the third party decision or negotiated settlement is not violated.
- 3 The Postal Service may not enter into settlement agreements that require it not to withhold income taxes, Medicare or Social Security deductions or to report any payments as income to the Internal Revenue Service (IRS), or to state and local taxing authorities. A clause in the settlement agreement providing that the claimant will be responsible for any tax liability arising from the payment will not shield the Postal Service from its obligation to appropriately withhold from or report the payment.
- 4 Deducted in dollar or percentage amounts in accordance with court order or legal directive.
- 5 If elected by employee on PS Form 8038, Employee Statement to Recover Back Pay.
- 6 If awarded back pay after being fired or suspended erroneously, no withholdings are made for life insurance unless death or accidental dismemberment occurs during the period between removal and the finding that the agency action was erroneous. In such cases, insurance benefits are paid, and premiums are withheld from the back pay awarded.
- 7 Employee must submit a TSP-1 Form, Election Form, for each election change.
- 8 Employee must submit TSP-1-C Form, Catch-Up Contribution Election, for TSP Catch-Up Contribution elections.
- 9 Precedent established through *Samuels v. Postal Service*, MSPB Docket No. DE-0752-99-0260-R-1 (Feb. 24, 2004); reconsideration of *Samuels v. Postal Service*, 95 M.S.P.R. 30 (2003).

Attachment D
Back Pay Documentation Requirements

| Authority by Which Award was Granted | Lump Sum Awards and Documents Required | | | | |
|--------------------------------------|----------------------------------------|----------------|---------------|----------------------|---------------|
| | Less than \$100,000.00 | | | \$100,000.00 or more | |
| | GATS | PS Form 8041 | Copy of Award | PS Form 8041 | Copy of Award |
| Grievance-Arbitration | X ¹ | X ¹ | X | X | X |
| EEOC, MSPB, OPM, Other | | X | X | X | X |
| Rescission | | X | X | X | X |

¹ Wage-related lump sum grievance and pre-arbitration settlements and arbitration awards less than \$100,000 must be processed via GATS. If payment cannot be made via GATS (because the payment is not wage-related or is \$100,000.00 or more), submit PS Form 8041 to the address below.

Submit PS Form 8041 and copy of award to the following mailing address:

ACCOUNTING SERVICES
 FINANCIAL PROCESSING — PAY LOCATION 9616
 2825 LONE OAK PKWY
 EAGAN MN 55121-9616

| Authority by Which Award was Granted | Hours Calculation Awards and Documents Required | | | | | | | | | |
|--------------------------------------------------|--------------------------------------------------------------------------------------|----------------|------|------|-----------------------------|---------|------------------------------------------------------------------------------------------------|---|-----------------------------|---------|
| | Less than one full pay period and no requirement to make employee whole ¹ | | | | | | One full pay period or more or any period that requires employee to be made whole ² | | | |
| | GATS | PS Form | | | Copy of Award or Rescission | Address | PS Form | | Copy of Award or Rescission | Address |
| 2240 | | 8038 | 8039 | 8038 | | | 8039 | | | |
| Grievance-Arbitration | X ³ | X ³ | | | X | | X | X | X | B |
| EEOC, MSPB, Court, Other | | | | X | X | B | X | X | X | B |
| Erroneous Separation for Retirement ⁴ | | | X | X | X | B | X | X | X | B |
| Rescission | | X | | | X | A | X | X | X | B |

¹ These documents are required when the Back Pay adjustment does not require payment for a full pay period. The claimant must have been on USPS rolls and there must have been some previous payment for work or leave for the relevant pay period(s) involved. There must be NO requirement to make the claimant "whole".

² These documents are required when the Back Pay adjustment does require payment for a full pay period (or more) for which there has been no previous payment for work or leave and/or pay periods when the claimant was not on USPS rolls (no payroll history exists). This documentation is also required for periods of less than one full pay period, if there is a requirement to make the claimant "whole".

³ GATS is to be used for Article 15 grievance-arbitration related hours calculations involving less than one full pay period of lost earnings where there is no requirement to make the grievant whole. If GATS cannot be used for this type of hours calculation adjustment, or there is a requirement to make the employee whole, submit PS Form 2240 via the eIWS OnLine Forms (eOLF) (<https://olf.usps.gov/OLF/>) module.

⁴ Back pay for erroneous retirement cases must be approved by the Retirement Programs Manager, HQ Compensation.

Addresses:

A) eIWS OnLine Forms (eOLF):

<https://olf.usps.gov/OLF/>

B) ACCOUNTING SERVICES

FINANCIAL PROCESSING - PAY LOCATION 9616

2825 LONE OAK PKWY

EAGAN MN 55121-9616

Attachment E
Notice of Mitigation of Damages Requirement for Current or Former Employee
Human Resources



[date]

Certified Mail Number
Restricted Delivery
Return Receipt Requested

[claimant name]
[street address]
[city/state/ZIP]

Dear [name]:

This letter is to advise you that throughout the period necessary for adjudication of your appeal except for the first 45 days, you are required to make a reasonable effort to secure outside employment in order to be eligible for back pay in the event your appeal should be sustained.

Pursuant to *Employee and Labor Relations Manual 436.42d* (copy enclosed), if the back pay period exceeds 6 months and no outside employment is secured during all or any part of that period except for the first 45 days, you will be required to document your efforts to secure outside employment during such periods. Therefore, you should maintain documented evidence of each employer contact, including the following information:

1. The date, or approximate date, you made each contact.
2. The business name, address, and telephone number.
3. Whether the contact was in person, by phone; or by mail.
4. The name of the person whom you contacted or who conducted the interview.
5. Whether or not you filed an application for employment.
6. The reason you were not offered employment, if you know.

Failure to make a reasonable effort to secure outside employment or failure to document your efforts may result in your being denied back pay should you be the prevailing party in this appeal.

Sincerely,

[name]
[title]
Enclosure

Attachment F
Notice of Mitigation of Damages Requirement for Individual Denied Employment
Human Resources



[date]

Certified Mail Number
Restricted Delivery
Return Receipt Requested

[claimant name]
[street address]
[city/state/ZIP]

Dear [name]:

This letter is to advise you that throughout the period necessary for adjudication of your appeal you are required to make a reasonable effort to secure outside employment in order to be eligible for back pay in the event your appeal should be sustained.

Pursuant to *Employee and Labor Relations Manual 436.42f* (copy enclosed), you will be required to furnish a resume of your efforts to secure outside employment during the period necessary for adjudication of your appeal. Therefore, you should maintain documented evidence of each employer contact, including the following information:

1. The date, or approximate date, you made each contact.
2. The business name, address, and telephone number.
3. Whether the contact was in person, by phone, or by mail.
4. The name of the person whom you contacted or who conducted the interview.
5. Whether or not you filed an application for employment.
6. The reason you were not offered employment, if you know.

Failure to make a reasonable effort to secure outside employment or failure to document your efforts may result in your being denied back pay should you be the prevailing party in this appeal.

Sincerely,

[name]
[title]

Enclosure

Attachment G
Verification of Claimant's Attempt to Seek Outside Employment
Human Resources



[date]

[Company name]
[street address]
[city/state/ZIP]

Dear [name]:

I would appreciate any assistance you can provide regarding an employee of the U.S. Postal Service.

[Name of claimant, street address, city] claims to have contacted your business during [month and year] seeking employment. [She/He] has advised us the person she/he spoke to was [name of contact, if applicable].

Would you kindly check your records and let me know whether you have any documentation regarding [name of employee]? It would be helpful to know the manner of contact (i.e., by phone, by mail, or in person) and whether or not [she/he] filed an application for employment with you.

I have enclosed a self-addressed envelope for you to use. A prompt response would be most beneficial.

Sincerely,

[name]
[title]

Enclosure



Back Pay Decision/Settlement Worksheet

Instructions: This form is used to submit a claim for payment of Back Pay compensation authorized by:

- (1) A settlement agreement, arbitration award, or agency or court decision in the case of a contested personnel action;
- (2) A rescission by management in the case of an uncontested personnel action; or
- (3) A Postal Service™ approval of Back Pay in case of an erroneous retirement determination.

See *Employee and Labor Relations Manual (ELM) 436* and the current management instruction, found on PolicyNet under "Management Instructions", for Back Pay policies and procedures.

The claimant, the Postal Service certifying official and the Postal Service final approval authority must all sign this form to acknowledge that they have reviewed its contents and agree with the statements made on this form. A form missing any of the three signatures will be returned to the originating office.

Please read the Privacy Act Statement on page 7.

