

# Retirement Resources and Contacts

1.1.2024

## [Questions and Answers on the Federal Employees Retirement System](#)



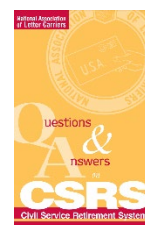
Covers Federal Employees Retirement System retirement eligibility, credit for service, types of retirement, survivor elections, Social Security, the Thrift Savings Plan, health and life insurance, and more.



## [Questions and Answers on the Civil Service Retirement System](#)



This NALC booklet covers Civil Service Retirement System retirement eligibility, credit for service, types of retirement, survivor elections, the Thrift Savings Plan, health and life insurance, and more.



## **NALC Retirement Department**



The NALC Retirement Department can be reached by calling 800-424-5186 (toll free) Monday, Wednesday or Thursday, 10 a.m. to Noon or 2 p.m. to 4 p.m. (Eastern Time), or by calling the NALC Headquarters switchboard at 202-393-4695 Monday through Friday, 9 a.m. to 4:30 p.m. (Eastern time) and asking for the Retirement Department.

<https://www.nalc.org/workplace-issues/retirement>

## **USPS HR Shared Service Center (HRSSC)**

HRSSC can be reached by current employees who are planning or applying for retirement by calling 877-477-3273, option 5.

## **Office of Personnel Management (OPM)**



OPM acts as the personnel office for retired letter carriers, and is the agency responsible for administering retirement, health and life insurance benefits. Before you call or write to OPM, be sure to have your Civil Service Active (CSA) number ready. OPM can be reached by retirees who have a CSA number by calling 888-767-6738 or 724-794-2005, 7:40 a.m. to 5 p.m. Monday through Friday (Eastern time), or 202-606-0500 in the Washington,

DC, area. Mail your written inquiries to Office of Personnel Management, Retirement Operations Center, Boyers, PA 16017 (unless OPM has specified a different address for a specific action such as health benefits open season).

<https://www.opm.gov/>

### **OPM Services Online**

Services Online lets annuitants (federal retirees or their spouses, ex-spouses, and children) manage their account online.

<https://www.serviceline.opm.gov/>



### **Federal Employees Group Life Insurance Handbook**



This Booklet provides general information for employees about the Federal Employees' Group Life Insurance (FEGLI) Program. You can get detailed information in the FEGLI Handbook, which is available only in electronic format, at [www.opm.gov/life](http://www.opm.gov/life). While some information for annuitants is provided here, annuitants can visit [www.opm.gov/retire](http://www.opm.gov/retire) for more information about FEGLI benefits in retirement. Individuals on workers' compensation ("Compensationers") who have retired can visit [www.opm.gov/retire](http://www.opm.gov/retire) for more information about FEGLI benefits in retirement.

<https://www.opm.gov/healthcare-insurance/life-insurance/reference-materials/federalbooklet.pdf>

### **FEGLI Calculator**

Check out FEGLI premiums for active employees and plan for retirement premiums and options.

<https://www.opm.gov/retirement-center/calculators/fegli-calculator/>



### **Thrift Savings Plan (TSP)**



Manage your account and access forms and publications online, or call (877) 968-3778.

<https://www.tsp.gov/>

### **NALC Government Affairs**

For legislative updates or to get involved, visit NALC's Government Affairs webpage.

<https://www.nalc.org/government-affairs>



### **Social Security Administration**



Visit SSA MyAccount to create your own social security account online and get your estimate.

<https://www.ssa.gov/>

### **National Business Agent (NBA)**

Fifteen elected national business agents (NBAs), each responsible for one of 15 regions of the country, serve the members and branches in their region. Every region also employs at least one regional administrative assistant (RAA) appointed by the NALC national president. Acting under the national president's ultimate direction, NBAs have extensive authority over union affairs in their regions, and serve on the NALC executive council. An NBA's primary responsibility is contract administration—handling grievances, presenting arbitrations, and dealing with regional postal management. They also deal with organizing and responding to requests for advice and assistance from branches in their regions.



Any member needing assistance should first contact his or her branch officers or national business agent before contacting NALC National Headquarters for help.

<https://www.nalc.org/union-administration/nalc-regions>

# Monthly FERS annuity payments for letter carriers who retire on March 1, 2024

The Federal Employees Retirement System (FERS) covers federal and postal employees hired on or after Jan. 1, 1984. FERS employees earn retirement benefits from three sources: the FERS Basic Annuity, Social Security and the Thrift Savings Plan.

An additional Special Annuity Supplement is paid to FERS annuitants who retire at Minimum Retirement Age (MRA) plus 30 years or more, or at age 60 plus 20 years or more. It is approximately calculated by taking an individual's Social Security age 62 benefit estimate, multiplied by the number of years of FERS

coverage, divided by 40. It is payable to age 62 and then ends. Social Security benefits are payable beginning at age 62.

