This report is hereby submitted to the officers and delegates to the 71st Biennial Convention of the National Association of Letter Carriers, AFL-CIO, Detroit, MI, July 16-20, 2018, pursuant to Article 9, Section 1(k) of the Constitution of the National Association of Letter Carriers.

Detailed information pertaining to many of the National Association of Letter Carriers’ most important activities can be found in the following pages and in the reports of my fellow officers. I am grateful for their efforts in fulfilling their responsibilities with diligence and competence. My role has been to coordinate and supervise their activities, set an overall direction for this great union and, in a number of key areas, provide direct, active and assertive leadership in the best interests of the members of the NALC and, where appropriate, the U.S. Postal Service as well.
INTRODUCTION

Welcome, brothers and sisters, to the 71st Biennial Convention of the National Association of Letter Carriers. We are thrilled to be back in Detroit for the sixth time to do the business and plot the course of our great union. For more than three centuries, this city has played an amazing role in the history of North America, with Native Americans, French settlers and British soldiers playing important roles. The people of Detroit have helped shape our country in many ways—from heroically serving thousands of freedom-seeking slaves as one of the key terminals of the Underground Railroad in the 19th century to industrializing the United States in the 20th century; from powering the Arsenal of Democracy during World War II and unifying young Americans with the sounds of Motown in the 1960s and 1970s.

Detroit is variously known as the Motor City, Motown, Hocke ytown and, more recently, thanks to its courageous people and its great mayor, Mike Duggan, the Comeback City. These are all well-earned nicknames, with compelling back stories to back them up. But for America’s trade unionists, I think Union Town might be the best moniker.

Detroit is a union town. Carpenters organized and staged the first strike in the city’s history in 1837 and its oldest continuing union, the Detroit Typographical Union (DTU), was founded in 1852. Along with Pittsburgh and a few other places, the city virtually invented the modern labor movement. Led by the United Autoworkers (UAW) in the 1930s, the lives we enjoy today were won in this city and region. Led by the United Autoworkers (UAW) in the 1930s, the lives we enjoy today were won in this city and region. 

Of course, NALC’s Detroit roots go much further back than the 1930s. This is the proud home of Branch 1, the very first NALC local union. Our first president, Ed Wood, was from here and our second national convention was held here in 1891. That was followed by four more Detroit conventions over the years—in 1900, 1925, 1946 and 1966. And, of course, our 14th NALC president was also a Detroiter and former president of Branch 1: James Rademaker, who died at the age of 94 in 2015. Jim is the man who negotiated with President Nixon to end the Great Postal Strike of 1970, which secured NALC’s right to negotiate our pay and conditions; the man who bargained our first two contracts; and the man who remained active in NALC for more than 70 years.

So Detroit is the perfect place to meet: a union town with deep and enduring ties to the men and women who built the National Association of Letter Carriers. In December 2014, solidarity was the driving force behind the NALC Executive Council’s decision to hold the 71st Biennial Convention in Detroit. At the time, this city was going through the worst economic crisis in its history. In the wake of the 2008 global financial meltdown, unemployment in the Motor City peaked at 28 percent as U.S. automobile sales fell to their lowest levels in 50 years. Shamefully, the anti-union state government in Lansing used the crisis to jam through legislation to place the city into a state-supervised receivership and to make Michigan a right-to-work state during a lame-duck session of the state legislature in 2012—even after voters rejected the receivership and the right-to-work law at the polls in November 2012.

As a result of the crisis—and decades of deindustrialization and population loss—Detroit’s tax base finally collapsed in 2013, forcing it to file the largest municipal bankruptcy in U.S. history. Tens of thousands of jobs were lost, pensions for city workers were slashed and, by the end of that year, 30 percent of the city’s buildings were vacant. The situation was dire. But we had no doubt that Michigan and Detroit would bounce back, and we wanted to be a small part of that story. And if you look around the city, there is no doubt that Detroit is moving in the right direction again. The recovery we are seeing now is not just from the Great Recession, but also from decades of corporate disinvestment and government neglect.

Thanks to legislation to rescue the automobile industry in 2009, and the sacrifices and hard work of the people of Detroit, this region is growing again. In the Detroit metro area, unemployment now stands at 4.3 percent—though in the city it remains stubbornly high at 7.8 percent and much higher among the city’s African American community. So while it’s legitimate to call Detroit America’s Comeback City, there is a long way to go. Long-standing problems like poverty; institutional racism in education funding, housing and public investment; and corporate greed remain obstacles in Detroit and similar
cities. That means that there is a lot of work to do to build stronger cities and a more prosperous nation. That is the work of America’s labor movement—stronger unions make for stronger communities and better lives. So we are proud to be in Detroit, in the Spirit of Solidarity, to help write the next great chapter in NALC’s history—both in Detroit and across the United States of America. Thanks to all the delegates for coming.

THE ROAD FROM LOS ANGELES

At the Los Angeles Convention in 2016, we celebrated the Postal Service’s surging comeback from the Great Recession. Riding an e-commerce boom and an improving economy, and thanks to the hard work and sacrifices of letter carriers and other postal employees, the Postal Service had returned to operational profitability—even though the congressional mandate to pre-fund future retiree health benefits continued to result in reports of multibillion-dollar losses. After finishing FY 2010 with just a few days of operating cash to work with, the Postal Service was set to end FY 2016 with $8.1 billion in cash, recording an operating surplus for the fourth straight year.

Our main focus in L.A. was on negotiating a new National Agreement with the Postal Service; the previous contract had expired in May 2016, but talks continued. We also were preparing for national political elections in November, hoping to break the decade-long gridlock on postal reform legislation, while gearing up to fight for an improved postage rate-setting process at the Postal Regulatory Commission (PRC), which would launch a legally mandated review of the process in December 2016.

The two years since the 70th Biennial Convention have been extraordinarily eventful. Thanks to the patience and determination of our 190,000 active members, we were able to secure a new labor contract in May 2017, which I will discuss in detail below. Having vowed to stay at the bargaining table as long as the possibility of a good agreement remained realistic, we achieved a strong contract after 15 months of hard work—a contract that we were proud to send to the active membership for ratification, which it received by a ratio of 16 to 1. That was certainly the high point of the past two years. But there have been many challenges as well.

The results of the 2016 presidential election were nothing short of shocking. Although former Secretary of State Hillary Clinton led in the polls throughout the fall campaign and ended up winning the popular vote by more than 3 million votes, Donald Trump won a strong victory in the Electoral College to become the 45th president of the United States. President Trump clearly tapped into a deep sense of anger and dissatisfaction in parts of the United States that the political class, in both parties, have failed to grasp over the past three decades. Promising bold action on trade, immigration and infrastructure jobs, he also vowed to raise wages, create a better system of universal health coverage, and to protect Social Security, Medicare and Medicaid. Regrettably, at the same time, his populist campaign seemed to amplify existing racial and ethnic divisions in the country that have only gotten worse since his election.

As I have repeatedly said since November 2016, elections have consequences. Although we strive to support pro-letter carrier and pro-Postal Service candidates for federal office in both parties, the results of the election in 2016 have been largely negative for the Postal Service and its employees, as well as for other federal workers. Postal reform has remained stalled, the anti-government majority in Congress has been empowered, and federal unions have been targeted by the new administration and its allies on Capitol Hill. These negative consequences, which I will discuss in detail below, are bad enough. But in a broader sense, the 2016 elections have created an existential threat to the entire labor movement. Let’s start with the Supreme Court. Thanks to the results of November 2016, Senate Majority Leader Mitch McConnell was able to get away with the theft of a seat on the U.S. Supreme Court. Breaking all precedent and basic norms of our constitutional democracy, he refused to allow a hearing or a vote on President Obama’s nomination of Federal Appeals Court Judge Merrick Garland to serve on the nation’s highest court. After the 2016 election, McConnell then changed the Senate’s rules, which previously required nominees to get 60 votes in the Senate to win confirmation to the Supreme Court, to install Neil Gorsuch in Garland’s place.

The true cost of this unprincipled maneuver won’t be known for decades, but the damage it will do to the labor movement is expected to begin very soon. Justice Gorsuch was expected to be the deciding vote in June in the Janus vs. AFSCME case then before the Supreme Court. The court was
expected to make “fair share” agency fees for public-sector unions illegal in the United States. That would make right-to-work-for-less the law of the land for the country’s state and local employees. This was a direct attack on teachers, police, sanitation workers and other public employees. Public-sector unions will now be forced to represent non-union members of their bargaining units for free. Membership in unions like AFSCME, AFT and SEIU is expected to fall sharply. A weaker labor movement is bad for all American workers, including letter carriers and other federal employees.

Legislatively, the news has been more mixed.