A. Claimant Identification

| | | | |
|----------------------------------------------------------------------------------------|-------------------------------|--------------------------------------------------------------------------------------------------|--|
| 1. Claimant Name (Last, First, MI) | | | |
| 2. Designation/Activity Code (DES/ACT) | 3. Claimant EIN (Employee ID) | 4. Employing Office Telephone Number (including area code and extension) | |
| 5. USPS® Contact Name (Last, First, MI) | 8038 Ref: Section A | 6. USPS Contact Office Mailing Address (Number, Street, Box, Ste./Apt. No., City, State, Zip+4®) | |
| 7. USPS Contact Telephone Number (Include area code and extension) 8038 Ref: Section A | | | |

B. Claim Information

| | | | |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------|
| 1. Does this settlement or decision constitute, or include, a lump sum payment? <input type="checkbox"/> No <input type="checkbox"/> Yes If yes, use PS Form 8041, <i>Pre-Arbitration or Agency Settlement Worksheet</i> , to submit the request for each lump sum payment that cannot be made using GATS. | | | |
| 2. Claim Category (Check One) <input type="checkbox"/> Contested Personnel Action (if checked, select one of the following three options): <input type="checkbox"/> Settlement <input type="checkbox"/> Decision <input type="checkbox"/> Rescission <input type="checkbox"/> OPM (Erroneous Retirement Determination) <input type="checkbox"/> Other (specify): _____ | | 3. Forum of Settlement or Decision (Check one) <input type="checkbox"/> Grievance <input type="checkbox"/> Pre-trial <input type="checkbox"/> EEOC <input type="checkbox"/> Pre-arbitration <input type="checkbox"/> Court <input type="checkbox"/> MSPB <input type="checkbox"/> Arbitration <input type="checkbox"/> Other (specify): _____ | |
| 4. Back Pay Period: From (MM/DD/YYYY) | 5. Back Pay Period: To (MM/DD/YYYY) | 6. Finance Number to Be Charged 7. Grievance or Case Number | 8. Date of Settlement, Decision, Ruling or Erroneous Retirement Determination (MM/DD/YYYY) |
| 9. Was the claimant ready, willing and able to work during the <u>entire</u> Back Pay period? <input type="checkbox"/> No (Proceed to Item 10.) <input type="checkbox"/> Yes (Proceed to Section C.) | | | 8038 Ref: Section B (1a) |

10. How are the time periods when the claimant was not ready, willing and able to work to be handled? (Select all that apply) 8038 Ref: Section B (1b)

Claimant chooses to use earned annual leave or sick leave for the periods when the claimant was not able to perform the Postal Service job. **COMPLETE TABLE A.**

Disallow payment for specific dates during the Back Pay period. **COMPLETE TABLE B.**

TABLE A: **Substituted Leave** (Claimant will receive compensation for these periods if they have sufficient leave balance(s).) Identify the date(s) and type of credited leave to be substituted. (The use of leave listed in this section should match the claimant's intentions as indicated on PS Form 8038, Section 1b and the number of hours listed to be paid on this form in Section G, Work Schedule.)

| Starting Date (MM/DD/YYYY) | Ending Date (MM/DD/YYYY) | Type of Credited (Earned) Leave |
|----------------------------|--------------------------|---------------------------------|
| | | |
| | | |
| | | |

TABLE B: **Disallowed Time*** (Claimant will not receive compensation from the USPS for the periods listed below.)

| Starting Date (MM/DD/YYYY) | Ending Date (MM/DD/YYYY) |
|----------------------------|--------------------------|
| | |
| | |
| | |

*Disallowed time should include time during the Back Pay period when the claimant was unable to work but claimant is choosing not to use their leave.

References: ELM 510 and ELM 436.2.

C. Compensation from the Postal Service and Other Sources

The following compensation items listed in this section and received by the claimant during the Back Pay period are POTENTIAL offsets to the Back Pay payment that will be calculated for the claimant.

Do not send the supporting documentation for outside employment, secondary employment, self-employment, OWCP or unemployment to Eagan; those files should be kept with the case file at the local or district office.

1a. Was the claimant notified to seek outside employment in accordance with ELM 436?
 No Yes

1b. Did the claimant obtain **outside employment*** or have increased earnings from **secondary** or **self-employment** during the Back Pay period?
 No (Proceed to 1c.) 8038 Ref: Section B (3, 4a, 4b, 5)
 Yes (Complete the table below and proceed to 2a.)

TABLE 1b

| Source | Date From (MM/DD/YYYY) | Date To (MM/DD/YYYY) | GROSS Amount Received \$ |
|----------------------------------------|------------------------|----------------------|--------------------------|
| Outside Employment* | | | |
| > Secondary Empm't See 2a and 2b below | | | |
| Self-Employment: See 3a and 3b below | | | |

Note: Claim processing requires **GROSS** dollars for the correct calculation of the payment to the claimant.

Do not include dates or monies outside the Back Pay time frame.

*Outside employment is employment the claimant sought and/or obtained during the Back Pay period.

1c. Documentation of the claimant's efforts to seek employment during the Back Pay period has been reviewed and found adequate to comply with ELM 436. (Check one.)
 No (Proceed to 1d.) Yes (Proceed to 4.)

1d. If the answer to outside employment in (1c) is "No", the claimant may be denied Back Pay compensation, subject to the provisions of the ELM 436.2.

Note: Postal Service™ employees eligible for veterans' preference are not required to make reasonable efforts to obtain other employment while pursuing an administrative appeal with the Merit Systems Protection Board (MSPB).

Please list any period(s) of time to be disallowed from the Back Pay award for Failure to Seek Outside Employment in the table below.

| Starting Date (MM/DD/YYYY) | Ending Date (MM/DD/YYYY) |
|----------------------------|--------------------------|
| | |
| | |
| | |

2a. Did the claimant have **secondary employment** during the Back Pay period?
8038 Ref: Section B (4a)

No
 Yes

Note: Secondary employment is employment that the claimant had while working for the Postal Service just before the Back Pay period and that would not have ended even if the claimant had continued working for the Postal Service.

When completing this field, verify and use the information provided by the claimant on PS Form 8038, Section B(4a), when the case requires submission of that form.

2b. If yes, did work hours of **secondary employment** increase during the Back Pay period?
8038 Ref: Section B (4b)

No
 Yes (Complete calculation below.)

During Back Pay period:

\$ _____ (Total Gross) / _____ number of weeks
 = \$ _____ Avg Gross per week during the BP period
 (= "AA")

During 6 months before Back Pay period

\$ _____ (6 months Gross) / 26 weeks
 = \$ _____ Avg Gross per week before the BP period
 (= "BB")

AA - BB = \$ _____ (Never Indicate less than \$0.00.)

This represents the increased earnings/week (Gross dollars) during the BP period:

The resulting total (Increased earnings X No. of weeks during the Back Pay) should be listed on the line for "Secondary Employment" in TABLE 1b (above), in the field labeled "Gross Amount Received \$".

The reported increase in wages over and above the comparison period (previous six-month period) will be used to reduce the Back Pay award using comparable time increments.

3a. Was the claimant **self-employed** during the Back Pay period?
8038 Ref: Section B(5)

No
 Yes

When completing this field, verify and use the information provided by the claimant on PS Form 8038, Section B(5), when the case requires submission of that form.

3b. If claimant was **self-employed**, report the earnings from self-employment during the Back Pay period.

If self-employed before the Back Pay period, report the difference between what was earned in the 6 month period before the Back Pay period and what was earned during the Back Pay period.

During Back Pay period:

\$ _____ (Total Gross) / _____ number of weeks
 = \$ _____ Avg Gross per week during the BP period (= "AA")

If applicable:

During 6 months before Back Pay period (if self-employed during this time)

\$ _____ (6 months Gross) / 26 weeks
 = \$ _____ Avg Gross per week before the BP period (= "BB")

AA - BB = \$ _____ (Never indicate less than \$0.00.)

This represents the increased earnings / week (Gross dollars) during the BP period:

The resulting total (increased earnings X No. of weeks during the Back Pay) should be listed on the line for "Self Employment" in TABLE 1b (above), in the field labeled "Gross Amount Received \$".

Note: For more information, see IRS Publication 334, *Tax Guide for Small Businesses*, and 535, *Business Expenses*.

Note for 2b and 3b: Comparison Periods for Secondary and/or Self-employment: The six-month period before the Back Pay period is to be used to establish an average that was earned in secondary and/or self-employment. That average can then be used for comparison purposes. If the period of secondary and/or self-employment is for a shorter time-period, use the earnings of that period as the average instead of the suggested 6-month period. Comparisons must be made to like time frames. (For example if the Back Pay period is 18 months, a proper comparison would be to the six month secondary and/or self-employment amount, times three. Or, if the period of secondary and/or self-employment was only 3 months, multiply the earnings times 6 to equal 18 months.) If the result of the comparison results is a negative amount, report \$0 for the increased earnings, in Table 1b, "GROSS Amount Received \$ (dollars)" field.

4. Did the claimant receive **unemployment compensation** during the Back Pay period? 8038 Ref: Section B (6)

No

Yes: If yes, which State? _____

(If yes, list date(s) verified by state employment security agency and GROSS amount received in the table below.)

| Date From (MM/DD/YYYY) | Date To (MM/DD/YYYY) | GROSS Amount Received |
|------------------------|----------------------|-----------------------|
| | | \$ |

Do not include dates or monies outside the Back Pay time frame.

5. Did the claimant receive **workers' compensation** during the Back Pay period? 8038 Ref: Section B (7)

No

Yes: If yes, list date(s) verified by **US Department of Labor** and **GROSS** amount received in the table below. Health & Resource Management (District Office) can assist with obtaining this information.

| Date From (MM/DD/YYYY) | Date To (MM/DD/YYYY) | GROSS Amount Received |
|------------------------|----------------------|-----------------------|
| | | \$ |

Do not include dates or monies outside the Back Pay time frame.

Note: If OWCP compensation during the Back Pay period is consecutive, you may combine periods of compensation into one entry for purposes of processing by Payroll. If the space above is insufficient, attach additional sheet(s).