The table below provides monthly basic annuity, survivor deduction and net annuity amount estimates for letter carriers who plan to take optional retirement on March 1, 2024. Estimates are computed by using the given high-3 averages, which are based on the basic pay earned by full-time Step O/P carriers and vary by length of postal/military/federal service. Reduced annuity amounts reflect the difference between the given basic annuity and survivor reduction figures.

Years of Service <sup>2</sup>	CC Grade 1 / High-3 Average <sup>1</sup> : \$72,238			CC Grade 2 / High-3 Average <sup>1</sup> : \$73,755		
	Basic Annuity	Max. Survivor Deduction <sup>3</sup>	Max. Survivor Reduced Annuity <sup>4</sup>	Basic Annuity	Max. Survivor Deduction <sup>3</sup>	Max. Survivor Reduced Annuity <sup>4</sup>
20	\$1,204	\$120	\$1,084	\$1,229	\$123	\$1,106
21	1,264	126	1,138	1,291	129	1,162
22	1,324	132	1,192	1,352	135	1,217
23	1,385	138	1,246	1,414	141	1,272
24	1,445	144	1,300	1,475	148	1,328
25	1,505	150	1,354	1,537	154	1,383
26	1,565	157	1,409	1,598	160	1,438
27	1,625	163	1,463	1,659	166	1,494
28	1,686	169	1,517	1,721	172	1,549
29	1,746	175	1,571	1,782	178	1,604
30	1,806	181	1,625	1,844	184	1,659
31	1,866	187	1,680	1,905	191	1,715
32	1,926	193	1,734	1,967	197	1,770
33	1,987	199	1,788	2,028	203	1,825
34	2,047	205	1,842	2,090	209	1,881
35	2,107	211	1,896	2,151	215	1,936
36	2,167	217	1,950	2,213	221	1,991
37	2,227	223	2,005	2,274	227	2,047
38	2,288	229	2,059	2,336	234	2,102
39	2,348	235	2,113	2,397	240	2,157
40	2,408	241	2,167	2,458	246	2,213
Each additional year <sup>5</sup>	60.20	6.02	54.18	61.46	6.15	55.32

1. High-3 averages for both grades (formerly levels) are for carriers who have worked full time on a continuous basis between March 1, 2021, and Feb. 28, 2024, at Step O/P.

2. Years of service includes any unused sick leave.

3. The reduction for survivor's annuity is the amount necessary to provide maximum benefits (50 percent of basic annuity) to a surviving spouse.

4. If covered by the NALC Health Benefit Plan, a further deduction of either \$523.75 per month if for self plus one (code 323), \$457.82 if for self and family (code 322), or \$223.12 if for self only (code 321) will be made. In addition, premiums for any coverage under the Federal Employees' Group Life Insurance Program will reduce the net annuity further.

5. Under FERS rules, there is no maximum allowable yearly annuity. However, given the FERS formula of 1 percent per year, it is highly unlikely that any FERS employee will ever exceed the 80 percent maximum limit under CSRS.

6. FERS employees who retire at age 62 or later with at least 20 years of service receive an additional 10 percent—their annuities are calculated at 1.1 percent times years of service times high-3 average salary.

## Monthly CSRS annuity payments for letter carriers who retire on March 1, 2024

The table below provides monthly basic annuity, survivor reduction and reduced annuity amount estimates for letter carriers covered by the Civil Service Retirement System (CSRS) who plan to take optional retirement on March 1, 2024. Estimates are computed by using the given high-3 aver-

ages, which are based on the basic pay earned by full-time Step O/P carriers and vary by length of postal/federal/military service.

Reduced annuity amounts reflect the difference between the given basic annuity and survivor reduction figures.

Years of Service <sup>2</sup>	CC Grade 1 / High-3 Average <sup>1</sup> : \$72,238			CC Grade 2 / High-3 Average <sup>1</sup> : \$73,755		
	Basic Annuity	Max. Survivor Deduction <sup>3</sup>	Max. Survivor Reduced Annuity <sup>4</sup>	Basic Annuity	Max. Survivor Deduction <sup>3</sup>	Max. Survivor Reduced Annuity <sup>4</sup>
20	\$2,182	\$196	\$1,986	\$2,228	\$200	\$2,028
21	2,303	208	2,095	2,351	213	2,138
22	2,423	220	2,203	2,474	225	2,249
23	2,543	232	2,312	2,597	237	2,360
24	2,664	244	2,420	2,720	249	2,470
25	2,784	256	2,528	2,843	262	2,581
26	2,905	268	2,637	2,966	274	2,691
27	3,025	280	2,745	3,088	286	2,802
28	3,145	292	2,853	3,211	299	2,913
29	3,266	304	2,962	3,334	311	3,023
30	3,386	316	3,070	3,457	323	3,134
31	3,507	328	3,178	3,580	336	3,245
32	3,627	340	3,287	3,703	348	3,355
33	3,747	352	3,395	3,826	360	3,466
34	3,868	364	3,503	3,949	372	3,577
35	3,988	376	3,612	4,072	385	3,687
36	4,109	388	3,720	4,195	397	3,798
37	4,229	400	3,829	4,318	409	3,908
38	4,349	412	3,937	4,441	422	4,019
39	4,470	424	4,045	4,564	434	4,130
40	4,590	437	4,154	4,686	446	4,240
41	4,711	449	4,262	4,809	458	4,351
41+11 months & over <sup>5</sup>	4,816	459	4,357	4,917	469	4,448

Clip and save—may not be printed every month. Always available at nalc.org.