On the one hand, efforts to totally turn back the clock on health care have been rejected. Efforts to completely repeal the Affordable Care Act (ACA) failed—saving the law that helped extend health insurance to more than 20 million Americans and their children (including letter carriers’ children under the age of 26, who are now allowed to stay on employer family plans). The law also dramatically reduced the rate of health care inflation. Despite promising to protect Medicare and Medicaid, the White House backed efforts which would have slashed funding for both programs dramatically, while failing to offer any realistic replacement. Working with our allies in the AFL-CIO and other groups, we were able to prevail in this fight. But the Trump administration has done all it can to sabotage the ACA’s federal health care exchanges through executive orders—which has resulted in 15 percent rate hikes in 2018 and the loss of insurance coverage for 2 million Americans.

On the other hand, the last election proved disastrous for tax and budget policies. With almost no hearings, debate or amendments of any kind, the GOP-led Congress jammed through a massive tax cut weighted heavily (80 percent) toward corporations and wealthy Americans in December 2017. Under the guise of a so-called middle-class tax cut, the bill offered modest, temporary cuts for individual taxpayers, but massive and permanent tax cuts for corporations. The $1.5 trillion to $2.0 trillion tax cut over 10 years will raise the federal budget deficit (from $440 billion today to $1 trillion in 2027) and will expose the jobs, pay and benefits of federal employees to renewed assaults on Capitol Hill. We’ve already seen this in the first two federal budgets proposed by the Trump administration’s Office of Management and Budget (see below).

Meanwhile, the new administration is using its administrative powers to pursue an anti-worker and anti-union agenda. The repeal of the Department of Labor’s new overtime regulations in January 2017 resulted in 4.1 million workers losing overtime pay. In May, President Trump issued an executive order gutting the use of “official time” (a form of steward time) in federal agencies outside the Postal Service. And most importantly for us, the president issued another executive order calling for a White House Task Force to develop ways to “restructure” the Postal Service to solve its financial problems (see below)—and urging the group, led by Secretary of the Treasury Steve Mnuchin, to reconsider the definition of universal service and how to pay for it. A report is expected in August 2018.

What the administration is failing to do is also causing us great harm: All nine seats remain vacant on the USPS Board of Governors, and the White House has nominated only three governors—a number too small to reach the legally required quorum for the Postal Service to function normally—for example, to raise rates or purchase new vehicles. Similarly, the White House has failed to nominate anyone to fill the vacancy on the five-member Postal Regulatory Commission (PRC), opening the possibility of a deadlock on the PRC’s rulemaking on the rate-setting process at the end of its 10-year review (discussed below). This lack of action is simply intolerable.

There can be no doubt, brothers and sisters: Elections do have real consequences. So even as we continue to implement the contract we completed in May 2017 and gear up for next year’s round of bargaining, we must use this convention to mobilize the November 2018 vote for pro-letter carrier candidates in both parties—a subject I will address in greater detail below.

Just as Detroit’s comeback is a work in progress, so too is the Postal Service’s comeback a work in progress. In April 2016, the Postal Service was forced to roll back the 4.3 percent “exigent” rate increase that was approved in December 2013 in the wake of the Great Recession. That increase helped stabilize USPS finances, generating $2 billion annually in additional revenues. Its repeal has cost us $4.2 billion in needed revenues over the past two years and has created a fragile situation. As a result, the Postal Service recorded a small operating deficit in 2017 and is expecting an even larger one in 2018. We believe the PRC erred grievously when it decided to make the exigent increase temporary, but it can correct this error this year when it completes its rate-setting review.

Ultimately, the fate of the Postal Service’s comeback depends on what actions Congress and the PRC take on postal reform legislation and rate regulation, respectively. But what those institutions do will also depend, in part, on how well we do our jobs within NALC. Starting with the delegates gathered here in Detroit, our jobs are to organize letter carriers, unify our membership, mobilize an army of activists to lobby Congress, and to inspire public support for a strong and vibrant Postal Service. These are tall orders, but I am completely confident that we can deliver on each and every one of them.

THE ROAD AHEAD

We last convened in Detroit in 1966 for the 45th Biennial Convention on the very site of this building—in what was then called Cobo Hall. Just three years earlier, in June 1963, it was the site of a rally that concluded the largest civil rights demonstration in U.S. history—at least until the March on Washington took place a couple of months later. More than 125,000 people marched down Woodward Avenue to Cobo Hall behind the Rev. Dr. Martin Luther King Jr.; Walter Reuther, president of the United Automobile Workers Union; and the Rev. C.L. Franklin, a local minister and father of one of Detroit’s greatest singers, Aretha Franklin. It was called
the March to Freedom and featured Dr. King’s first delivery of the “I Have a Dream” speech. We will watch a fascinating video on the Walk to Freedom on Thursday.

In 1966, convention delegates discussed many of the same issues we face today. They were fighting to improve service by convincing the Post Office Department to lift a ban on overtime and to get rid of temporary and auxiliary routes—and NALC President Jerome Keating launched a plan to expose management’s routine curtailment of the mail. Sounds familiar, doesn’t it? Another major theme was winning a pay upgrade through legislative action in Congress—something we’ve achieved twice since 1966 through collective bargaining. The most recent will take place later this year.

Remarkably, there was very little talk about collective-bargaining rights at the 45th Convention. The mostly men who were gathered here could not have seen how dramatically things were about to change in the Post Office. Less than four years later, the Great Postal Strike would explode in New York and spread to the Motor City and beyond.

I mention all this history for two reasons. First, to remind us all that we meet on hallowed ground in a union town with a great history. Second, to remind us that, while none of us can predict the future, we all have a duty to prepare for it as best we can. Let us aspire to honor this history this week by building the strongest possible union we can—one that can bravely face the challenges of the future and prove worthy of the great activists who came before us. Let us honor a glorious past and prepare for an equally glorious, if uncertain, future.

REPORT OF THE OFFICE OF THE PRESIDENT

The bulk of this publication will be made up of reports from NALC’s national and regional officers. However, the first section will highlight the exceptional work of the union’s headquarters departments and staff, as well as a report on my own activities. I will highlight four specific areas of activity—collective bargaining, legislative and regulatory affairs, politics and union building.

COLLECTIVE BARGAINING

At the Los Angeles convention, I reported on the status of collective-bargaining talks between NALC and the Postal Service for a new National Agreement to replace the one that expired in May 2016. At the time, the parties agreed to a number of extensions, and the terms of the previous contract remained in place as negotiations continued. In the months leading up to the 70th Biennial Convention, the union worked along two tracks: continued negotiations on the one hand, and preparations for interest arbitration on the other. Complicating this two-track strategy were several factors: the financial pressure on USPS caused by the repeal of the 4.3 percent exigent rate increase in April 2016 (a loss of $2 billion annually); a turnover crisis among CCAs; leadership issues at the Postal Service, with a new postmaster general and a largely vacant Board of Governors; the results of the other postal unions’ contract negotiations; the tense political climate in Congress with respect to postal reform; and the general uncertainty surrounding the future regulation of postage rates by the Postal Regulatory Commission (PRC).

As I made clear in my speech in L.A., NALC vowed to stay at the table as long as progress was being made and the path to a voluntary agreement remained open. Despite a difficult environment and an ambitious bargaining agenda, that proved to be the case through eight more grueling months of talks. In May 2017, we reached agreement on a tentative national contract to cover the period from May 2016 to September 2019, thanks to the patience, solidarity and unity of America’s letter carriers. As individuals, we are powerless to negotiate with a $70 billion-per-year enterprise, but together, with our union, and backed with the power of a 93 percent membership rate, we had a real say in the setting of our wages, terms and conditions.

THE NEW CONTRACT

The contract we reached met all the major goals we set for ourselves when bargaining began 15 months earlier. It rewards all city carriers for their exceptional service. It narrows the compensation gap between CCA and career letter carriers while improving their prospects for career conversion and providing step advancements for certain former TEs. It preserves our protections against contracting out and layoffs. And it addresses a number of long-standing workplace problems through dozens of memorandums of understanding (MOUs).