6. **Retirement**

6a. Did the claimant receive any annuity payments from the federal government during the Back Pay period? 8038 Ref: Section B (8a)

No

Yes

If yes, please enter the claimant's Civil Service Annuity (CSA) retirement account number: _____

Enter the amount received in the table below:

| Date From (MM/DD/YYYY) | Date To (MM/DD/YYYY) | GROSS Amount Received |
|------------------------|----------------------|-----------------------|
| | | \$ |

Note: The above amount will be deducted automatically from the Back Pay award and electronically transmitted to the Office of Personnel Management (OPM) to satisfy the claimant's indebtedness and restore applicable retirement credit.

6b. Did the claimant make a voluntary withdrawal of retirement funds, either CSRS or FERS? 8038 Ref: Section B (8b)

This is not referring to claimant's TSP account.

No

Yes: Amount \$ _____

Note: To the extent possible, the above amount will be deducted automatically from the Back Pay award and electronically transmitted to OPM to satisfy the claimant's indebtedness and restore applicable retirement credit.

7. **Leave**

Full Leave credit.

Special Instructions for Leave credit:

Notes:

- Unless specifically addressed in the settlement or decision,
- A claimant who receives Back Pay via direct calculation of pay (based on hours, not a lump sum payment), is typically credited with full leave benefits up to the maximum allowable carry-over, as would have accrued had they been an active employee in pay status during the Back Pay period.

Leave Notes continued on Page 4 of 7.

Notes continued:

- A claimant who receives a *lump sum payment*, typically does not have leave benefits credited for the Back Pay period.
- If any annual and/or sick leave was used (and paid to the claimant) during the Back Pay period and is now to be restored to the claimant, those hours should be listed in Section I, Special Instructions. Any such time periods (previously paid by leave hours) have already been paid once, and should not be listed in Section G to be paid again.
- If the claimant was previously separated and:
 - Received a Terminal Leave payment based on that

separation action, processing of the Back Pay case may result in a monetary offset to the Back Pay award for the previous Terminal Leave payment, with a corresponding restoral of the Annual Leave.

- Received an invoice for Overdrawn Annual Leave (ODAL), that invoice may be reduced or canceled in its entirety based on the provisions of the Back Pay award.
- Had an overdrawn Annual Leave balance which reduced the claimant's final wages, that compensation may be returned as part of the Back Pay award.

D. Benefit Elections

1. Health Insurance

8038 Ref: Section B (9)

- No Coverage elected
- Continued Enrollment (Never Terminated)
- Reinstatement (Retroactive)
- New Enrollment (*Complete box to the right.*)

For new enrollment, indicate the Plan and Effective Date below.

Plan Code: _____

Effective Date: _____

2. Thrift Savings Plan

8038 Ref: Section B (10)

- No Participation
- Retroactive Reinstatement

Contribution Rate (%) _____ or \$ _____ per pay period

Effective Date: _____

Note: If No Participation is chosen, and the claimant was participating in TSP at the beginning of the Back Pay period and wishes not to participate, the claimant must submit a TSP-1 Form to stop contributions. Again the effective date must be the first day of the Pay Period of the Back Pay if after Pay Period 13/2005. If Pay Period 13/2005 or prior, then it must be the first day of the first Open Season available during the Back Pay period.

If Retroactive Reinstatement is chosen, the TSP participation in force during the Back Pay period will be reinstated automatically, unless the claimant had a Financial Hardship In-Service Withdrawal(s), or wishes to change the percentage or dollar amount contributed, in which case a separate TSP-1 Form is needed for the effective begin date of such change(s). If the claimant was not enrolled in TSP and wishes to participate during the Back Pay period, please provide a TSP-1 Form with an effective date for the first day of the Pay Period of the Back Pay if after Pay Period 13/2005. If Pay Period 13/2005 or prior, then it must be the first day of the first Open Season available during the Back Pay period.

Note: The TSP-1 Forms submitted with the Back Pay claim cover only the Back Pay period. Upon return to work the claimant must access *PostalEASE* if the claimant wishes to participate in TSP and have contributions deducted from current earnings or to stop contributions.

If the claimant wishes to participate in TSP Catch-Up, a TSP-1C is required for each relevant calendar year.

3. Flexible Spending Accounts

8038 Ref: Section B (11a, 11b)

3a. PRIOR YEAR: Complete this section if claimant was previously enrolled in FSA for a prior year but FSA contributions were missed because the claimant was terminated from the plan.

- Do nothing:** Claimant has chosen not to restore participation.
- Reinstate Participation: What calendar year?** _____

Claimant has chosen to have participation restored for the entire plan year. Missed contributions will be billed.*

3b. CURRENT YEAR: Complete this section, identifying the claimant's choice for current year FSA participation. Select **ONLY ONE** of the 4 options:

- No Participation** has been elected by the claimant.
- Continue Current Participation** has been elected by the claimant. Current year FSA has not been terminated.*
- Reinstate Participation:** Plan participation was terminated and claimant has chosen to have FSA participation fully restored for the current Plan Year.*
- New Enrollment:** Claimant missed FSA Open Season during the Back Pay period and has been advised to contact HRSSC (877-477-3273, Option 5) to initiate the request for New Enrollment.*

*Invoices for FSA or missed contributions, applicable to the Back Pay period, will be collected from the Back Pay payment.

4. Life Insurance

Eligibility for life insurance coverage after a return to pay and duty status is determined by the law and regulations for the Federal Employees Group Life Insurance (FEGLI) Program, administered by OPM. For detailed information on how FEGLI handles coverage in such situations, and what options are available to a Postal Service employee, see ELM 436.5, Life Insurance Coverage.

E. Outstanding USPS Indebtedness

Claimant has requested deductions from the final Back Pay award be applied to the invoices listed below, in the stated amounts:
8038 Ref: Section B (12)

\$ _____ Amount to apply to Invoice # _____

\$ _____ Amount to apply to Invoice # _____

F. Salary Progression

Has the Salary History been reviewed for any corrections required by the Back Pay award and have any needed corrections been completed by HRSSC? (Step deferment reversals, Step increases, Last Day In Pay Status, Job placement, etc.)

- No: If No, please submit all requests for correction to HRSSC along with a copy of the settlement/decision, before submitting the Back Pay case to Eagan:
- Yes

Note: Eagan cannot process the Back Pay case unless HRSSC has completed all needed corrections.

G. Work Schedule

Week 1 Scheduled Days

- Saturday BT _____ ET _____
- Sunday BT _____ ET _____
- Monday BT _____ ET _____
- Tuesday BT _____ ET _____
- Wednesday BT _____ ET _____
- Thursday BT _____ ET _____
- Friday BT _____ ET _____

Week 2 Scheduled Days

- Saturday BT _____ ET _____
- Sunday BT _____ ET _____
- Monday BT _____ ET _____
- Tuesday BT _____ ET _____
- Wednesday BT _____ ET _____
- Thursday BT _____ ET _____
- Friday BT _____ ET _____

For Rural Carriers

Evaluated Weekly Hours: _____

Length of Lunch period: _____ (minutes)

Instructions: In the chart below, complete a tabulation of the number and type of pay hours that the claimant should be paid for the Back Pay period.

Record **ONLY the additional hours** that should be paid to satisfy the Back Pay award. Do NOT include any hours that have previously been paid to the claimant.

For claimants with flexible work schedules:

- (1) If the claimant was on the rolls, the hours to be provided in the table below should represent all of the claimant's paid hours for the 13 pay periods before the Back Pay period. If an employee did not work 13 pay periods before the Back Pay period, list as many pay periods as are available. The claimant will be paid the *difference* between the averages of the hours listed on this page and any hours for which the claimant has already been paid.
- (2) If the claimant was not on the rolls, use the hours worked by three similar employees to calculate the average hours to be paid to the claimant.

| Year | PP | Week | Work (Base) Hours (52) | Night Work Differential (54) | Overtime (53) | Sunday Premium (72) | Penalty Overtime (43) | Holiday Work (57) | Holiday Leave (58) | Annual Leave (55) | Sick Leave (56) | Other (Please specify) |
|------|----|------|------------------------|------------------------------|---------------|---------------------|-----------------------|-------------------|--------------------|-------------------|-----------------|------------------------|
| | | 1 | | | | | | | | | | |
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H. Interest

Is interest expressly awarded in the settlement?
 No Yes

Note: Interest is computed after the claim has been processed and is paid by a separate check.

I. Special Instructions

Please list any special instructions: (e.g., mailing instructions or joint name on payments).

Note: Back Pay awards are typically paid via a paper check and sent to the *mailing address for checks* that is on record for the employee's current finance number. Alternative mailing arrangements are not available unless a settlement or decision specifically directs other mailing procedures, or the payment is for interest, non-wage income, or reimbursable expenses.

Leave: If the award is paid as direct calculation (hours based), Eagan will automatically credit the claimant with the earned annual leave and sick leave to which they are entitled per provisions of the ELM (512.3 and 513.2). If any annual and/or sick leave used during the Back Pay period is to be restored to the claimant, please list those hours in the space provided below. (Example: "Restore _____ hours _____ (AL or SL) for PP ___ WK___.") Because these hours have already been paid, they should not be listed in Section G.