1. High-3 averages for both grades (formerly levels) are for carriers who have worked full time on a continuous basis between March 1, 2021, and Feb. 28, 2024, at Step O/P.

2. Years of service includes any unused sick leave.

3. The reduction for a survivor's annuity is the amount necessary to provide maximum benefits (55 percent of basic annuity) to a surviving spouse.

4. If covered by the NALC Health Benefit Plan, a further deduction of either \$523.75 per month if for self plus one (code 323), \$457.82 if for self and family (code 322), or \$223.12 if for self only (code 321) will be made. In addition, premiums for any coverage under the Federal Employees' Group Life Insurance Program will reduce the net annuity further.

5. Under CSRS rules, the maximum allowable yearly annuity cannot exceed 80 percent of an annuitant's high-three average. This limit is reached when an annuitant's years of service amount to 41 years and 11 months. Individuals with more than 41 years and 11 months of service will not get a higher annuity based on additional service, but may get slightly more than 80 percent of their high-3 average on the basis of unused sick leave accumulated under CSRS.


**MEMORANDUM OF UNDERSTANDING  
BETWEEN THE  
UNITED STATES POSTAL SERVICE  
AND THE  
NATIONAL ASSOCIATION of LETTER CARRIERS, AFL-CIO**

**Re: Annual Leave Carryover for Leave Year 2024**

The parties agree that for leave year 2024, regular work force career employees covered by the USPS-NALC Agreement may carry over 520 hours of accumulated annual leave from leave year 2023 to leave year 2024.

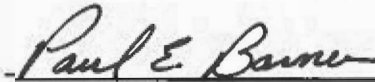
In all other respects, the Employee and Labor Relations Manual (ELM) provisions for payment of accumulated leave are not changed because of this Memorandum.

This MOU will expire December 31, 2024.



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Thomas J. Blum  
Vice President, Labor Relations  
United States Postal Service



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Paul Barner  
Executive Vice President  
National Association of Letter Carriers, AFL-CIO

Date: April 24, 2023

## Postal reform and Medicare integration



**Dan Toth**

**T**he Postal Service Reform Act of 2022 (PSRA), which passed with strong bipartisan support in both the House and the Senate, puts the Postal Service back on a track of financial stability by repealing the onerous pre-funding mandate established by the Postal Accountability and Enhancement Act of 2006. The PSRA will save the Postal Service billions of dollars every year. This piece of legislation is an incredible achievement, and credit goes to the rank-and-file letter carriers who got the message out to co-workers and the public through discussions and writing to publications, and of course for advocating to their repre-

sentatives. I sincerely thank all of you for your role to restore the Postal Service and protect our jobs.

The Medicare integration component of the PSRA has raised many questions from our current retirees. The PSRA will restructure the Federal Employees Health Benefit (FEHB) program to create postal-only versions to account for the integration of Medicare. All the major plans now available to participants—Blue Cross Blue Shield, NALC HBP, Kaiser, etc.—would continue to be offered to postal employees and retirees as a postal-only version of their FEHB plans within FEHB. This will allow these postal-only plans to account for the coordination of benefits provided through Medicare and increase the efficiency of such a system.

The reason it makes sense to create postal-only plans within FEHB and to maximize Medicare participation is that it will reduce health care costs for both the Postal Service and postal participants in the federal insurance program. Because Medicare is the first-payer insurer for its enrollees, the costs covered by postal-only FEHB plans will be reduced, thereby reducing costs for postal employees. This also would reduce the Postal Service's health care expenses by hundreds of millions of dollars annually, and reduce its future liability for retiree health benefits by approximately \$40 billion.

**Annuity holders and active employees who retire before Jan. 1, 2025, and any active employee at least 64 years of age as of Jan. 1, 2025, will get to decide whether they want to enroll in Medicare (or not) when they become eligible. Current annuity holders who did not enroll in Medicare Part B when first eligible will get a one-time opportunity to enroll without facing the 10 percent-per-year**

late enrollment penalty (see the January 2021 retirement column for more information regarding the late enrollment penalty). Generally, this late enrollment penalty is so severe that after a few years it becomes unaffordable. For those annuity holders who did not enroll in Part B when first eligible, this will be a tremendous opportunity to reconsider Medicare Part B when the one-time opportunity arrives. The special enrollment will be a six-month period beginning on April 1, 2024.