At the 2017 National Rap Session in Atlantic City, NJ, on June 14, I went through the proposed contract in great detail. I began by noting the two significant changes adopted in favor of management: 1) the reduction in the Postal Service’s contribution for health insurance premiums by 3 percentage points over 40 months, following the pattern established by the past two contracts (one negotiated and one arbitrated) and by the agreements reached with the other postal unions; and 2) a provision that would allow the Postal Service to keep some of the additional CCAs (equivalent to 3.0 percent of the full-time regular workforce) authorized previously by joint agreement of the parties. (The parties also had agreed to a mechanism and a timeline for the conversion of 47,000 CCAs to career status and waived the probationary period for most of the converted carriers.) But then I reviewed a much longer list of gains for the active membership:

- A retroactive wage increase of 1.2 percent (effective Nov. 26, 2016) for all carriers, career and non-career alike, with an additional 1.0 percent retroactively for CCA carriers (in lieu of COLAs), and a wage increase of 1.3 percent in November 2017 for all carriers, career and non-career alike, with an additional 1.0 percent for CCAs;
- Two retroactive COLAs worth a total of $354 annually for career carriers, effective in September 2016 and March 2017; plus five more COLAs in 2017-2019;
- Step increases (applicable retroactively to November 2016) for CCAs: 50 cents per hour after 12 weeks of service and another 50 cents per
A pay upgrade for all Grade 1 and Grade 2 carriers, career and CCA alike, in November 2018. This will occur via the consolidation of Grades 1 and 2 (worth 2.1 percent)—with all carriers in Grade 1 moving into Grade 2 in their pay schedules, the maintenance of a 2.1 percent premium for carrier-technicians and all CCAs getting both the upgrade and an additional 1.0 percent increase (in lieu of COLAs);

- A conversion of all CCAs with 30 months of relative standing to career status in all offices with at least 100-workyears of employment and an MOU to explore ways to convert CCAs with no clear path to career status in smaller offices;

- A provision for CCAs with eligible service as a transitional employee (TE) for advanced step placement once they become career carriers, with special provisions for career carriers with such TE service after Sept. 29, 2007, to be advanced up to four steps in May 2018, depending on their length of service as a TE;

- New options for “family” or “self plus one” coverage for CCAs in the USPS Non-Career Health Plan with USPS covering 65 percent of the premium during a CCA’s first year and 75 percent of the premium thereafter—while maintaining the $125 per pay period contribution for self-only coverage; and

- A memorandum of understanding on a Joint Workplace Improvement Process, which created a formal mechanism to deal with the dysfunctional workplace culture that exists in too many postal work stations.

The rap session provided a chance for more than 1,200 branch leaders to learn about negotiations and ask questions about the proposed contract. Complete copies of the tentative contract and explanatory materials were mailed to all eligible members in late June, overseen by a Ballot Committee I appointed, as required by the NALC Constitution. Ballots were due by July 29, 2017, and the committee counted the ballots the following week. On Aug. 7, the committee announced that 78,935 members voted to accept the agreement versus just 4,732 who voted to reject it. On a personal level, the 16-to-1 ratio for approval of the contract was extremely gratifying—it’s a tribute to the officers and staff who worked so hard to negotiate a good contract, and it’s a sign of tremendous unity within NALC. This unity is the source of our strength and will be vital in the many challenges ahead—including in the next round of bargaining, for which preparations are already underway.

Note on implementing the new contract: As of this writing, NALC is in the process of ironing out disputes surrounding the implementation of the 2016 contract and implementing various task forces and MOUs required by the agreement.

PREPARATIONS FOR 2019 NEGOTIATIONS

In June 2019, NALC will formally sit down with the Postal Service to initiate talks for a new National Agreement to replace our current contract, which is set to expire on Sept. 20, 2019. The continuous engagement with management on all the MOUs and task forces created in 2017 will certainly shape the agenda for the next round of talks. The progress we make—or don’t make—as a result of this engagement will help create the to-do list for 2019. But so will the collective-bargaining resolutions adopted by the delegates at this convention. In fact, on bargaining and all other matters, the convention is the supreme decision-making body of our union. I very much look forward to the discussion and debates about the contract this week in Detroit.

The NALC Research Department and the union’s lawyers are already engaged with outside consultants and economists to help us study the labor market and the workplace issues most salient to letter carriers. That research will not only help us make our case at the bargaining table, but also will provide the basis for evidence and testimony should we end up in interest arbitration. This two-track strategy worked for us in the 2016 round of talks and we will pursue it again in the 2019 round as well.

LEGISLATIVE AND REGULATORY AFFAIRS

The election of November 2016 transformed the legislative landscape of Washington and forced us to adopt new strategies and tactics—those suitable to an era of one-party government. Over the prior six years, one party controlled Congress and the other controlled the White House. Frustr-
ingly, that caused gridlock on many important issues. But it also gave us some leverage to block bad ideas, no matter which side launched them—like ending Saturday delivery or raising federal employee payroll contributions for pension contributions. Once the Republican Party controlled both elected branches of government, some of that leverage disappeared. Our focus, our strategy and our tactics had to change to reflect this new landscape. But our goals did not change one iota with respect to postal reform, budget issues and regulatory matters.

POSTAL REFORM

In February 2017, I testified before a hearing of the Oversight and Government Reform (OGR) Committee on postal reform. The OGR Committee’s leaders (including two former sub-committee leaders) had introduced two bills—H.R. 756 (the Postal Reform Act of 2017) and H.R. 760 (the Postal Service Financial Improvement Act of 2017). We used our testimony to outline our priorities and provide suggested improvements in the bills, which were “marked up” and approved by the committee in April. (A mark-up is a committee meeting where members can amend, delete or add provisions to bills under consideration.)

Although we could not support the legislation as drafted, we urged the OGR members to pass the two bills out of the committee because they contained the essential elements needed to achieve our two core goals for postal reform: 1) a workable resolution of the retiree health pre-funding burden—achieved by maximizing participation in the Medicare program and investing the Retiree Health Fund more sensibly; and 2) a partial restoration of the exigent increase that expired in 2016 to provide USPS with the revenue needed to stabilize its finances as the Postal Regulatory Commission conducts its 10-year review of the rate-setting system for market-dominant products.

We then set to work to use the legislative process to identify and fix the flaws in the legislation. As I outlined at the Atlantic City rap session, we would and could not support the House reform bill for adoption by the entire House of Representatives unless there were provisions to:

- exempt Medicare-eligible retirees from the requirement to enroll in Medicare Part B if they would derive no benefit from the program because of where they live (e.g., overseas) or how they get other medical coverage (e.g., the VA in the case of combat veterans), and if enrollment would cause a significant financial hardship; and

- protect door-to-door mail delivery for American businesses by making sure any change in the law would not increase the low rate of conversions allowed under current practice, while retaining the kind of operational flexibility that allows USPS to extend door delivery to new addresses when it makes financial sense.

This has remained our position for the past 15 months, as the legislation stalled in the House, largely based on opposition to the new Medicare spending required by the bill as well as the shortcomings in the Medicare provisions. And it was this position that shaped our lobbying agenda in the Senate.

Unfortunately, the chairman of the Senate Homeland Security and Governmental Affairs Committee, Sen. Ron Johnson (R-WI), has shown little willingness to take up postal reform. But we were able to make progress on these fronts with a bill introduced by the committee’s ranking member, Sen. Tom Carper (D-DE). The longtime advocate of postal reform crafted a reform similar to H.R. 756, but dropped its negative provisions on door delivery and added the Medicare protections we sought. But with no support from the GOP leadership of the committee, the bill has little chance of advancing this year.

So where does that leave us? On the one hand, there is a broad consensus that the pre-funding policy needs reform. On the other hand, our dysfunctional political system has blocked every possible solution in Congress. As I wrote in May, it may be time to look at new options, beyond the comprehensive bills that have stalled in Congress. I outlined three alternative options.

The first alternative would be the simplest: A straightforward repeal of the pre-funding mandate. The Postal Service has already amassed nearly $50 billion for future retiree health benefits—enough to cover those costs for more than a decade. After that, USPS would operate on a pay-as-you-go basis, just as other companies do. Ending the pre-funding mandate would allow USPS to replace its vehicle fleet and make other long-delayed investments needed to maintain quality service. And since USPS has not been making pre-funding payments in recent years, repealing the mandate would no longer “score”—that is, raise the federal deficit.

Another alternative would be to minimize the burden of pre-funding by reducing the liability to be pre-funded and investing the assets of the Postal Service Retiree Health Benefits Fund (PSRHBF) more sensibly. Under current law, we are required to pre-fund the total projected cost of future retiree health benefits (assuming all current postal employees retire from USPS), not the actual liability for such benefits of employees and retirees as they become eligible (vested) each year. We are also required to invest the PSRHBF’s assets in low-yielding Treasury bonds—instead of in private-sector stocks and bonds that pay much higher returns. Changing the pre-funding mandate to apply only to the vested liability would dramatically reduce the cost of pre-funding, and investing the PSRHBF the way the federal Thrift Savings Plan is invested would greatly increase the PSRHBF’s earnings. Together, these changes would effectively stabilize USPS finances.