J. Signatures

| | | | |
|--------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------|-----------|-----------------------|
| 1a. Claimant Name (please print) | 1b. Claimant Signature | | 1c. Date (MM/DD/YYYY) |
| 2a. Back Pay Coordinator <input type="checkbox"/> or their Delegate <input type="checkbox"/> Name and Title (please print) | 2b. Back Pay Coordinator or Delegate Signature | | 2c. Date (MM/DD/YYYY) |
| 2d. Back Pay Coordinator or Delegate Mailing Address (Number, street, suite, etc., if different from USPS contact address on page 1) | 2e. City | 2f. State | 2g. ZIP+4 |
| | 2h. Back Pay Coordinator or Delegate Telephone Number (including area code and extension) | | |
| 3a. District HR Manager <input type="checkbox"/> or their Delegate <input type="checkbox"/> Name and Title (please print) | 3b. District HR Manager or Delegate Signature | | 3c. Date (MM/DD/YYYY) |

K. Privacy Act Statement

Your information will be used to process your Back Pay claim. Collection is authorized by 39 U.S.C. 401, 409, 410, 1001, 1003, 1004, 1005, and 1026; and 29 U.S.C. 2601 et seq. Providing this information is voluntary, but if not provided, we may not process your Back Pay claim.

We may only disclose your information as follows: in relevant legal proceedings; to law enforcement when the U.S. Postal Service (USPS) or requesting agency becomes aware of a violation of law; to a congressional office at your request; to entities or individuals under contract with USPS; to entities authorized to perform audits; to labor organizations as required by law; to federal, state, local, or foreign government agencies regarding personnel matters; to the Equal Employment Opportunity Commission; to the Merit Systems Protection Board or Office of Special Counsel; and to federal, state, or local governments administering benefit or other programs to conduct a computer match to verify eligibility, indebtedness, or compliance with requirements of the program. For additional information regarding our privacy policies, visit www.usps.com/privacypolicy.

L. Mailing Instructions

Mail to:

Accounting Services
Financial Processing — Pay Location 9616
2825 Lone Oak Pkwy
Eagan MN 55121-9616



Employee Statement to Recover Back Pay

INSTRUCTIONS: An employee may receive payment of Back Pay compensation authorized by:

- (1) A settlement agreement, arbitration award, or agency or court decision in the case of a contested personnel action;
- (2) A rescission in the case of an uncontested personnel action; or
- (3) A United States Postal Service® approval of Back Pay in the case of an erroneous retirement determination.

Before your authorized Back Pay claim can be processed, you must:

- a. Complete this form.
- b. Provide all required supporting documentation. Attach additional pages as necessary, noting on each attached page the question to which it relates.

Please read the Privacy Act Statement on page 4.

A. Employee Identification

| | | | |
|------------------------------------------------------|-------------------------------|---------------------------------------------------------------------------------|--|
| 1. Name (Last, First, MI) | | 2. Claimant Address (Number, Street, Box, Ste./Apt. No., City, State, Zip+4) | |
| 3. Designation/Activity Code (DES/Act) | 4. Claimant EIN (Employee ID) | | |
| 5. Current Position Title | | 6. Claimant Telephone Number (Include area code) | |
| 7. Employing Office Finance Number | | 8. Employing Office Telephone Number (Include area code) | |
| 9a. USPS® Labor Relations or Human Resources Contact | | 9b. USPS Contact Telephone Number (Include area code) | |

B. Statement Questions

Back Pay Period: From (MM/DD/YYYY)

Back Pay Period: To (MM/DD/YYYY)

Employment - Questions 1 - 5

1a. Were you ready, willing and able to work during the entire Back Pay period?

NO (Provide explanation of your inability to work on the lines below and then proceed to question 1b.)

YES (Proceed to question 2a.)

1b. Do you want to use earned annual leave or sick leave for the periods when you were not able to perform the Postal Service job?

NO (Proceed to question 2a.)

Note: If you were unable or unwilling to perform your job during the Back Pay period and you do not request annual or sick leave, you will not receive any compensation from the Postal Service for that period.

YES (Complete TABLE A below and then proceed to question 2a.)

TABLE A: Substituted Leave

- You will receive compensation for these periods if you have sufficient leave balance(s).
- Identify the date(s) and type of credited leave to be substituted. **Note:** You must submit PS Form 3971, Request for or Notification of Absence, to your supervisor or manager for any periods listed below.

| Starting Date (MM/DD/YYYY) | Ending Date (MM/DD/YYYY) | Type of Credited (Earned) Leave |
|----------------------------|--------------------------|---------------------------------|
| | | |
| | | |
| | | |

2a. Did you seek outside employment during the Back Pay period?

NO (Proceed to question 3.)

YES (If YES, but no outside employment was obtained for all or part of the Back Pay period, you must furnish the information required below in 2b or 2c based on the type of personnel action and the length of the Back Pay period.)

2b. SEPARATIONS AND INDEFINITE SUSPENSIONS. If the Back Pay claim is for a period of separation or indefinite suspension, you must furnish the following:

- (1) If the Back Pay period is less than 6 months, you must provide a written explanation of the reasons outside employment was not obtained for all parts of the Back Pay period except for the first 45 days.
- (2) If the Back Pay period is 6 months or more, you must provide additional, detailed information concerning the efforts you made to obtain other employment for all parts of the Back Pay period except for the first 45 days. Provide the following information for each employer with which you made contact:
 - (a) The date or approximate date the contact was made.
 - (b) The business name, address, and telephone number.
 - (c) Whether the contact was in person, by telephone, or by mail.
 - (d) The name of the person contacted or who conducted the interview.
 - (e) Whether an employment application was filed.
 - (f) The reason, if known, why employment was not offered.

2c. DENIAL OF EMPLOYMENT. If the Back Pay claim is for a period during which employment with the Postal Service™ was denied, you must provide the information required in Item 2b(2), above, for ALL parts of the Back Pay period during which other employment was not obtained.

NOTE: Outside employment is employment you sought and/or obtained during the Back Pay period.

NOTE: Postal Service employees eligible for veterans' preference are not required to make reasonable efforts to obtain other employment while pursuing an administrative appeal with the Merit Systems Protection Board (MSPB).

3. Did you have earnings from outside employment during the Back Pay period?

NO (Proceed to question 4a.)

YES (You must attach an *employment/earnings* statement from each of your employers showing the total number of hours you worked and your gross earnings for the Back Pay period.)

NOTE: Outside employment is employment you obtained during the Back Pay period. (This refers to new employment, not a previously held job.)

4a. Did you have any earnings from secondary employment during the Back Pay period?

NO (Proceed to question 5.)

YES (You must attach an *employment/earnings* statement from each of your employers showing the hours you worked and your gross earnings for the 6-month period before the beginning of the Back Pay period as well as for the Back Pay period. Then proceed to question 4b.)

NOTE: Secondary employment is employment that you had while working for the Postal Service just before the Back Pay period and that would not have ended even if you had continued working for the Postal Service.

4b. Were the work hours of your secondary employment increased during this period? NO YES

5. Were you self-employed during the Back Pay period?

NO

YES You must attach the following to this form:

1. An affidavit indicating the gross amount earned and any deductions for ordinary and necessary business expenses incurred in conjunction with such self-employment. Any business expense deductions claimed must be itemized and substantiated by receipts or other documentation, when available.
2. If such employment existed before the Back Pay period, your *employment/earnings statements* for the 6-month period before the beginning of the Back Pay period.

Compensation from Other Sources — Questions 6–8

6. Did you receive unemployment compensation during the Back Pay period? NO YES

If YES, identify the state(s) from which unemployment compensation was received, date(s) covered, and gross amount(s) received, and attach an earnings statement from each state employment security agency.

| STATE FROM WHICH COMPENSATION WAS RECEIVED | STARTING DATE (MM/DD/YYYY) | ENDING DATE (MM/DD/YYYY) | GROSS AMOUNT RECEIVED |
|--------------------------------------------|----------------------------|--------------------------|-----------------------|
| | | | \$ |
| | | | \$ |

7. Did you receive workers' compensation for any time during the Back Pay period? NO YES

If YES, note whether you received full or partial compensation, identify the date(s) covered, and gross amount(s) received, and attach documentation of the workers' compensation payments received.

| FULL OR PARTIAL | STARTING DATE (MM/DD/YYYY) | ENDING DATE (MM/DD/YYYY) | GROSS AMOUNT RECEIVED |
|-----------------|----------------------------|--------------------------|-----------------------|
| | | | \$ |
| | | | \$ |

8a. Did you receive any annuity payments from the federal government during the Back Pay period?

NO YES

If YES, write in your Civil Service Annuity (CSA) retirement account number: _____
Identify the dates covered and gross amount received.

| STARTING DATE (MM/DD/YYYY) | ENDING DATE (MM/DD/YYYY) | GROSS AMOUNT RECEIVED |
|----------------------------|--------------------------|-----------------------|
| | | \$ |

NOTE: The amount will be deducted automatically from the Back Pay award and transmitted to the Office of Personnel Management (OPM) to be applied to your indebtedness to the federal retirement system and restore the applicable retirement credits.

8b. Did you make a voluntary withdrawal of deposits made to your CSRS or FERS retirement account (does not include Thrift Savings Plan (TSP) withdrawals)?

NO YES

If YES, please indicate the amount withdrawn \$ _____

NOTE: To the extent possible, the withdrawn amount will be deducted automatically from the Back Pay award and transmitted to OPM to be applied to your indebtedness to the federal retirement system and restore the applicable retirement credits.