Future annuity holders retiring after Jan. 1, 2025 (and under age 64 as of Jan. 1, 2025) who choose to maintain their FEHB coverage into retirement will be required to enroll in Medicare Parts A and B when eligible. Approximately 80 percent of postal annuity holders already elect to enroll in Medicare, as this helps to cover additional (if not all) out-of-pocket expenses and brings more comprehensive coverage than a lone FEHB plan.

Not all future annuity holders will be required to enroll in Medicare. There are exceptions for those enrolled in TRICARE (health care benefits provided by the Department of Veterans Affairs) or Indian Health Services, as well as those who reside outside of the United States.

**The PSRA requires the Postal Service to establish a Health Benefits Education Program that will provide Postal Service annuity holders and employees a description of the health care options available, enrollment provisions, and any requirements to be enrolled in Medicare. The Postal Service also must respond and provide answers to inquiries from employees and annuity holders. The Health Benefits Education Program must be established no later than 18 months after the signing of the law on April 6, 2022.**

Additionally, the PSRA directs the Office of Personnel Management, the government agency in charge of administering the FEHB, to issue the implementing regulations no later than one year after the signing of the law. These implementing regulations will help fill in the details that are not expressly provided for in the law. The one-year deadline is soon enough that letter carriers should have plenty of time to make an informed decision prior to the special enrollment period and the enactment of the postal-only FEHB plans on Jan. 1, 2025.

Our health insurance benefits through the FEHB, along with the Postal Service's 72 percent contribution for annuity holders, are not going anywhere. There will continue to be an annual Open Season that will allow participants to shop around and change their plans as they see fit. Current annuity holders can remain comfortable knowing they'll be able to continue with what they have, or after understanding their Medicare options and the special enrollment period, customize their coverage.

## Working after retirement



**Dan Toth**

**W**hile many letter carriers who retire may never look back, there are those who consider returning to the workforce. Whether they are making a financial choice, looking for a way to stay busy, following a passion or a mixture of many reasons, some retired letter carriers decide to return to punch the clock a few more times.

If you're retired but considering going back to work for the federal government, you need to be aware of the effect that will have on your salary and your annuity. In general, if you become reemployed with the federal government while collecting a Civil Service Retirement System (CSRS) or

Federal Employees Retirement System (FERS) annuity, your wages will be offset by the amount of your annuity.

**As a reemployed annuitant with the federal government,** your salary will be offset, dollar for dollar, by the amount of your annuity. This reduction to your salary will often be substantial. Such a reduction may be prohibitive, and prevents many from returning to the federal government.

To compute the offset, divide your gross yearly annuity by 2,080 hours. The result is the offset per hour, which you can multiply by 80 hours to see how much would be deducted from your salary each pay period for a full-time employee:

- Gross monthly annuity x 12/2080 hours = Hourly rate of annuity
- Hourly rate of annuity x hours of basic pay = Amount of offset for the pay period

In essence, you are waiving the value of your annuity when you return to a federal job for as long as you were employed. It makes more sense to reemploy with the federal government if you are making a substantial salary when compared to your annuity. This situation wouldn't generally apply to retired letter carriers without a specialized skill or security clearances.

**However, there is an exception.**

The Office of Personnel Management (OPM) may allow the offset to be waived in exceptional situations when requested by the hiring agency.

As we've seen in the last few years, the Postal Service has hired holiday carrier assistants, with a focus on hiring annuitants. OPM has allowed USPS to hire annuitants to fill these temporary positions without being

subject to the offset. This exemption must be requested by the Postal Service and approved by OPM. The exemption allows annuitants to work for the Postal Service for a limited time without a reduction to their salaries. Please note that this exemption does not apply to the normal 360-day term city carrier assistant position.

**That said, there still may be other benefits to becoming** a federally reemployed annuitant. If you are reemployed for more than one year of continuous full-time service (or one year equivalent of part-time work), you may be eligible for a supplemental annuity (not to be confused with the special annuity supplement). A supplemental annuity is calculated differently for CSRS and FERS employees, but the calculation is similar to the general formulas used in each system. FERS employees can multiply each year of reemployment by 1 percent, and then multiply by the average salary during reemployment.

If you are re-employed for five years of actual continuous full-time service (or part-time equivalent), you may elect to have your annuity redetermined in lieu of a supplemental annuity. The redetermination is calculated using the general formulas for each retirement system. Any unused sick leave from your original annuity is combined with any unused sick leave from your reemployment and used in the annuity calculation.

Annuitants who find employment outside of the federal government are not subject to the same offsets described above, but they should be mindful of earning limits for both the FERS special annuity supplement and Social Security that may result in different offsets. The special annuity supplement and the Social Security earnings limit is \$18,960 for 2021. Previous retirement columns have addressed the earnings limit for the special annuity supplement and Social Security—see the September 2019 and July 2017 issues of *The Postal Record*, respectively.

Those on FERS or CSRS disability retirement should also be aware that if you are reemployed in federal service in a position equivalent to the position you held at retirement, or if you exceed the earnings limitation of 80 percent of the current rate of basic pay for the position from which you retired, OPM will find you recovered from your disability and will stop your annuity payments. After age 60, there is no restriction on the amount of income you can earn while receiving disability retirement.