A final alternative would be to revive a bill that attracted majority bipartisan support in Congress in 2011-2012—a bill that would transfer the huge postal surplus in the Civil Service Retirement System (CSRS) into the Retiree Health Fund and all but eliminate the unfunded liability for retiree health benefits. Such a surplus ($50 billion to $55 billion in 2010) would result from applying pri-
vate-sector accounting standards to the valuation of the postal CSRS account, a recommendation made in a July 2010 report of the Postal Regulatory Commission based on analysis by actuaries and accountants at the Segal Co. A May 2018 update of that report issued by the USPS Inspector General found that the CSRS postal surplus is now at least $80 billion, if measured properly.

All these approaches individually, or in combination, would address the financial crisis caused by the 2006 pre-funding mandate. Moreover, if one or more of these other ideas were adopted, it would be possible to apply the Medicare enrollment approach only to active employees under the age of 55 with all the appropriate protections discussed above. This would delay any new Medicare spending for a decade or more when such employees reach the age of 65, which may be a way to overcome congressional opposition to higher Medicare spending over the 10-year “scoring” window through which most legislation is judged. Indeed, this is the approach we suggested to President Trump’s Task Force on the Postal Service in June 2018, a topic to which we now turn.

**WHITE HOUSE TASK FORCE ON THE POSTAL SERVICE**

President Trump issued an executive order in April 2018 creating an inter-agency task force to study the future of the Postal Service. After concluding that the Service is on an “unsustainable path,” it called for an evaluation of the agency’s operations and finances. The political motivation for this action was discouraging—the president doesn’t like the coverage he receives from The Washington Post, so he decided to attack Amazon, the company founded by Jeff Bezos, who personally owns Washington’s largest newspaper. And the Postal Service has been caught in the crossfire. Trump claims, falsely, that Amazon is somehow ripping off the Postal Service by paying unfairly low rates. (In fact, the PRC reviews the Amazon-negotiated service agreement regularly to ensure that USPS earns a reasonable profit.) So the president appointed a task force to look into this pricing matter. Unfortunately, the evaluation does not stop there; the order also calls for an evaluation of the definition of universal service and of the Postal Service’s business model.

That might not seem too threatening until you see who is leading the investigation: a former Wall Street investment banker, Secretary of the Treasury Steve Mnuchin; a former Tea Party anti-government zealot, Office of Management and Budget Director Mick Mulvaney; and Jeff Pon, the new director of the Office of Personnel Management, who recently called on the House of Representatives to slash government spending on pensions (see below). The records of these men do not inspire confidence for an objective evaluation. At the time, it was widely expected that the task force would call for deregulation, privatization and/or a major downgrading of the definition of universal service—one that would dramatically downsize the Postal Service by slashing services and perhaps force the Postal Service out of the parcel delivery business.

Despite this negative outlook, as a key stakeholder in the Postal Service, we accepted the offer to engage with the task force. I met with its staffers on June 5, 2018. In preparation for the meeting, NALC took the lead to organize a full-throated defense of the Postal Service and its business model. We prepared a white paper on the Postal Service that offered our analysis, challenged the assumptions of the White House’s executive order and provided our policy recommendations. The paper, which was endorsed by the other three postal unions, was posted on the NALC website and broadly distributed in Washington.

Although our hope was to convince the task force of the wisdom of our views, we also used the paper to convince the media, the public and Congress of the importance of getting our national postal policy right. The report of the task force is scheduled to be released this fall. No matter what the task force recommends, the NALC will be at the center of the fight to preserve and strengthen the Postal Service for the 21st century.

**BUDGET FIGHTS**

When it comes to legislative activism, the ability to walk and chew gum at the same time is essential. During 2017 and 2018, even as we worked with a coalition of unions, mailers and the Postal Service to build consensus on postal reform by engaging leaders in both parties on the need to strengthen the Postal Service, we also had to play legislative defense. The budget proposals released by the Trump administration in both 2017 and 2018 directly targeted federal and postal employees, with a special focus on pension and health care cuts—raising employee pension contributions by up to 6 to 7 percent of pay and reducing agencies’ share of health premiums from...
72 percent to 65 percent. The budgets also called for major rollbacks in Postal Service operations, targeting door and Saturday delivery.

In 2017, the danger to our benefits was especially acute since Congress employed expedited procedures (budget reconciliation rules) that would allow it to pass its tax cuts and budget bills with a simple majority vote in the Senate—to avoid a possible filibuster that requires 60 votes to defeat. NALC and its activists responded to these threats with energy and skill. We established a Budget Battle 2017 web page providing information on how to contact members of Congress to express our opposition. We used the push notification tool on the NALC Member App to mobilize our congressional friends in both parties to oppose the president’s fiscal 2018 budget, and we organized meetings in the district offices of members of Congress as well as Washington visits by our state associations to make our voices heard. Thanks to these efforts, in coordination with the Federal Postal coalition of federal and postal unions in Washington, all the budget proposals were rejected. At the same time, we’ve continued to protect the appropriation language that requires the Postal Service to maintain six-day delivery—by constantly reinforcing our message and building alliances on and off Capitol Hill.

But the danger has not entirely passed. In May 2018, OPM Director Jeff Pon made a special plea to Speaker of the House Paul Ryan to move stand-alone legislation to cut our pension benefits. He urged action on a bill to eliminate the FERS annuity supplement that allows 30-year veterans of the Postal Service to retire before qualifying for Social Security benefits; slash the Civil Service Retirement System (CSRS) and the Federal Employees Retirement System (FERS) pension benefits for new annuitants by using a “high-5” instead of a “high-3” average salary in the calculation of retirement benefits; impose pay cuts of up to $4,272 annually on letter carriers by raising FERS employee payroll contributions to 7.5 percent of pay; and to cut federal retiree benefits by eliminating all COLAs for FERS basic annuities and reducing COLAs for CSRS benefits by one-half of 1 percent each year.

The lesson for us is simple: Winning the spring budget wars is not enough. We must remain vigilant and be prepared to act year round to protect our interests and our jobs.

OTHER LEGISLATIVE MATTERS

The budget battles and the struggle to advance postal reform are the biggest issues we face—and therefore get most of the attention. But NALC’s legislative efforts on behalf of letter carriers and in defense of affordable universal service go far beyond the big ticket items. Here are just a few examples:

Mailbox statute: In October 2016, the chairmen of the Postal Service’s congressional oversight committees, Rep. Jason Chaffetz (since retired) and Sen. Ron Johnson, asked the Government Accountability Office (GAO) to conduct a study of the Postal Service’s exclusive access to Americans’ mailboxes. The little-noticed inquiry was undertaken at the request of United Parcel Service (UPS), our private competitor in the package delivery business. UPS has been pushing the bogus claim that the Mailbox Statute, which gives us exclusive access to mailboxes, represents a subsidy worth $14 billion annually to the Postal Service, to the detriment of private delivery firms. It wants to repeal the statute and essentially deregulate the nation’s mailboxes.

We thoroughly debunked the study upon which this claim is based (see my President’s Message in the October 2015 issue of The Postal Record) but needed to make the case to the GAO. We insisted on meeting with the staffers in charge of the study and were invited to take part in a day-long conference organized by the GAO on the issue. We made the case for the importance of exclusive mailbox access in ensuring the sanctity of the mail and in permitting the enforcement of the letter mail monopoly that makes affordable universal service possible. The resulting GAO report fairly reflected our views and made no recommendations for change.

Opioid epidemic: The crisis in the United States involving the use and abuse of opioid drugs is horrifying. The growing problem of addiction and overdoses has exacted a crushing price on millions of U.S. families, with more than 50,000 associated deaths per year. NALC supports legislation to address this crisis and is actively tracking the more than three dozen bills that have been introduced. Unfortunately, some of these bills adversely affect the Postal Service. The Strengthen Opioid Misuse Prevention (STOP) Act, for example, would mandate advanced electronic data on all shipments from overseas (which many developing country post offices are not equipped to provide). This bill also would impose customs fees on the Postal Service and make it responsible for the actions of foreign postal operators whose mail we must deliver under the terms of the Universal Postal Union treaty on international mail. The bill would reduce USPS volume and raise its costs—without realistically solving the problem. We know that drug dealers are not going to send accurate reports on their shipments, electronic or otherwise. NALC certainly supports upgrading package screening and other measures, but we insist that such legislation be funded by taxpayers the way other public health and law enforcement measures are financed.
WEP and GPO: For more than 30 years, the NALC has been trying to address the unfairness of two amendments to the Social Security Act that unfairly reduce the Social Security benefits of retired federal employees and their survivors who are covered by the Civil Service Retirement System (CSRS). Every two years, allies in Congress have introduced bills to lessen or eliminate the impact of the Windfall Elimination Provision (WEP) and the Government Pension Offset (GPO). For example, we strongly support H.R. 1205 to repeal these provisions, a bill introduced by Reps. Adam Schiff (D-CA) and Rodney Davis (R-IL). But for years, the Ways and Means Committee has refused to take action on these bills. Even as we continue to push for this legislation, we are also pursuing a legal strategy for repeal.