Health Insurance Benefits – Question 9

9. What is your choice regarding Health Benefits coverage during the Back Pay period? Select ONLY ONE option in the list below.

- No Coverage Elected.
- Continue current enrollment; my Health Benefits were never terminated.
- Reinstate your prior enrollment, retroactive to the date it was terminated.
- Enroll in a new plan or option.

Thrift Savings Plan (TSP) – Question 10

10. Do you want to participate in the TSP during the Back Pay period?

NO

If No, and you were participating in TSP at the beginning of your Back Pay period and do not wish to participate during the Back Pay period, you must submit a TSP-1 Form to stop contributions. The effective date must be the first day of the Pay Period of the Back Pay time period if after Pay Period 13/2005. If the Pay Period that corresponds to the start of the Back Pay time frame is 13/2005 or prior, then it must be the first day of the first Open Season available during the Back Pay period.

YES

If Yes, the TSP participation in force during your Back Pay period will be reinstated automatically, unless you had a Financial Hardship In-Service Withdrawal(s), or wish to change the percentage or dollar amount contributed, in which case a separate TSP-1 Form is needed for the effective begin date of such change(s). If you were not enrolled in TSP and wish to participate during the Back Pay period, please provide a TSP-1 Form with an effective date for the first day of the Pay Period of the start of the Back Pay time frame if after Pay Period 13/2005. If the Pay Period corresponding to the start of the Back Pay time frame is 13/2005 or prior, then it must be the first day of the first Open Season available during the Back Pay period.

NOTE: The TSP-1 Forms submitted with the Back Pay claim, cover only the Back Pay period. Upon your return to work, to ensure that your current enrollment elections are correct, you must access PostalEASE and update your TSP enrollment to start, change or stop having contributions deducted from your current earnings.

Attach Form(s) TSP-1 (Election Form) and/or Form(s) TSP-1-C (Catch-Up Contribution Election for Age 50+).

Regarding "Financial Hardship In-Service Withdrawal" from TSP:

Employees are excluded from making TSP contributions for six months after receiving a Financial Hardship In-Service Withdrawal. For more information, contact the Human Resources Shared Service Center (HRSSC) or the TSP at 877-868-3778.

Flexible Spending Accounts (FSA) – Questions 11a and 11b

11a. PRIOR YEAR (Any calendar year related to this Back Pay case.)

Were you previously enrolled in the FSA program for a prior year, but FSA contributions were missed because you were terminated from the plan?

NO (Proceed to Question 11b.)

YES (Answer Question 11a(1) or 11a(2) and 11b.)

1) Do Nothing: Any outstanding invoice remains valid. Participation is not restored.

2) Reinstate Participation: What calendar year? _____

You will be billed* for any missed payments and your participation will be restored for the entire plan year.

*Any billings or outstanding invoices for FSA applicable to the Back Pay period will be collected from the Back Pay payment.

11b. CURRENT YEAR (These choices are for the current calendar year.)

Select ONLY ONE of the 4 options below:

- 1) No Participation is elected.
- 2) Continue Current Participation: FSA participation has not been terminated.**
- 3) Reinstate Participation: Plan participation was terminated. This is full restoration of participation for the current FSA year.**
- 4) New Enrollment for the current FSA plan year. You must contact HRSSC (877-477-3273, Option 5) for assistance with this option.**

**Missed contributions for the current year applicable to the Back Pay period will be collected from the Back Pay payment.

Eligibility for FSA enrollment after a return to pay and duty status is determined by policies, rules and regulations of the FSA program, administered by the USPS FSA Plan Administrator (Compensation, 475 L'Enfant Plaza SW, Washington DC 20260-4101). For information regarding the filing of FSA claims, new enrollment, belated enrollment (due to a life event) or other FSA policy provisions, please contact the HRSSC (877-477-3273, Option 5), the FSA Plan Administrator, the FSA Customer Service Center (800-842-2026) or consult the FSA Booklet. FSA resources are available to current employees on LiteBlue.

Postal Service Indebtedness -- Question 12

12. Do you have any outstanding indebtedness to the Postal Service that you want deducted from your Back Pay award?

- NO
- YES

If YES, please indicate the amount to apply towards the invoice(s) and the invoice(s) number you would like deducted from your final award.

\$ _____ Amount to apply to Invoice # _____

\$ _____ Amount to apply to Invoice # _____

Life Insurance

Eligibility for life insurance coverage after a return to pay and duty status is determined by the law and regulations for the Federal Employees' Group Life Insurance (FEGLI) Program, administered by OPM.

For detailed information on how FEGLI handles coverage in such situations, and what options are available to a Postal Service employee, see *Employee and Labor Relations Manual (ELM) 436.5, Life Insurance Coverage*.

C. Privacy Act Statement

Your information will be used to determine the amount of Back Pay you are entitled to receive under a decision/award or settlement agreement authorized by an appropriate authority. Collection is authorized by 39 U.S.C. 401, 409, 410, 1001, 1003, 1004, 1005, and 1026; and 29 U.S.C. 2601 et seq. Providing this information is voluntary, but if not provided, we may not be able to process your Back Pay claim. We may only disclose your information as follows: in relevant legal proceedings; to law enforcement when the U.S. Postal Service (USPS®) or requesting agency becomes aware of a violation of law; to a congressional office at your request; to entities or individuals under contract with USPS; to entities authorized to perform audits; to labor organizations as required by law; to federal, state, local, or foreign government agencies regarding personnel matters; to the Equal Employment Opportunity Commission; to the Merit Systems Protection Board or Office of Special Counsel; and to federal, state, or local governments administering benefit or other programs to conduct a computer match to verify eligibility, indebtedness, or compliance with requirements of the program. For additional information regarding our privacy policies, visit www.usps.com/privacypolicy.

Civil Penalty for Presenting False or Fraudulent Claim:

A person who submits a false or fraudulent claim is liable for a civil penalty of not less than \$5,000 and not more than \$10,000, plus an amount equal to three times the amount of damages sustained due to the false or fraudulent claim, and the costs of any civil action brought to recover such amounts (see 31 U.S.C. 3729-3731).

Criminal Penalty for Presenting False or Fraudulent Claim or Making False or Fraudulent Statements:

A person who submits a false or fraudulent claim or makes a false or fraudulent statement is liable for a criminal fine or imprisonment for not more than 5 years or both (see 18 U.S.C. 287, 1001).

D. Employee Signature

I hereby certify that my answers to the above questions are true and correct to the best of my knowledge and belief. I understand the above provisions regarding the Privacy Act Statement and the civil and criminal penalties for presenting false or fraudulent claims or making false or fraudulent statements.

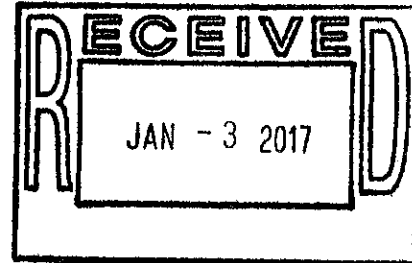
Signature _____

Date _____



December 29, 2016

Mr. Brian J. Wagner
President
National Association of Postal Supervisors
1727 King Street, Suite 400
Alexandria, VA 22314-2753



Dear Brian:


As a matter of general interest, the Postal Service is revising Employee and Labor Relations Manual, Section 670, *Diversity, Equal Employment Opportunity, and Affirmative Action*.

The subject revisions clarify the Postal Service's obligations to provide equal employment opportunity and refrain from employment discrimination.

We have enclosed two copies of the revisions, one with and one without changes identified.

Please contact Bruce Nicholson at extension 7773 if you have questions concerning this matter.

Sincerely,


for Alan S. Moore
Manager
Labor Relations Policy and Programs

Enclosures

If anyone wants to see the copy with track changes may contact NAPS Headquarters.

670 Diversity, Equal Employment Opportunity, and Prevention of Employment Discrimination

671 **Diversity Overview**

All employees share responsibility for achieving the Postal Service's goals to build a diverse and inclusive workforce in which all employees are afforded equal employment opportunity. The Postal Service believes that its efforts to achieve this goal will enhance the ability of the Postal Service and its employees to accomplish the following:

- Deliver the high level of service demanded by its customers and the competitive environment.
- Meet its responsibilities to the American public.

The Postal Service promotes:

- The diversity of its workforce. We strive to build an inclusive environment that respects the uniqueness of every individual and encourage the contributions of people from different backgrounds, experiences and perspectives.
- Diversity and inclusion in a manner that instills confidence that employment decisions are made in accordance with our equal employment opportunity policies – where all employees are treated fairly based on merit and neither advantaged nor disadvantaged based on factors like sex, sexual orientation, age, race, religion, national origin, military service or disability.

The Postal Service reflects strategies to achieve diversity and inclusion by providing equal employment opportunity and refraining from discrimination in the following areas:

- Recruitment
- Selection
- Promotion (including succession planning and opportunities for training and development)
- Retention of employees.

The Postal Service expects its executives and managers to integrate inclusive values and strategies into the Postal Service's day-to-day personnel management.

672 **Federal Laws and Regulations, Equal Employment Opportunity and Prohibiting Employment Discrimination**

672.1 **Laws**

These federal laws require the Postal Service to provide equal employment opportunity, to refrain from employment discrimination, or both:

- a. Title VII of the Civil Rights Act of 1964, as amended, which provides for equal employment and prohibits discrimination based on race, color, religion, sex, or national origin.
- b. The Pregnancy Discrimination Act of 1978 amended Title VII to include discrimination because of pregnancy, childbirth, or a medical condition related to pregnancy or childbirth.