**There are many reasons to find employment after becoming** an annuitant from the Postal Service and just as many factors to consider before reemployment. Understanding the pros and cons of reemployment can help you plan your retirement and decide how to make the most of it.



**Contract Administration Unit**

Brian Renfroe, Executive Vice President  
Lew Drass, Vice President  
Christopher Jackson, Director of City Delivery  
Manuel L. Peralta Jr., Director of Safety and Health  
Dan Toth, Director of Retired Members  
Jim Yates, Director of Life Insurance

# Individual retirement counseling

**A**s letter carriers reach retirement eligibility and decide to hang up the satchel, an important benefit that should be taken advantage of is the individual retirement counseling provided by the Postal Service. The Office of Personnel Management (OPM) is the government agency that creates the rules and regulations concerning the Federal Employees Retirement System (FERS) and Civil Service Retirement System (CSRS) that federal agencies must follow. Certain articles of our National Agreement require the Postal Service to follow them. Article 21.3 of the National Agreement incorporates Title 5 of U.S. Code, Chapters 83 (CSRS) and 84 (FERS). Article 5 incorporates management's obligations under the law, and Article 19 incorporates handbooks and manuals.

**OPM places responsibility on the Postal Service** to guide employees through the retirement process and to supply all of the information that employees may need about their retirement. OPM's *CSRS/FERS Handbook*, Chapter 40, Planning and Applying for Retirement, Sec. A2.1-1.B states in part:

It is the agency's responsibility to guide the employee through the retirement process, supplying all of the information the employee may need about retirement and continuing insurance coverage into retirement. The agency is responsible for giving the employee an all-inclusive presentation of the retirement process that the employee needs for successful retirement planning. The agency provides the information an employee needs in planning for retirement, but the agency should not advise or counsel the employee what to do. The purpose of this Chapter is to help agencies assist retiring employees so that they have an uncomplicated transition from their Federal careers to retirement.

**The Postal Service's *Employee and Labor Relations Manual (ELM)*.** Chapter 5 covers employee benefits. Section 569.14 explains that employees may request individual counseling, and that such counseling sessions are on the clock if the session is during the employee's tour. *ELM* 560 addresses CSRS provisions. The corresponding FERS provisions are found in Section 580:

## **569.141 Nature of Individual Counseling**

As part of the retirement process, employees may request individual retirement counseling from the Human Resources Shared Services Center (HRSSC). Counseling is provided by a retirement specialist at the HRSSC who can provide detailed information on retirement health benefits, life insurance, and other retirement-related benefits programs. These counseling sessions are conducted via telephone primarily, and they may involve use of a computer and/or electronic media, as appropriate. The retirement specialist may also direct the employee to other sources to obtain in-

formation specific to certain topics, including TSP and Social Security. The sessions are on the clock if the retirement specialist is available to provide such counseling during the same tour as the employee.

See *ELM*, Section 569.142 for additional counselling session content.

**A national-level settlement dated Sept. 11, 2009, (M-01708** in NALC's Materials Reference System) explains counseling in further detail:

If an employee who is eligible for and has requested individual retirement counseling wishes to have this counseling on the clock, local management will arrange reasonably private space for this purpose and will permit the employee's spouse and or advisor to be with the employee during this process. If the employee's spouse or advisor is a Postal Service employee only the employee receiving the requested retirement counseling will be on the clock.

If such an employee is not able to call the Human Resources Shared Services Center to begin or complete the individual retirement counseling process without assistance, local management will offer assistance to facilitate completion of the individual retirement counseling. The District Manager, Human Resources will be contacted and will determine who will provide such assistance. Such assistance will include but not be limited to completion of Standard Form 2801 and any other forms related to Life/Health/TSP/ Beneficiary and any Military or civilian service deposit selection issues. Whether an employee who requests individual retirement counseling is unable to start or complete the retirement counseling will be determined jointly by management and union at the local level on a case-by-case fact circumstance basis. This will include employees who have started and request assistance during the individual retirement counseling process.

**Letter carriers should ensure a smooth transition to retirement** by using the provided counseling. If necessary, the provisions above can be enforced via Articles 5, 19 and 21 of the National Agreement.

## **Update to October Contract Talk**

October's Contract Talk was about leave provisions and M-01928, which increased the leave carryover from 440 hours to 520 hours for leave year 2020 to leave year 2021. Although M-01928 did not affect the *ELM* provisions for payment of accumulated leave, after further discussion, the Postal Service has confirmed that employees who retire during leave year 2021 can receive a terminal leave payment of up to 520 hours. Employees retiring Pay Period 2 of 2021 (which starts Jan. 2, 2021) through the 2021 leave year can receive a terminal leave payment of up to 520 hours.

LABOR RELATIONS



Mr. Fredric V. Rolando  
President  
National Association of Letter  
Carriers, AFL-CIO  
100 Indiana Avenue, NW  
Washington, DC 20001-2144

Re: Q01N-4Q-C 07150373  
Class - Article 19

Dear Mr. Rolando:

Our representatives have met on several occasions to discuss the above-referenced case scheduled for national arbitration.