At the direction of the delegates at the Los Angeles convention in 2016, NALC is preparing a federal lawsuit against the Social Security Administration. Although, as we discussed in L.A., although the delegates understood it would be an uphill battle given prior rulings on similar suits in federal courts, we have identified a jurisdiction (the Federal District for New Jersey), a handful of named plaintiffs, and an expert witness to make our case. The expert witness is now working on a report that will serve as the basis of a lawsuit and our plaintiffs will be going through the process of applying for benefits and going through the administrative appeals process that must be exhausted before a lawsuit can be filed.

Governance: A final example of the kind of legislative work that flies under the radar is our work on appointments to key positions related to the governance of the Postal Service. The key bodies are the USPS Board of Governors (BOG) and the Postal Regulatory Commission (PRC).

In December 2017, the last remaining member of the BOG, Bill Bilbray, concluded his service on the board, having completed the one-year holdover period allowed under current law after his term of office expired. Incredibly, and shamefully, that means all nine seats on the Board of Governors are now vacant. Congressional gridlock is largely to blame, but the White House personnel office is also responsible. The new administration has been no more successful than the last one in nominating governors. In fact, the Trump administration has nominated only three individuals to serve on the BOG, one short of the minimum four needed to reach a quorum and six short of a fully staffed board. This is a serious problem for us: Without a quorum, USPS may not be able to raise rates or make investment decisions (such as the one to replace its obsolete fleet of postal vehicles). And without a full board, postal management is totally unsupervised.

NALC has been actively promoting qualified candidates to Senate leaders who, by tradition, make recommendations to the White House for nominations. Only one of our recommended nominees, former USPS Inspector General Dave Williams, has so far been nominated. Nevertheless, we will continue to press for action in the Senate to confirm BOG nominations.

Meanwhile, the PRC continues to operate at less than full strength—with the fifth and perhaps deciding commissioner seat vacant. This could have dire consequences for the Postal Service if the now four-member Commission deadlocks 2-2 on the new rate setting system it is currently working to develop, as required by the Postal Accountability and Enhancement Act (PAEA). We have suggested a possible commissioner who has actually been nominated by the White House Office of Presidential Personnel. The Senate has yet to take action. Filling this vacancy will remain a priority in the weeks and months ahead.

PRC 10-YEAR REVIEW OF POSTAGE RATE-SETTING

The final area of legislative and regulatory activity involves the formal proceeding kicked off in December 2016 by the PRC concerning the system for regulating the rates charged for Market Dominant products delivered by the Postal Service. These products make up the vast majority of USPS volume—letters, flats, non-competitive shipping products (books, etc.). The PRC’s review began in December 2016, when it invited all interested parties to weigh in on whether the current system is working to achieve the many goals of the PAEA, which included preserving high-quality services, maintaining the financial viability of the Postal Service and providing users with predictable and reasonable rates. NALC and dozens of other USPS stakeholders and customers submitted testimony (see the February 2017 issue of The Postal Record for a story on our submission). We argued that the price cap system does not work and should be replaced.

The good news is that, on Dec. 1, the PRC agreed with us (and the Postal Service and the other postal unions). Its report on its review concluded that the current rate-setting system is not working to fulfill some of the most important goals of the PAEA—most notably the maintenance of high-quality services and the financial stability of the Postal Service. The bad news is that the PRC’s proposal for a new system missed the mark.

The PRC has called for a somewhat looser price cap, allowing the Postal Service to raise postage rates by up to 2 percentage points above the CPI each year for five years, with quality and efficiency incentives that would allow for up to 1 additional percentage point increase each year. Unfortunately, the proposal did not address some serious problems. Most notably, it did not call for a one-time adjustment in rates (a so-called “true-up” increase) to fully cover the cost of operating our postal system, which includes the unique and unfair burden of having to pre-fund retiree health benefits. Nor does the proposal adequately address how to deal with external factors, such as congressional mandates, nor does it permit the Postal Service to earn sufficient profits to restore funding for the kind of investments it will need to thrive over the long term.

We submitted detailed alternatives on the new rate-setting system after the PRC issued its proposed CPI+2 proposal, which included a true-up of at least 10 percent and the adoption of a more suitable price index (e.g., the CPI for Delivery Services) as well as a more
flexible definition of exigent increases to deal with emergencies and to allow the PRC to deal the cost of any future congressional mandates into Market Dominant postage rates. It is our hope that the PRC will improve its final rule-making, hopefully with the ideas we suggested in our formal comments in the proceeding. The PRC’s final decision is not expected until the fall of 2018.

POLITICAL ACTION

As the preceding section of this report makes abundantly clear, few workers in the United States have more at stake when it comes to national politics than letter carriers. This is not necessarily a comfortable place to be, especially if you are not personally that interested in politics. But it is a stark reality. Letter carriers have to care about politics because the 535 members of Congress effectively control our work lives—and those of other federal employees—in ways that most American workers would find incomprehensible. They control our employer and its operations, establish our rights at work, and set the terms of our pensions, health insurance and workers compensation coverage. What rights and benefits we enjoy are granted by legislation—and can be taken away by legislation.

Similarly, who resides in the White House affects us directly in ways most workers don’t experience. The president of the United States chooses the Board of Governors of the Postal Service and appoints our regulators. As we’ve just seen, he has the power to reopen for consideration long-settled issues that could dramatically affect our jobs and our retirement security—the definition of universal service, the postal monopoly, the mailbox statute, etc. The president also has control over a wide variety of executive branch agencies that have the power to alter our working conditions and rights through regulation—in the Department of Labor (OSHA, OWCP) or the Department of Justice (Hatch Act), for example.

This means that every election—midterm or otherwise—is vital to letter carriers. Electing pro-letter carrier, pro-Postal Service and pro-union candidates to federal office is essential for our well-being. That’s why NALC takes political action so seriously. That’s why the delegates to this convention, by definition the activist core of our union, must take political actions seriously too. This work is not for every NALC activist, but it is essential that every branch develop leaders and activists in this area of the union’s work. Every two years, we must mobilize our members to register and to vote for friendly federal candidates in both parties. Then those leaders and activists must develop relationships with our elected leaders—to educate them on our issues and convince them to support us in Congress. That’s the heart of our political action program.

In Los Angeles, I spoke about the ongoing reorganization of our political affairs department in Washington. That reorganization is now complete. We now have a team of field-based legislative and political organizers (LPOs) in place. These LPOs, who are letter carriers, are working closely with our state associations and branches to build our capacity to mobilize members and to build our political resources for this vital work.

RISKS, AUDIENCE, TOOLS

If you are a delegate, you’ve likely been to state or regional meetings over the past couple of years. And you’ve likely heard my rap on the risks we face, the audience we must appeal to and the tools at our disposal when it comes to politics. It is worth repeating.

I’ve already discussed the political and legislative risks we face in this report: the White House Task Force on USPS, postal reform, budget policies, the appropriation rider mandating six-day delivery, etc. That is not an exhaustive list. Other risks remain on the horizon or are certainly possible—including possible changes to U.S. labor law, Federal Employees’ Compensation Act reform, Occupational Safety and Health Administration legislation and more. We must also be prepared to try to influence a whole range of federal agencies and departments that influence public policy or regulate employment, ranging from the Postal Regulatory Commission, Office of Workers’ Compensation Programs and Merit Systems Protection Board to the Government Accountability Office and the Office of Management and Budget. The key to all the issues we face and the most important way to influence all these agencies is through the Congress of the United States. That makes the 535 members of Congress—100 senators and 435 representatives—the key audience we must target.

Our goal is to convince a bipartisan majority in both chambers of Congress to support letter carriers, our issues and our employer.

Fortunately, the Postal Service is not a particularly partisan issue and politicians tend to like it. Our agency is based in the U.S. Constitution, offers excellent service at affordable rates, doesn’t receive tax dollars and is wildly popular with the public—a Pew Trust poll released in February 2018 found that 88 percent of Americans have a favorable view of the Postal Service, making it the top-rated federal agency. It also helps that the public likes us—letter carriers. We are usually rated the most-trusted public servants. We are valued members of our communities who do more than deliver the mail—we are there to help when disaster strikes or when the elderly and disabled need assistance. And because we are a reliable presence in the neighborhoods we serve, sometimes we even stop crimes and help keep the little ones safe.

So we are well-positioned to appeal to both parties to support our issues, even at a time of extreme partisan polarization. In this context, our political diversity is a major advantage. We live in and work in every jurisdiction in the United States and come from every point on the political spectrum. We have Republicans, Democrats, Independents, liberals and conservatives in our membership. Because we mirror the country we serve, we can reach politicians of all stripes—if we work at it.