- c. The Age Discrimination in Employment Act of 1967, which prohibits employment discrimination based on age for individuals 40 and older.
- d. The Rehabilitation Act of 1973, which provides for equal employment opportunity and prohibits discrimination based on disability.
- e. The Architectural Barriers Act of 1968, which requires the Postal Service to make its facilities accessible to individuals with disabilities.
- f. The Genetic Information Nondiscrimination Act (GINA) of 2008, which prohibits discrimination based on genetic information.
- g. The Equal Pay Act of 1963, which prohibits discrimination in pay based on sex.

672.2 Equal Employment Opportunity Regulations

The Equal Employment Opportunity Commission has issued regulations and management directives that govern the Postal Service's efforts to provide equal employment opportunity and to prevent discrimination.

- a. 29 C.F.R. part 1614 governs federal sector equal employment opportunity complaints of discrimination.
- b. Equal Employment Opportunity Commission Management Directive 715 provides policy guidance and standards for establishing, maintaining and reporting on the Postal Service's program of equal employment opportunity.
- c. Equal Employment Opportunity Management Directive 110 provides policy guidance and standards for processing complaints of discrimination.

673 Postal Service Policy

673.1 General Information on Policies

Postal Service policies on diversity, equal employment opportunity and prevention of employment and workplace harassment can be found on PolicyNet under Memorandums of Policy (MOPS). To locate MOPs, go to the Postal Service's Blue page. Click on *Essential Links* in the left column, and select *PolicyNet* from the drop down menu. Click *MOPs*.

673.2 Diversity and Inclusion Statement

The Diversity and Inclusion statement expresses:

- a. The Postal Service's overall focus on diversity and inclusion, and
- b. How diversity and inclusion relates to the mission of the Postal Service.

673.3 Equal Employment Opportunity Policy Statement

The Equal Employment Opportunity Policy Statement covers the Postal Service's legal obligations:

- a. To provide equal employment opportunity and prevent discrimination in employment, and
- b. To affirm the importance of these policies to the mission of the Postal Service

673.4 Policy on Workplace Harassment

The Policy on Workplace Harassment covers:

- a. The Postal Service's commitment to providing a work environment free of harassment.
- b. Management's responsibility to:
 - 1) Prevent harassment and
 - 2) Investigate complaints of harassment.

673.5 **Complaint Processes**

Depending on the nature of the complaint and the status of the employee, Postal Service employees may use several processes to pursue complaints against the Postal Service for alleged violations of the Postal Service's equal employment opportunity and anti-discrimination policies.

For more information on these processes, see Sections 666.2 and 666.3, which include a process to pursue complaints for discrimination that complies with the Equal Employment Opportunity Commission's regulations.

The Postal Service is committed to fair treatment of all its employees. Harassment and disparate treatment based on actual or perceived sexual orientation or identity are not permitted or condoned. Complaints of discrimination based on sexual orientation or identity are not permitted under Title VII of the Civil Rights Act of 1964. However, employees should report any variance from this policy to a management official at the earliest opportunity.

673.6 **Accountability for Diversity and Inclusion, Equal Employment Opportunity, and Prevention of Discrimination**

673.61 **Employees**

All employees are expected to treat coworkers with dignity and respect. Employees must refrain from workplace harassment or other discrimination based on the following:

- Race
- Sex (including sexual orientation, gender identity and gender stereotypes)
- National origin
- Any other category protected by law or Postal Service policy.

For additional information, refer to Publication 553, *Employee's Guide to Understanding, Preventing and Reporting Harassment*.

673.62 **Management**

All executives, managers, and supervisors share in the responsibility for the following:

- a. Promoting diversity and inclusion.
- b. Promoting equal employment opportunity, and
- c. Preventing discrimination.

For additional information, refer to the following resources:

- Publication 552, *Manager's Guide to Understanding, Investigating and Preventing Harassment*.

- The Policy on Workplace Harassment.
- The Diversity and Inclusion Statement.

674 Organizational Responsibilities

674.1 Chief Human Resources Officer and Executive Vice President

The Chief Human Resources Officer (CHRO) and Executive Vice President fills the following roles:

- The Postal Service's Equal Employment Opportunity (EEO) Director under Equal Employment Opportunity Commission regulations.
- The principal advisor to the Postmaster General and Chief Executive Officer.

Under the authority of the CHRO, the vice presidents of Employee Resource Management and Labor Relations are responsible for recommending policies and developing programs to address the following:

- Diversity and inclusion.
- Equal Employment Opportunity.
- The prevention of discrimination.

674.2 Functional Organizations

674.21 Employee Resource Management

The vice president of Employee Resource Management is responsible for overseeing the Postal Service Diversity and Inclusion Program. This encompasses national employment and diversity activities, including the following:

- a. Developing equal employment opportunity and anti-discrimination plans at the following levels:
 - (1) Headquarters.
 - (2) Area.
 - (3) Performance cluster.
- b. Developing and implementing Postal Service policies related to the employment, placement, and promotion of employees within a diverse workforce. This includes a particular responsibility for protection of the rights of veterans, disabled veterans and individuals with disabilities.

674.22 Labor Relations

The vice president of Labor Relations is responsible for the Postal Service EEO complaint processing program. This official or his or her designees render the final agency decision of the Postal Service regarding complaints of discrimination emanating from employees or applicants for employment.

674.3 Inclusiveness and Diversity Advisory Committees

The guidelines for establishing Inclusiveness Diversity and Advisory Committees appear Management Instruction EL-670-2009-7, *Inclusiveness and Diversity Advisory Committees*.

675 Special Emphasis Programs

675.1 Nature of Programs

The Postal Service has established special emphasis programs within the framework of existing laws, policies, and regulations. These programs focus attention on the special needs, obstacles and concerns of specified groups.

675.2 **Objectives**

The primary objectives of the special emphasis programs are to ensure

- a. All employees are fully utilized in the Postal Service workforce.
- b. All employees have an equal opportunity to compete in every aspect of employment, including but not limited to the following:
 - 1) Recruitment.
 - 2) Hiring
 - 3) Retention.
 - 4) Training.
 - 5) Career development.
 - 6) Promotions.

These programs do not seek preferential treatment; instead, they ensure equality of opportunity through the following:

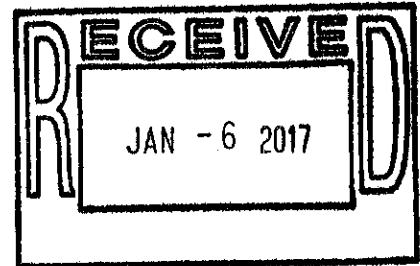
- a. Positive actions taken to eliminate barriers and
- b. A continued commitment to achieving the goals and objectives set by Postal Service policy.

675.3 **Additional Information**

For information on the Rehabilitation Act of 1973, reasonable accommodation, disability definitions, and employment and placement issues, review these resources:

- Handbook EL-307, *Reasonable Accommodation, An Interactive Process*.
- The Postal Service Reasonable Accommodation Assistance Center (PRAAC) on the Postal Service intranet web site.

676 **On-Site EEO Evaluations**
[Reserved.]



January 4, 2017

Mr. Brian J. Wagner
President
National Association of Postal Supervisors
1727 King Street, Suite 400
Alexandria, VA 22314-2753

Dear Brian:

As a matter of general interest, the Postal Service is revising Handbook DM-902, *Procedures for Handling Registered Postal Bank Remittance Mail*, Section 4-6, *Processing of Remittances by the Clerk-in-Charge of the Vault, Safe or Security Cage*, and Section 4-7, *Armored Car Service*.

The purpose of these revisions is to modify the process by which Postal Service employees verify the identities of courier service employees. The revisions also clarify language concerning the number of deposit bags employees may place into canvas Registered Mail pouches.

We have enclosed two copies of the subject revisions, one with and one without changes identified.

Please contact Bruce Nicholson at 7773 if you have questions concerning this matter.

Sincerely,

A handwritten signature in black ink, appearing to read "AS Moore".

Alan S. Moore
Manager
Labor Relations Policy and Programs

Enclosures

If anyone wants to see the copy with track changes may contact NAPS Headquarters.

4-6 Processing of Remittances by the Clerk-in-Charge of the Vault, Safe, or Security Cage

4-6.1 Collecting of Remittances

For collecting remittances, the following procedures are to be followed:

- a. The clerk-in-charge of the vault, safe, or security cage is responsible for gathering and placing all registered bank deposits in letter trays grouped together by size. This procedure makes the scanning of registered barcodes easier to complete.
- b. The clerk-in-charge of the vault, safe, or security cage verifies that all articles are appropriately addressed for banking purposes. The total received at the vault, safe, or security cage must match the total received at the opening unit and must be verified to the total on the consolidated bank checklist and the clerk must initial each individual item. Any discrepancy in totals must be resolved immediately.

Note: Responsibility for the high valuable vault, safe, or security cage must be limited to only one employee per tour. Access to the high valuable vault, safe, or security cage must be restricted to the high valuable clerk and the witness during the building of the bank pouch. Any employee entering the high valuable vault, safe, or security cage must document on PS Form 1625 every time they enter or leave the area.