After reviewing this matter, the parties agree to resolve this matter based on the following:

If an employee who is eligible for and has requested individual retirement counseling wishes to have this counseling on the clock, local management will arrange reasonably private space for this purpose and will permit the employee's spouse and or advisor to be with the employee during this process. If the employee's spouse or advisor is a Postal Service employee only the employee receiving the requested retirement counseling will be on the clock.

If such an employee is not able to call the Human Resources Shared Services Center to begin or complete the individual retirement counseling process without assistance, local management will offer assistance to facilitate completion of the individual retirement counseling. The District Manager, Human Resources will be contacted and will determine who will provide such assistance. Such assistance will include but not be limited to completion of Standard Form 2801 and any other forms related to Life/Health/TSP/ Beneficiary and any Military or civilian service deposit selection issues. Whether an employee who requests individual retirement counseling is unable to start or complete the retirement counseling will be determined jointly by management and union at the local level on a case-by-case fact circumstance basis. This will include employees who have started and request assistance during the individual retirement counseling process.

Please sign and return the enclosed copy of this decision as acknowledgment of your agreement to resolve this case.

Sincerely,

Alan S. Moore  
Manager, Labor Relations  
Policy and Programs  
Labor Relations  
U.S. Postal Service

Fredric V. Rolando  
President  
National Association of Letter  
Carriers, AFL-CIO

Date: 9-11-09

## Contract Administration Unit

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# Retirement processing issues

**T**he Office of Personnel Management (OPM) administers the Civil Service Retirement System (CSRS) and the Federal Employees Retirement System (FERS). OPM is the federal agency that has authority to decide all matters regarding CSRS and FERS retirements. OPM determines whether a letter carrier is eligible to retire, how much the carrier will receive in retirement, and deals with a host of related issues. OPM has its own internal appeals system that is available when a retiree believes an OPM decision is wrong. Since OPM is a separate federal agency and not a party to the collective-bargaining agreement between the USPS and NALC, no decision, action or lack of action by OPM can be challenged using the grievance procedure.

However, OPM requires employees to apply for retirement through their own federal agency, including the Postal Service. Likewise, OPM requires the Postal Service to process the retirement applications of employees. The OPM regulations regarding the processing of retirement applications of employees by agencies are complex. Many of those regulations are explained in OPM's *CSRS-FERS Handbook*, which is available online at [opm.gov](http://opm.gov).

The regulations pertaining to retirement within the Postal Service are found in the *Employee and Labor Relations Manual (ELM)*. Section 560 of the *ELM* explains the process for employees covered under CSRS, while Section 580 describes the rules for those covered by FERS. These sections of the *ELM* reflect many of OPM's regulations regarding retirement applications. If there is an apparent conflict between OPM regulations or policies and the Postal Service *ELM* provisions regarding the processing of retirement applications, OPM's regulations control. Section 581.2 of the *ELM* states:

OPM administers the basic portion of FERS. The FERS laws, policies, and regulations issued by OPM, including those governing employee eligibility and benefits, are controlling in the event of conflict with the information contained in this subchapter.

Article 21, Section 3 of the National Agreement incorporates the provisions of CSRS under 5 United States Code (USC) 83 and FERS under 5 USC 84. It follows that Postal Service violations of OPM regulations, *ELM* provisions, Step 4 settlements, etc., regarding retirement processing issues can be addressed through the grievance-

arbitration procedure, provided the grievant is a current employee at the time of filing<sup>1</sup>.

**One retirement application processing issue seems to be widespread.** It has to do with the Certified Summary of Federal Service (CSoFS) form. For FERS employees, it is Standard Form 3107-1, and for CSRS employees it is SF 2801-1. The CSoFS is the form that agencies use to certify to OPM the dates of the retiring employee's creditable service, which includes career service and may also include creditable non-career, military and part-time service, etc. This is a critical form, because both an employee's eligibility to retire, as well as the amount of their annuity, are based on the total years and months of service.

Here is what OPM's *CSRS FERS Handbook*, Section 40A3.1-1B says about the form:

#### B. CSRS Forms To Be Completed by Agency

The personnel office must:

Prepare a Certified Summary of Federal Service (SF 2801-1) that lists the employee's verified Federal civilian and military service.

NOTE: The employee should review and sign the Certified Summary of Federal Service. However, if the employee is unable to sign the Certified Summary, the agency may submit the form to OPM without the employee's signature.

Section 40A3.1-1.D goes on to clarify that CSoFS for FERS employees uses a different form number.

#### D. FERS Forms To Be Completed by Agency

The forms to be completed by the personnel office in the case of a FERS employee are the same as those used for a CSRS employee (see paragraph B), with the following exceptions:

The Certified Summary of Federal Service is SF 3107-1;

The instructions on the form itself are also clear. The first set of instructions on the form pertains to information for the agency. Item No. 1 requires a certified copy of the form to accompany the employee's application for retirement. The second set of instructions is to be completed by the employee. The instructions state:

1. Your employing office will complete and certify this form for you.
2. Review this form carefully. Be sure it contains all of your service.