Congress is a diverse group, too. Some politicians are true friends who will support us no matter what, while others can be convinced to do the right thing on the merits. Over the past 10
years, these kinds of politicians have helped us stop a lot of bad legislation—think of our battles over Saturday delivery and cuts to federal employee benefits. Building support for positive legislation is much more difficult because the vast majority of our target audience needs more than just good arguments to bring them to our side. We have to appeal to what is most important to them—their re-election. They all want to be re-elected. And for that, they need two things—money and votes.

So we have developed tools to deliver campaign support (money) and votes for those seeking federal office, which I will take in reverse order.

To mobilize votes and influence the key politicians, we have our NALC Member App for smartphones. We have completed the migration from our e-mail based e-Activist Network to the app. It allows us to provide information instantaneously on candidates we support (or oppose) and on legislation and regulations affecting us. Using push notifications, we can power grassroots lobbying campaigns and mobilize our members to lobby their representatives or to turn out to vote.

The app is especially effective in reminding members of Congress of where the voters are in their states and districts. Once an alert goes out on a bill, carriers can directly communicate our support or opposition with their representatives in Washington, by calling, emailing or writing—or even visiting their district offices. Carriers empowered with information they receive from the Member App can also magnify our voices by persuading their families, friends and co-workers to contact their representatives too. All that translates into votes or possible votes, and that is what can move a politician into our column—no matter what his or her ideology might be.

I want to urge every delegate to spread the word on the Member App to all the carriers in their stations. Downloading the app is free and easy. And best of all, members can choose what kind of communications they wish to receive from the union. The members most interested in legislation and politics—who are most likely to respond to calls to action—are therefore easy to identify and to activate.

Then there is the issue of money. We have an invaluable tool in the Letter Carrier Political Fund (LCPF). The average member of Congress in the U.S. House of Representatives represents more than 775,000 citizens in their congressional districts. It is very costly to communicate with such a large group of constituents and it takes real money to stage a serious campaign for office. Politicians must typically win a primary election first and then run again in the general election. The cost of travel, political advertising (mail, digital, television), and other campaign expenses requires significant financial resources. That is where political action committees (PACs) such as the Letter Carrier Political Fund (LCPF) can play a critical role.

We use LCPF to support the campaigns of candidates who support our issues. By law (and as it should be) unions cannot use dues money to make campaign contributions, but we can pool together voluntary contributions to LCPF to support candidates of our choosing. Our Political Fund allows us to support pro-letter carrier and pro-USPS candidates in both parties—and to gain an audience with politicians on our issues. We may not like it, but members of Congress pay more attention to the folks who help fund their campaigns. And many of our political adversaries (UPS, FedEx, the Koch Brothers) have PACs of their own against which we must compete.

LCPF levels the playing field for workers like us who would not be able to afford large political contributions on our own by allowing us to combine our resources to support men and women who support us legislatively. Although there are many ways for members to help us achieve our political and legislative goals, giving to the LCPF is an excellent way to do so.

Of course, not every NALC activist
is comfortable talking about politics, much less asking members to contribute to our political action fund. Nevertheless, we need to find activists in all our branches to do this important work—to help educate members on the risks we face and to persuade members to give to LCPF if they are comfortable doing so. That is one of the functions of our LPOs, who serve as a resource to branches and state associations in their efforts to build our fund and strengthen our political program.

We know that not every member goes to branch meetings, let alone to state conventions or regional trainings. Many don’t visit our website or read The Postal Record; they are busy with their families and their lives. So we need to be creative in finding ways to educate as many members as possible about the risks, the audience, and the tools of our political action program. There is no need to shame people or embarrass members who don’t have the app or don’t contribute to the LCPF. Our members are smart. If they have the facts, they will come around to our cause—they’ll download the app and contribute to our political war chest. It just takes dedication and sustained effort.

MIDTERM ELECTIONS

We will talk quite a bit about the 2018 midterm elections this week. Their importance cannot be overstated. If we are to overcome the gridlock that has stymied postal reform for more than a decade—or even obtain a full slate on the Board of Governors—we must change the dynamic in Washington. A very hostile faction of the Congress, ideologically opposed to unions and the role of government in our society, has controlled Congress for years. Under this leadership, Congress has ceased to function, stumbling from one budget crisis to another, often resulting in the shutdown of the federal government. As employees of an independent federal agency, we have been shielded from much of the damage. But as discussed above, the leadership of our oversight committee in the Senate refuses to even consider postal reform and seems content to cripple USPS through inaction. Meanwhile, the leadership of the House has coupled massive tax cuts with proposals to pay for them on the backs of federal and postal employees. This has to change—and we must do all we can to make that change happen at the ballot box.

As in the past, we will be recruiting volunteers to work on get-out-the-vote (GOTV) efforts in the fall. We will use our LCPF resources to release members to work full time on GOTV efforts in more than a dozen states. Our goal is to release as many activists as possible for this crucial election. Working with our union allies in the AFL-CIO’s Labor 2018 program, we will work to elect pro-worker candidates all over the country. The program will begin early in many states with voter education efforts, and then shift to turnout operations later in the year.

In the NALC, we will make a special effort—starting at this convention and led by our LPOs and state associations—to make sure all our members are registered to vote. We will also launch a campaign to persuade our members to sign up to vote by mail, if their states allow it. In fact, in 11 of the 14 states identified as priority states by the Labor 2018 program, no excuse absentee voting is the law. As we know from research on voting, registered voters who request mail ballots are much more likely to vote than those who wait until Election Day. Letter carriers know firsthand how safe and easy voting by mail is for U.S. voters. We should be leaders in the movement to expand this practice across the country, a topic to which I turn next.

NATIONAL VOTE AT HOME COALITION

In May 2017, I used my column in The Postal Record to raise an alarm about the state of our democracy in America and how the Postal Service might be one of the answers for turning things around. As I noted then: “The quality of our civic life is showing signs of stress. The dysfunction of our Congress, the domination of our politics by dark money from corporations and billionaires, the politicization of our Supreme Court (seen most recently in the battle over Justice Neil Gorsuch) are threatening the health of our democracy. Perhaps nothing is more alarming than the low level of voter participation in America. In a report on 35 democracies, the United States ranks 29th in voter participation—only 55 percent of eligible voters cast a ballot in the 2016 election. In most other wealthy countries, 65 percent to 85 percent vote. The problem is worse in non-presidential years and in state and local elections. In March, only 11 percent of voters in Los Angeles voted in its mayoral election. That’s shocking.”

I also noted that our country makes voting very difficult with stringent registration requirements, restrictive voter ID laws and a weekday Election Day, among other barriers. And I pointed to the recent wave of disturbing voter suppression efforts aimed at working people and other specific segments of the voting population.

Letter carriers and the Postal Service can be the antidote for this civic malady. That’s because we are the key to a successful movement to allow elections to be conducted by mail. Vote-by-mail (VBM)—or, as it is called in some states, vote-from-home—is growing across the United States. The states of Oregon, Washington and Colorado now conduct all their elections by mail, including primary, special and general elections at the state, local and federal level. Election officials use the Postal Service to send ballots to voters a few weeks before Election Day and voters can return them by mail or drop them off at centralized locations with secure ballot boxes (including government offices, city halls and post offices) on or before Election Day.

In November 2016, voter turnout in those three states was about 65 percent—10 percent higher than the national average. VBM is even more successful in off-year elections, when voter turnout in America is truly atrocious. In 2014, only 36 percent of eligible voters went to the polls nationally. Turnout in VBM states was nearly 20 percent greater. In other states—such as California, where VBM is being phased in—more than half of all ballots...
are now cast by mail. This practice is now spreading across the country, from state elections in Utah to municipal elections in Anchorage, AK, and Rockville, MD.

In October 2017, NALC hosted a special meeting at the Sombrotto building in Washington to launch a new advocacy group called the National Vote at Home Coalition (NVAHC) with the help of AFL-CIO President Rich Trumka and Sen. Ron Wyden (D-OR). With financial support from NALC, APWU and several other unions, as well as the help of pro-democracy philanthropists, the NVAHC has created a network of VBM activists across the country to promote its use. It has sponsored research to show the efficacy of VBM and is working on legislative campaigns in half a dozen states. And it has established a website—voteathome.org—to share data and news about the movement to make voting easier. We will have a leader from the coalition with us in Detroit.

Later in 2017, NALC and APWU successfully sponsored a resolution to advocate for vote-by-mail at the AFL-CIO convention last year in St. Louis. Then in March 2018 we arranged for Phil Keisling, chairman of the NVAHC, to brief the entire AFL-CIO Executive Council on the merits of VBM. Our efforts are strictly non-partisan. We believe that raising turnout and increasing voter participation is essential to reviving and strengthening our democracy. NALC is committed to spreading VBM across the country. This campaign fits perfectly with the traditional role of letter carriers and the U.S. Postal Service to bind our nation together. Our state associations and branches will be essential to the success of this effort.