4-6.2 Building the Direct Bank Pouch

The following procedures are to be followed in building the Direct Bank pouch:

- a. The clerk-in-charge of the vault, safe, or security cage must prepare a direct Registered Mail numbered tin band sealed pouch to the bank.
- b. To prepare and properly seal a number 2 canvas Registered Mail pouch for the bank, the following materials are needed:
 - (1) Number 2 canvas mail pouch (pouches appearing torn or defective upon examination are not used).
 - (2) PS Forms 3854 or 3854-A.
 - (3) Registered Mail bank deposits.
 - (4) Printed PS Forms 3883-A.
 - (5) Bank checklists.
 - (6) Pouch label for the Number 2 canvas mail pouch made out to the bank.
 - (7) Numbered tin-band seal (Item 0817-C).
 - (8) Rubber bands.

4-6.2.1 Using the Firm Print Work Station

Prepare a direct mail pouch to the bank as described below:

- a. The clerk-in-charge of the vault, safe, or security cage must scan all Registered Mail barcodes for bank deposits by using the PWS scanner. A **supervisor** (preferred) or another registry clerk **must be present to witness** the scanning of Registered Mail barcodes for the bank deposits, placing of the contents in the mail pouch, and sealing of the pouch. After scanning all items, the clerk must print three copies of the firm delivery bill (PS Form 3883-A).

The clerk must verify the grand total printed on PS Form 3883-A to the appropriate total on the consolidated checklist. The totals must match. All discrepancies must be resolved immediately. The clerk-in-charge of the vault, safe, or security cage, and a witness, supervisor (preferred) or a registry clerk after verifying that all entries are correct must sign their names on the consolidated bank checklist and on all of the last pages of PS Form 3883-A. Round date to certify the total number scanned equals the total number received and recorded on the bank checklist.

Note: The creation of a firm sheet permits the clerk-in-charge of the vault, safe, or security cage to link multiple mail pieces to a single signature by using the barcodes on the firm sheets and PS Form 3849, *Delivery Notice/Reminder/Receipt*.

- b. The clerk-in-charge of the vault, safe, or security cage places the three printed copies of the firm delivery bill (PS Form 3883-A) in front of the item relating to the first registered number printed on the form. The firm delivery bill shows the first 50 pieces scanned by listing each of the registered articles on lines 1 through 50.

The next set of firm delivery bills shows the next 50 scanned registered remittances by listing each of the registered articles on lines 51 through 100. If the registered remittances are dispatched in trays, the succeeding pages of PS Forms 3883-A are placed in front of the first registered number article on the printed list. This procedure continues until all Registered Mail bank deposits have been accounted for by using the PWS scanner.

If the registered remittances are bundled, the clerk-in-charge of the vault, safe, or security cage then separates the 3 copies of Form 3883-A and places the original and 1 copy of the form on top of the first article listed and sets the other copy aside. The clerk bundles the registered remittances and places all the Forms 3883-A on top of the first article of the first bundle. The best practice in bundling is to place the articles in sequence as listed on PS Form 3883-A and number the bundles sequentially. Letters and flats should be bundled separately.

Note: Always check the interior of the No. 2 canvas mail pouch for articles that may have been trapped in the pouch prior to using.

The clerk-in-charge of the vault, safe, or security cage must write the numbered tin band seal identification number on each printed sheet

of all the PS Forms 3883-A prior to placing into the Registered Mail pouch.

Note: Do not place more than 50 plastic deposit bags in each canvas bag. Include a self-addressed penalty envelope for the bank to return one signed, firm delivery bill (PS Form 3883-A) back to the banking P&DC/F.

- c. The clerk-in-charge of the vault, safe, or security cage must secure the Number 2 canvas Registered Mail pouch with a numbered tin band seal and prepare the pouch label.

Note: The clerk must seal the pouch by slipping the seal, with the number down, through the hasp and up through one of the pouch's grommets before sealing. The number should appear on the outside of the seal.

The clerk should identify the registered pouch by properly preparing the mail pouch label:

Top line: Name of bank, Post Office box number.
 Second line: City, state and ZIP Code of destination.
 Bottom line: City, state, and ZIP Code of dispatching office.

The clerk ensures the label is completed as stated above and places it in the label slide attached to the Registered Mail pouch.

4-6.2.2 **Securing the Direct Bank Pouch to the Vault**

Secure the Direct Bank pouch to the vault as described below.

- a. The clerk-in-charge of the vault, safe, or security cage must place the pouch and the copies of any PS Forms 3883-A in the vault, safe, or security cage for dispatch to the armored car service.

Note: The direct mail pouch to the bank from the concentration offices (nonbanking P&DC/Fs) and PS Forms 3883 or 3883-A are verified, accepted, and placed in the vault, safe, or security cage until the armored car service driver arrives. This pouch must be listed to the valuable inventory on PS Form 3854 or 3854-A. The concentration offices account for bank deposits by providing the banking P&DC/F with the appropriate PS Form 3883 or 3883-A relating to that shipment.

- b. Once the numbered tin band seal Direct Bank pouch has been prepared, the clerk-in-charge of the vault, safe, or security cage must complete a PS Form 3849 in blue or black ink, as follows:
- (1) Enter today's date.
 - (2) Enter sender's name/ZIP Code.
 - (3) Check "Other" on the left side of the front of the form and write Pouch(s).
 - (4) In the article number(s) area, list the numbered tin band seals of the bank Registered Mail pouches (including the direct pouches from the nonbanking P&DC/Fs).
 - (5) Provide the customer name (the bank) and address in the Notice Left Section for customer pick up.
- c. The clerk must leave all Direct Bank pouches in the vault, safe, or

security cage until the arrival of the driver from the armored car service.

- d. The clerk-in-charge of the vault, safe, or security cage prepares PS Form 3854 or 3854-A (in triplicate) to hand-to-hand transfer the

accountability of direct Registered Mail numbered tin band seal pouches to the armored car service driver, who then transfers them to the bank.

In preparing PS Form 3854 or 3854-A, the clerk-in-charge of the vault, safe, or security cage must do the following:

- (1) Ensure that headings show the postmark of the dispatching office (round date all copies).
- (2) Complete the "To" line with the names of the armored car service and the bank.
- (3) List all numbered tin band seal(s) of each registered pouch (beginning on line 1) to be dispatched to the bank and complete office name or ZIP Code of the facility that prepared the pouch and the destination ZIP Code of the bank.
- (4) Draw diagonal lines through unused spaces.
- (5) Complete the block with the total number of Registered Mail pouches on the form.
- (6) Keep PS Form 3854 or 3854-A and copies with registered numbered tin band seal pouch(s) in the vault, safe, or security cage until delivery can be made.

4-6.2.3 **Preparation for the Transfer of Accountability of the Direct Bank Pouches Between Tours**

The ending tour's clerk-in-charge of the vault, safe, or security cage transferring the accountability of the direct numbered tin band seal Registered Mail pouch(s) to the next tour's clerk-in-charge of the vault, safe, or security cage must complete PS Form 3854 or 3854-A (in triplicate). In preparing the form, the ending tour's clerk must:

- a. Round date the form (in the top postmark of dispatching office block).
- b. Address the "To" line to the next tour (number) clerk name in charge of vault, safe, or security cage.
- c. List numbered tin band seal pouches for hand-to-hand transfer.
- d. Provide the name of office or ZIP Code of origin and destination.
- e. Draw diagonal lines through unused spaces.
- f. Enter the total number of Registered Mail pouches to transfer.

Keep PS Form 3854 or 3854-A with registered pouch(s) in the vault, safe, or security cage until hand-to-hand transfer of accountability can be completed.

4-6.2.4 **Transfer of the Contents of Vault, Safe, or Security Cage**

The following actions occur during transfer of the contents of a vault, safe, or security cage:

- a. At the time of hand-to-hand transfer of the accountability of the high-valuable items, including the Direct Bank pouch(s), the ending tour's clerk-in-charge of the vault, safe, or security cage provides the incoming tour's clerk-in-charge of the vault, safe, or security cage with the appropriate number of PS Forms 3854 or 3854-A, the high-valuable

- items, and numbered tin band seal Direct Bank pouch(s). The ending tour's clerk legibly signs his or her name in the top postmaster block area (top line) to make the exchange and enters the time of the transaction on all copies.
- b. The incoming tour's clerk-in-charge of the vault, safe, or security cage must verify the headings of PS Form 3854 or 3854-A, must verify the register number of the high valuables and the registered numbered tin band seal pouch(s) to the items listed on the PS Form 3854 or 3854-A, and must examine the condition of each pouch transferred. The incoming tour's clerk legibly signs his or her name in the top postmaster block area (bottom line), enters the date and time, and round dates all forms in the lower right-hand corner as the receiving clerk. Any discrepancies identified during these procedures must be resolved immediately.
 - c. The incoming tour's clerk provides the ending tour's clerk with the original copy and keeps the third copy. The second copy is kept on file for 2 years.
 - d. The total count of all articles in the high valuable area must be recorded on PS Form 3875, *Daily Balance — Registry Section*. The purpose of this form is to account for the number of valuable articles, pouches, sacks, and jackets transferred to the valuable unit. The form is prepared at the end of each tour. A receipt must be obtained from the clerk assigned to the unit on the succeeding tour. The form is divided into two sections: "Registered Articles Handled" and "Registered Pouches, Sacks, and Jackets Handled." Each section has one column for mail received or held from previous day or tour and the other column for mail dispatched or on hand for the next day or tour. The total lines must always balance in each section (mail on hand or received in the unit must equal mail dispatched from the unit or still on hand for the next day or tour).
 - e. The bottom portion of the form contains a line for signature of the person in charge of the registry section and two lines for signatures of responsible clerks. The clerk preparing the form and transferring the registered articles must sign on the top line and the clerk receiving for Registered Mail articles signs on the bottom line.
 - f. If valuables are to be locked in a safe, vault or high valuable area for overnight retention, a descriptive listing by number and office must be prepared on PS Form 3854 or 3854-A and retained with the articles. These articles must be listed for the tour that will dispatch them the following day on PS Form 3875 under "received from other sources."
 - g. If the valuables will not be dispatched on the next tour (i.e., on a holiday), this transfer must take place at the end of each tour until these items are dispatched.