<sup>1</sup> As a general matter, non-employees, including retirees, do not have standing to initiate grievances. A major exception to this general rule is Memorandum of Understanding Re: Debts of Retired Employees found on page 217 of the National Agreement.

3. Complete Section E, Employee’s Certification, and return the form to your employing office.

Section D of the form includes a line for a signature by an official from the employing agency certifying that the service history information on the form accurately reflects official agency personnel and/or payroll records. Section E of the form is titled “Employee’s Certification” and includes a line for the employee’s signature.

The service histories of most employees are relatively straightforward, with a beginning date of career service through the anticipated retirement date. But other employees may have made a deposit for military or non-career civilian service; accumulated more than six months of leave without pay (LWOP) in a calendar year; or have more than two months of aggregate LWOP due to an accepted on-the-job injury. These scenarios make reviewing and certifying the service history even more important as they are more prone to error and are vital in making fully informed retirement decisions.

**Despite the clear guidance and form instructions,** the Postal Service retirement counselors at the Human Resources Shared Service Center (HRSSC) routinely provide blank forms to retiring employees, without any service history information. Some retiring employees have been told that they should sign the blank form and that the form would be filled out later by the Postal Service. No employee can reasonably be required to sign a document certifying that the information provided by the Postal Service on the document is accurate when there is no information provided on the document. Employees who do not trust the Postal Service to certify the correct service should request the form be completed so that it can be reviewed in accordance with the instructions provided by OPM. Those who choose to submit a blank form can do so, without a signature, and it should not delay your retirement.

Insistence by HRSSC counselors that retiring employees sign a blank CSoFS should be challenged, through the grievance procedure, if necessary, as this is contrary to the provisions set forth by OPM.

Employees who are denied a completed form can consider asking their shop steward to investigate (remember that any grievance must be initiated prior to separation) and then submit the application with the blank, unsigned, CSoFS. Employees should not have to delay their retirement due to retirement-processing issues by the Postal Service.

The consideration of the proper remedy in such a case is very important. In addition to a cease-and-desist to protect future retirees, an important remedy to include during a retirement processing grievance is compelling the Postal Service to re-certify to OPM the employee’s service history, if it did not do so correctly in the first place. This is because OPM will rely solely on the service history provided by the Postal Service. It generally will not consider employee statements and documentation. The best way to fix such a situation is to have the Postal Service re-certify the correct service history.

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**“Retirement is a critical benefit that letter carriers have earned through their years, if not decades, of service. Mistakes by the Postal Service when processing retirement forms have a substantial financial impact on retirees.”**

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This can become complicated as the grievance would be filed prior to the employee’s separation, but if the Postal Service initially refused to complete the CSoFS and the employee retired without it, the Postal Service doesn’t complete the form until a later date, post-separation. This creates a situation where the CSoFS cannot be reviewed when a grievance is initiated. A mutual agreement to extend the time limits of the grievance, such that the CSoFS can be properly reviewed for accuracy, can be an efficient method to either correct the issue or to ensure that the proper remedy is included. Grievances that are advanced to the next step prior to review of the CSoFS should be sure to include a remedy that provides for re-certification of the form as necessary.

**Retirement is a critical benefit that letter carriers have earned through their years, if not decades, of service. Mistakes by the Postal Service when processing retirement forms have a substantial financial impact on retirees.** Shop stewards and branch officers play an important role in ensuring that letter carriers are provided with the benefits to which retiring employees are entitled under the law.



# SIGN ME UP!

## How to contribute to the Letter Carrier Political Fund using your retirement ANNUITY

Using your **Annuity**, retired NALC members can contribute directly from their CSRS or FERS annuities to the Letter Carrier Political Fund (NALC's PAC) on a monthly basis. This is a convenient way to make regular donations to the political action fund similar to the payroll system available to active carriers.

### Enroll by Phone

Call the NALC Retirement Office at 202.662.2877 anytime or toll-free at 1.800.424.5186 Monday, Wednesday and Thursday from 10 a.m. to noon or 2 to 4 p.m. (ET). (Note: you will need your CSA retirement Claim number.)

### Enroll Online

1. Go to [www.servicesonline.opm.gov](http://www.servicesonline.opm.gov)
2. Enter your CSA number, beginning with the letter A and ending with a zero. SAMPLE: A22222220
3. Enter your PIN (Personal Identification Number). If you don't know it, click Using Services Online for help with one.
4. Once you've entered your CSA number and PIN, click Log In.
5. On the next page, click ALLOTMENTS TO ORGANIZATIONS.
6. Click START
7. Select the Letter Carrier Political Fund (Formerly COLCPE)
8. Enter the amount of your monthly contribution. (Maximum yearly amount is \$5,000)
9. Click SAVE
10. On the next page click YES (if correct), then print the next page for your records.