UNION BUILDING

I will conclude the report of my office by discussing the many ways we are working to build and strengthen our union. We do this by deepening our alliances, developing new connections of solidarity within our membership and by investing in our capacity to serve our members.

ALLIANCES

Trade unionism is based on the principle that we are stronger together than we would be on our own. What is true for individual workers is also true of organizations. We can magnify our voices and improve our chances for success by coordinating with like-minded organizations. For that reason, NALC is affiliated with both the AFL-CIO and UNI Global Union, and we have developed broader alliances with other progressive forces in groups such as the Grand Alliance to Save Our Public Postal Service and the Campaign for Postal Banking.

At the 2017 AFL-CIO convention, NALC was represented by the seven delegates we elected in 2016 in Los Angeles—along with me and Secretary-Treasurer Nicole Rhine, who are delegates by virtue of our offices. In my capacity as a vice president of the AFL-CIO, I presented a number of resolutions over the three day event.

The convention took place in St. Louis in October under the theme “Join. Fight. Win.” In addition to the vote-by-mail resolution mentioned above, the delegates also passed the Workers’ Bill of Rights resolution, which lays out our movement’s agenda to secure the rights of every U.S. worker to a good, safe job with fair wages, quality health care, paid time off, freedom from discrimination and retirement with dignity.

Given that technology is rapidly changing in today’s economy and is making work increasingly precarious, delegates also voted to form the Commission on the Future of Work and Unions. The commission is tasked with rethinking ways of building bargaining power and providing economic security for millions of Americans in this changing world. I was honored to be appointed to chair the commission’s sector group representing federal workers. We kicked off the commission’s work in May and will work over the next year to study the key factors affecting workers, their work, the economy and the labor movement and to make recommendations to the AFL-CIO Executive Council next January.

NALC is also deeply involved with UNI Global Union and its Post & Logistics (P&L) Sector. NALC was honored to host the UNI Americas P&L regional conference in New Orleans in April 2018, where we focused on ways to cooperate with postal unions from 20 countries on matters of mutual inter-
est. We learned about the Canadian Union of Postal Workers’ successful campaign to save door delivery services; we reported on NALC and APWU’s solidarity efforts to support Brazil’s postal workers in their legal fight against BNY Mellon Bank, which is accused of defrauding their pension fund of hundreds of millions of dollars; and we discussed a new framework agreement between UNI Global Union and the Universal Postal Union, the U.N. agency that regulates the delivery of international mail. We also got a report on how various international trade negotiations at the World Trade Organization and within various regional blocs (NAFTA, Mercosur, etc.) are treating postal services. UNI monitors these negotiations for its affiliates and, when necessary, takes action on our behalf. Delegates will learn more about these topics when the new general secretary of UNI Global Union, American Christy Hoffman, addresses a general session this week. Sister Hoffman presided over the World Congress of UNI Global Union in Liverpool in June 2018, just before this report was published. NALC sent a small delegation to the Congress.

NALC is also proud to be one of the co-founders of A Grand Alliance to Save Our Public Postal Service. The alliance brings together dozens of organizations that represent every corner of American civil society, from veterans and civil rights groups to religious and farm organizations. The alliance is dedicated to protecting the Postal Service from ideological attacks from anti-government political forces and to expanding the civic mission of the Postal Service in order to serve the common good. We expect to work closely with our allies in the Grand Alliance to amplify our voices in response to the final report of the White House Task Force on the Postal Service, which is expected in August or September.

**INTERNAL ORGANIZING**

We complement our outside alliances with internal efforts to strengthen our members’ connection with their union. The NALC Member App is one major tool that I have already mentioned. Another is the members-only portal to the NALC website, which we unveiled in October 2016. This upgrade to the website allows members access to resources and information reserved for our members and helps stewards and branch leaders do their jobs on behalf of NALC members. It is also where delegates can find the materials and PowerPoint slides from this week’s convention workshops.

In September 2015, NALC sought to honor and use the unique talents and skills of the large group of military veterans who are part of our union by creating the NALC Veterans Group. More than 11,000 letter carriers have joined the group, and more are joining every day. The group is designed to provide NALC members who are military veterans with access to the information and tools specific to veterans’ rights and benefits within the U.S. Postal Service. It seeks to provide these members—active full-time and part-time letter carriers, as well as retired letter carriers—resources, information and a sense of camaraderie. At this convention, the group will undertake a solidarity activity in support of Detroit’s veterans. On Tuesday, members veterans will be stuffing 2,000 backpacks with socks, food, toiletries and other items that might provide some modest level of comfort for homeless veterans here in the Motor City. Stop by the Veterans Group’s booth this week to learn more.

Another way we strengthen the bonds of our membership is to provide mutual aid and assistance to each other when disaster strikes. For years, we have urged members to donate to the Postal Employees’ Relief Fund (PERF), which helps postal employee families afflicted by fires, floods and other similar events. Now we want to do more to help our brothers and sisters facing these situations. We are establishing a foundation to coordinate an NALC Disaster Relief Program. Plans for the foundation are still being developed, but we want to have the capacity to send an NALC Headquarters team to any part of the country facing natural disasters to assess the impact on NALC members and to provide immediate assistance to our members when it is possible to do so. We will pre-position supplies, recruit volunteers and develop a protocol for providing relief to affected members in the weeks and months ahead.

This week we will demonstrate the need for this program by showing a video series called “We Carry On,” about the heroic efforts of letter carriers facing a string of natural disasters over the past year. Thousands of letter carriers were harmed by Hurricanes Harvey, Irma and Maria and the deadly wildfires in California. Their stories of resilience and recovery should inspire us to help the next time this happens in America.

**NALC TRAINING**

Standing up for one another is the core philosophy of every great union, including the NALC. So when members step up to serve one another, we must give them all the tools and resources they need to be successful. That is our goal with the full range of training we do at the national level:

- **Our top training priority** focuses on improving NALC representation for members in the grievance-arbitration system. Whether it is general Arbitration Advocate training or more specialized Step B or Advance Formal A training, our goal is to make the folks who volunteer to represent fellow letter carriers the best they can be. Vice President Lew Drass’s report provides greater detail on these efforts.

- **The NALC Leadership Academy** is designed to develop well-rounded union leaders by providing both skills training and a broad education concerning our union’s history, its major programs and areas of activity. The four-week program includes three weeks of residential training at the Maritime Institute near Baltimore, MD, and a one-week union service project with the students’ mentors after they complete the classroom training. Class 23 of the Leadership Academy will begin soon after the Detroit convention.

- In March 2017, Director of Retired Members Ron Watson unveiled a new training program for mem-
bers with different modules that can be tailored to every branch’s needs—from a two-hour seminar to a one-day training class. Through a train-the-trainer approach, the retirement seminar can help senior letter carriers prepare for retirement and already retired members to make the most of their lives after their working years come to an end. See Brother Watson’s report for more details.

- At the other end of the spectrum, we’ve also done training for new members, focusing on CCAs and former CCAs who are new to the NALC. Executive Vice President Brian Renfroe has led this effort. In May 2017, new members from 30 branches came to the Washington, DC, area to learn about all the different ways that NALC members can get involved with their union. Whether it is serving as a steward, a food drive coordinator or letter carrier legislative liaison (LCCL), there are roles for every member brave enough to stand up and volunteer for union service.

- Branch officer training is also offered by the national union. This training helps new officers understand their responsibilities under federal labor law and the NALC Constitution and provides practical lessons on branch bylaws, union dues, reporting requirements and other important matters. See Secretary-Treasurer Nicole Rhine’s report.

- Other training is provided by national officers and staff at state and regional meetings, including the political and legislative training provided by our legislative and political organizers (LPOs). The LPOs also educate and guide the activities of our LCCLs.

Our dedication to education and training for union service runs deep and extends to all levels of NALC, including state, regional and national training. If members identify a clear training need, we are committed to providing it. That’s because we know that our union is only as strong as the selfless men and women who volunteer to serve their brothers and sisters on the workroom floor. As national president, my duty is to serve all the members to the best of my ability. But I know that none of us can do it alone. It’s a team effort and training excellent advocates, representatives and branch leaders is the best way to achieve our union’s goals.

‘ARTISANS OF THE COMMON GOOD’

This idea of service—to our fellow union members, to our communities, to our nation—is central to our work and our identities as letter carriers. I was reminded of this earlier this year when I read an article about Pope Francis’s New Year’s Eve Homily. He said that the people who have the most influence on society are actually the normal folks, through their normal, everyday gestures of being kind in public places, upholding norms of politeness and tolerance, looking after the elderly, and looking out for the children. He referred to such people as “artisans of the common good.” When I read that, I immediately thought of America’s letter carriers and how proud I am to be one. At our best, we are artisans of the common good.