4-7 Armored Courier Service

4-7.1 Direct Armored Courier Services and Other Approved Procedures

Where management has provided for direct armored courier pick-up or local deposit to a branch bank from a retail unit, there must be a letter of authorization outlining these procedures. These procedures will be established by the area finance office (area treasury coordinator on behalf of the area finance manager) with approval of the district manager, local Inspection Service, Deputy Chief Inspector Headquarters, area security coordinator, and the Banking Manager, bank relations, Washington, DC. Districts that provide direct armored courier service to retail units must consult with the approval authorities listed above on acceptable procedures, and issue instructions to their retail units on protecting and transferring the remittance to the armored courier. Copies of the authorization and instructions must be on file with all approval authorities.

4-7.2 Armored Courier Service Pick-Up at P&DC/F

Note: When the armored courier service arrives at the banking P&DC/F, the courier must be escorted on Postal Service premises.

The following actions are required:

- a. The vault, safe, or security cage clerk or supervisor is responsible for verifying that the armored courier is an approved authorized courier prior to letting them into the building.
 - (1) Dual ID process. For the Dual ID process, the clerk must confirm that the courier has 2 armored car service-issued IDs and the name on both IDs is the same. Both ID cards will contain the courier's name, the courier's picture, and the courier's signature.
 - (2) Signature Lists. For those armored car service companies that do not have a dual ID process, the vault, safe or security cage clerk or supervisor must verify that the courier is authorized per a signature list provided by the armored car service company. This list must contain the employee's name and picture. The armored car service company is responsible for providing updated information on all authorized couriers assigned to pick up Postal Service remittances.

Under no circumstances can Registered Mail articles be provided to unauthorized and unconfirmed couriers. Once authorization has been confirmed, the Registered Mail deposits can be released.

Note: Never remove the deposit from the vault, safe, or security cage until the armored courier is verified and ready to receive the shipment.

- b. The clerk-in-charge of the vault, safe, or security cage presents the driver with PS Form 3854 or 3854-A, Registered Mail pouch(s) and PS Form 3849. The clerk legibly signs his/her name in the top postmaster block area (top line) making the dispatch, and enters the time of exchange on all copies of the forms.

- c. The armored car courier verifies headings, postmark date, and the numbered tin band seals of pouches listed on PS Form 3854 or 3854-A and examines the condition of each registered pouch. Any discrepancy or concerns involving the condition of the Registered Mail pouch or form must be resolved immediately. The courier legibly signs his or her name in the top postmaster block area (bottom line) and enters the date and time. The clerk must compare the signature and match the

name to the courier list for reasonable assurance. If it is questionable, summon a supervisor/manager to the registry room. The courier verifies the information written on PS Form 3849 and must legibly sign and print his or her name. The clerk-in-charge of the vault, safe, or security cage retains the signed form. The clerk must compare the signature and match the name to the courier list for reasonable assurance. If it is questionable, summon a supervisor/manager to the registry room.

- d. The clerk-in-charge of the vault provides the driver with the original and the third copy of the PS Form 3854 or 3854-A and the numbered tin band sealed Registered Mail pouch(s). The vault clerk keeps the second copy on file for 2 years.
- e. The clerk-in-charge of the vault, safe, or security cage scans the barcode on PS Form(s) 3849 and all PS Forms 3883 or 3883-A barcodes (including PS Form(s) 3883 or 3883-A from the concentration offices) to electronically link the barcode information to report that the Registered Mail deposits have been delivered. The clerk also must enter the barcode identification number of PS Form 3849 on all PS Form 3883 or 3883-A.
- f. The clerk-in-charge of the vault, safe, or security cage makes a copy of the signed PS Form 3849 and sends the original copy to the Central Forwarding System (CFS) for updating delivery information into the national database.

Note: The signed PS Form 3849 must be kept intact and in good condition, free of folds, tape, and tears. This will ensure that the form can be imaged properly on the optical scanning workstation at the CFS site.

- g. The clerk-in-charge of the vault, safe, or security cage gathers together and files them in the registry section for 2 years all copies of PS Form 3883 or 3883-A, the opening clerk's consolidated bank checklists, PS Form 3854 or 3854-A, and the signed copy of PS Form 3849.

Note: See Exhibit 4-7.2, Daily Armored Courier Transaction Report, which records all the elements of the courier pick-up.

h. The clerk-in-charge will also sign the armored courier's paperwork as proof of transfer of deposits from the USPS to the courier. The armored car service company will provide details/examples of its paperwork upon contract award and prior to commencement of service. If there are any changes to their paperwork requirements, the armored car service company will provide detailed information in advance of the USPS signing this new documentation. If the banking P&DC/F does not have the required or updated paperwork, the MDO will contact its district finance manager

- i. At times the armored car service will bring cash and coin fulfillment orders for Post Offices. Once these items are received at the P&DC/F registry cage, the following steps must be taken:
 - (1) The registry acceptance clerk accepts PS Form 3877 and Registered Mail articles from the armored courier. All articles received are verified to the articles listed on the form.
 - (2) The clerk must total the number of pieces listed by sender, total

the number of pieces received at the Post Office, sign his/her name legibly in the postmaster block area, and round date all copies. The copy is sent to the bank and the original is filed and retained at the registered cage for 2 years.

- (3) Once each article is accepted, the registered clerk is required to affix a First-Class Mail Postage and Fee Paid Postal Service Permit No. G10 label to each article in order to dispatch.

- (4) If there is a discrepancy, the registered clerk notifies his/her immediate supervisor to verify those items presented and accepted on PS Form 3877. All discrepancies are noted on the form and the supervisor must notify the district Finance manager (DFM) and the Inspection Service.

4-7.3 **Armored Courier Service Delivery to the Bank**

The following procedures apply to armored courier service delivery to the bank:

- a. At the time of the hand-to-hand exchange with the bank, the armored courier service provides the original and one copy of PS Form 3854 or 3854-A and the Registered Mail pouch(s) to transfer the accountability to the bank representative. The courier must legibly sign his or her name again on the bottom postmaster block area (top line) to make the dispatch and must enter the date and time of transfer on all copies of PS Form 3854 or 3854-A.
- b. The bank representative must examine the condition of each registered sealed pouch and verify the postmark date and the numbered tin band seal(s) from the received pouch(s) to PS Form 3854 or 3854-A. The bank representative must legibly sign his/her name on both forms in the bottom postmaster block area (bottom line). Any discrepancy must be noted on both forms and the MDO must be immediately notified by the bank representative.
- c. The bank representative returns to the armored courier the copy of PS Form 3854 or 3854-A and keeps the original on file for 2 years.
- d. The bank representative removes each pouch label, cuts the numbered tin band seal from the pouch, and sets them aside. He or she removes the EP-9 envelope (if attached to the pouch) and all bank remittances that are inside the pouch.

Note: Only canvas mail pouches from the nonbanking P&DC/Fs will have an EP-9 envelope attached to the pouch. There should be no contents in the envelope.

- e. The bank representative must verify each Registered Mail article inside the pouch to the listed entries on PS Forms 3883 or 3883-A enclosed with each of the bundles or letter trays.
- f. Any discrepancy must be reported immediately to the MDO and to the district finance office. If a discrepancy is identified, the bank representative is responsible to retain and return to the MDO or designee, the original signed copy of PS Form 3854 or 3854-A, PS Forms 3883 or 3883-A, the Registered Mail pouch, the numbered tin band seal, and the pouch label for further investigation. . If there are any discrepancies, the bank must immediately notify Corporate Treasury-Banking and Eagan. All efforts will be made to resolve the discrepancies so that the bank does not need to return any item to USPS.. In the rare instance where an item needs to be returned, Corporate Treasury-Banking and the Area will work with the bank on the best way to return the item.

Note: The MDO and the district finance office will notify the Inspection Service and the district finance manager of any

irregularity. The MDO must make arrangements with the bank to return the items listed in a timely manner. The bank representative

must be provided with two Postal Service contact names and telephone numbers for reporting irregularities.

- g. After all items have been verified, a bank representative must sign and stamp with their bank stamp and send one full-set copy of PS Forms 3883 or 3883-A back to the banking P&DC/F. The banking P&DC/F clerk-in-charge of the vault, safe, or security cage must verify receipt of all returned forms from the bank and file them with appropriate paperwork for 2 years. The banking P&DC/F should provide the bank with self-addressed penalty envelopes to ensure the return of the signed copies of PS Forms 3883 or 3883-A. Place the self-addressed penalty envelope inside the canvas bag along with the Firm Delivery Bill.