### Enroll by Mail

Complete this form and send to:

NALC Retirement Department, Attention: Letter Carrier Political Fund, 100 Indiana Ave. NW, Washington, DC 20001-2144

I, \_\_\_\_\_ (your name) wish to contribute to the Letter Carrier Political Fund. I authorize the Office of Personnel Management to withhold the amount below from my *monthly* annuity payments:  
 \$30  \$25  \$20  \$15  \$10  Other: \$\_\_\_\_\_ (Maximum amount per year is \$5,000) and forward that amount to the Letter Carrier Political Fund (NALC's PAC). I make this authorization voluntarily and may revoke it at any time by notifying the Letter Carrier Political Fund in writing.

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Full Name (please print): \_\_\_\_\_ Branch: \_\_\_\_\_

CSA: \_\_\_\_\_ Phone: \_\_\_\_\_

By making a contribution to the Letter Carrier Political Fund, you are doing so voluntarily with the understanding that your contribution is not a condition of membership in the National Association of Letter Carriers or of employment by the Postal Service, nor is it part of union dues. You have a right to refuse to contribute without any reprisal. Any guideline amounts are merely suggestions, and you may contribute more or less than the guidelines suggest and the union will not favor or disadvantage you by reason of the amount of your contribution or your decision not to contribute. The Letter Carrier Political Fund will use the money it receives to contribute to candidates for federal office and undertake other political spending as permitted by law. Your selection shall remain in full force and effect until cancelled. Contributions to the Letter Carrier Political Fund are not deductible for federal income tax purposes. Federal law prohibits the Letter Carrier Political Fund from soliciting contributions from individuals who are not NALC members, executive and administrative staff or their families. Any contribution received from such an individual will be refunded to that contributor. Federal law requires us to use our best efforts to collect and report the name, mailing address, name of employer and occupation of individuals whose contributions exceed \$200 in a calendar year.

**Table of Converting Unused Sick Leave Into Additional Service**

Months	0	1	2	3	4	5	6	7	8	9	10	11
Days												
0	0	174	348	522	696	870	1,044	1,217	1,391	1,565	1,739	1,913
1	6	180	354	528	702	875	1,049	1,223	1,397	1,571	1,745	1,919
2	12	186	360	533	707	881	1,055	1,229	1,403	1,577	1,751	1,925
3	17	191	365	539	713	887	1,061	1,235	1,409	1,583	1,757	1,931
4	23	197	371	545	719	893	1,067	1,241	1,415	1,589	1,762	1,936
5	29	203	377	551	725	899	1,073	1,246	1,420	1,594	1,768	1,942
6	35	209	383	557	731	904	1,078	1,252	1,426	1,600	1,774	1,948
7	41	215	388	562	736	910	1,084	1,258	1,432	1,606	1,780	1,954
8	46	220	394	568	742	916	1,090	1,264	1,438	1,612	1,786	1,960
9	52	226	400	574	748	922	1,096	1,270	1,444	1,618	1,791	1,965
10	58	232	406	580	754	928	1,102	1,275	1,449	1,623	1,797	1,971
11	64	238	412	586	760	933	1,107	1,281	1,455	1,629	1,803	1,977
12	70	244	417	591	765	939	1,113	1,287	1,461	1,635	1,809	1,983
13	75	249	423	597	771	945	1,119	1,293	1,467	1,641	1,815	1,989
14	81	255	429	603	777	951	1,125	1,299	1,473	1,646	1,820	1,994
15	87	261	435	609	783	957	1,131	1,304	1,478	1,652	1,826	2,000
16	93	267	441	615	789	962	1,136	1,310	1,484	1,658	1,832	2,006
17	99	273	446	620	794	968	1,142	1,316	1,490	1,664	1,838	2,012
18	104	278	452	626	800	974	1,148	1,322	1,496	1,670	1,844	2,018
19	110	284	458	632	806	980	1,154	1,328	1,502	1,675	1,849	2,023
20	116	290	464	638	812	986	1,160	1,333	1,507	1,681	1,855	2,029
21	122	296	470	644	817	991	1,165	1,339	1,513	1,687	1,861	2,035
22	128	302	475	649	823	997	1,171	1,345	1,519	1,693	1,867	2,041
23	133	307	481	655	829	1,003	1,177	1,351	1,525	1,699	1,873	2,047
24	139	313	487	661	835	1,009	1,183	1,357	1,531	1,704	1,878	2,052
25	146	319	493	667	841	1,015	1,189	1,362	1,536	1,710	1,884	2,058
26	151	325	499	673	846	1,020	1,194	1,368	1,542	1,716	1,890	2,064
27	157	331	504	678	852	1,026	1,200	1,374	1,548	1,722	1,896	2,070
28	162	336	510	684	858	1,032	1,206	1,380	1,554	1,728	1,902	2,075
29	168	342	516	690	864	1,038	1,212	1,386	1,560	1,733	1,907	2,081