What a beautiful notion for all of us to keep in mind this week and, frankly, this year. At a time of deep division in our national politics when the man in the White House is nobody’s idea of a role model, let us aspire to be artisans of the common good—in our work lives and in our union service. In the debates we have this week, no matter how heated, let us find a way to be artisans of the common good at the end of the day. And in the NALC officer elections we kick off with nominations this week, I hope that all the candidates will strive to be artisans of the common good on behalf of our great union.

So again, brothers and sisters, welcome to Detroit—one of America’s truly great union towns. In honor of this great city, I want to conclude by invoking perhaps the greatest labor leader in U.S. history, the UAW’s Walter Reuther. He summed up the nobility of trade union work in two simple statements, which we have reproduced on our stage this week.

First, he said: “There is no power in the world that can stop the forward march of free men and women when they are joined in the solidarity of human brotherhood.”

Second, he said, “There is no greater calling than to serve your fellow men. There is no greater contribution than to help the weak. There is no greater satisfaction than to have done it well.”

Let these true and inspired thoughts guide us this week and over the next two years as we do the business of this union—which is to fight to improve the lives of America’s letter carriers and to do our part to make the United States the best country it can be. Thank you, brothers and sisters.
The Executive Council is the governing body of NALC between national conventions and is responsible for determining the direction of the union. In accordance with Article 9, Section 11 of the NALC Constitution, the council consists of the president, executive vice president, vice president, secretary-treasurer, assistant secretary-treasurer, director of city delivery, director of safety and health, director of life insurance, director of the health benefit plan, director of retired members, the board of trustees and the national business agents (NBAs).

As of May 14, 2018, the council had convened 11 times since the 2016 national convention, with additional meetings scheduled prior to the 71st Biennial Convention in Detroit.

Meetings of the council are an important opportunity for national officers and key staff to focus on the important issues facing letter carriers. NALC leaders learn about the latest developments from the field and tackle significant issues of national importance. Often, staff members in attendance will report on departmental activities. By meeting as a group, Executive Council members gain the perspective needed to make important decisions on behalf of membership.

Here is a summary of council meetings during the past two years:

**Nov. 10, 2016 (teleconference):** President Fredric V. Rolando discussed with the council the 2016 presidential election results, NALC/USPS negotiation status and the Board of Governors.

**Dec. 1, 2016 (teleconference):** The council was advised on the status of collective bargaining negotiations, legislation, Board of Governors and NALC appointments to fill vacancies. Also, the council passed a resolution concerning the rates for the NALC Health Benefit Plan for employees and staff, based on the staff plan actuary’s analysis.

**Jan. 25–27, 2017 (Washington, DC):** President Rolando welcomed the new members to the council. Some items the council addressed included the grievance arbitration procedure; legislative items; changes to the NALC legislative department; locating a building for the NALC Health Benefit Plan disaster recovery site; workplace issues; clock ring fraud; training; Office of Workers’ Compensation Program (OWCP); route inspections; and moving forward with the Windfall Elimination Provision (WEP)/Government Pension Offset Provision (GPO) lawsuit. The Executive Council elected from the council four members as trustees and officers of NALCrest. The council also approved attorney and retainer fees.

**April 19, 2017 (teleconference):** The purpose of this council meeting was to discuss the adoption of the name change of Committee on Letter Carrier Political Education (COLCPE) to the Letter Carrier Political Fund (LCPF), and to approve the purchase of IT switches and license renewals. Also, an amendment to the Annuity Trust Fund (ATF) was adopted.

**May 11, 2017 (teleconference):** The purpose of this meeting was to advise the council of the tentative National Agreement and discuss potential dates, location and training classes for the national rap session.

**June 12–13, 2017 (Atlantic City, NJ):** In addition to final preparations for the national rap session, President Rolando welcomed newly appointed NBA Vada Preston to the council and provided an update on the ratification ballot committee and NALC/USPS tentative collective bargaining agreement. Charges against an NBA were discussed thoroughly, and the Executive Council found that no substantial charge was presented in the report. Also, the Executive Council passed a resolution approving the Annuity Trust Fund 2018 Restatement and approved the purchase of a D.C. property.

**Aug. 28–29, 2017 (Washington, DC):** The council discussed at length the implementation of the new collective bargaining agreement, including back pay, health care for city carrier assistants (CCAs), CCA holidays, new work year reports, uniform allowances, the various task forces needed and the outcome of the ratification vote. Also discussed were regional office priorities, USPS fraud issues, Local Memorandum of Understanding (LMOU) negotiations, grievance reviews, workplace culture, and the legislative and OWCP structures. The Executive Council approved the purchase of a building in Marietta, GA for the Health Benefit Plan disaster recovery site and the deed-recording fee for the NALC Headquarters building. Charges against an NBA were discussed, and the Executive Council found no substantial charge was presented in the report.

**Dec. 11, 2017 (teleconference):** The council passed a resolution concerning the rates for the NALC Health Benefit Plan for employees and staff, based on the staff plan actuary’s analysis, donations for hurricane relief to Texas, Florida, the U.S. Virgin Islands and Puerto Rico, Operation Aqua (a multi-union operation to assist the residents of Puerto Rico) and to TakeItBack.Org (a nonpartisan advocacy group in South Dakota promoting vote-by-mail elections).

**Jan. 23–25, 2018 (Washington, DC):** The council discussed numerous contractual issues, national-level disputes, current legislative issues including an update on postal reform, the national budget and the Board of Governors. The Executive Council passed a resolution approving the Annuity Trust Fund 2018 Restatement and a resolution approving and confirming the continuation of the previously approved in-town expenses.

**April 19, 2018 (teleconference):** The purpose of this council meeting was to discuss the maintenance plan for the Cisco IT switches, attorney and retainer fees and approval to make contributions to Vote at Home Coalition and I AM 2018. Updates on convention housing were provided and travel dates to the national convention were discussed.

**May 14, 2018 (teleconference):** The purpose of this council meeting was to discuss three Executive Council NALC constitutional amendment proposals to be submitted for consideration to the delegates at the 71st Biennial National Convention.
The Letter Carriers’ Stamp Out Hunger® Food Drive is the outgrowth of NALC’s tradition of community service, a tradition exhibited repeatedly by members of the letter carriers’ union over the years. These carriers, who go into neighborhoods in every town at least six days a week, have always been involved when something needed to be done. Our efforts for the drive began humbly, as letter carriers saw a need in neighborhoods and, as they always do, began the work of helping.

Following a successful pilot food drive held in 10 cities in October 1991, NALC began working with the U.S. Postal Service on rolling out an even bigger effort that spanned the country. As they say, the rest is history—a wonderful 26-year history with more than 1.6 billion pounds of food collected.

Every year, the second Saturday in May sees the largest one-day food drive in America. Building a campaign for hunger awareness is an important component in our efforts. Knowledgeable of the devastating and all-too-common issue of hunger in this nation, letter carriers and our allies are ready to work together to ask for donations of non-perishable food and, on the day of the drive, to collect those donations as we conduct our daily delivery rounds.

NALC has a great team of partners for the drive. In 2016, the U.S. Postal Service, by order of the postmaster general, once again granted permission for us to use the G10 permit to mail both reminder postcards and paper and plastic bags. United Food and Commercial Workers International Union (UFCW) provided 120 million postcard reminders, using the value and power of the mailbox. Valpak also mailed more than 36 million envelopes promoting the drive, envelopes that contained inserts that further supported the effort. Other partners in 2016 were the National Rural Letter Carriers’ Association, United Way Worldwide, the AFL-CIO and Valassis. These partners assisted us with public and media awareness, volunteer recruitment, logistical support and planning expertise. Many local businesses, United Way organizations and food agencies supported the drive by sponsoring paper bags, union-made at International Paper Co., to be delivered to mailboxes as an additional reminder.

In many locations, food drive promotional events were held to kick off 2016’s drive on Saturday, May 14. These are momentum-builders in the days leading up to the event and serve as powerful illustrations of the whole-hearted commitment by NALC and our partners to continue the work to help those in need. Since the last report to the convention two years ago, we have seen a lot of success.

The 2016 Letter Carriers’ Food Drive collected record food poundage at 80.1 million. Central Florida Branch 1091 captured the title as the top branch in the nation with 2,233,365 pounds collected. Los Angeles Branch 24 came in second with 1,523,525 pounds, followed by three more high-achievers from Florida: Clearwater Branch 2008 (1,303,559 pounds); West Coast Florida Branch 1477 (1,260,176 pounds); and South Florida Branch 1071 (1,190,110 pounds). This outstanding collection figure brought the drive’s 24-year total to more than 1.5 billion pounds.

The top branches in 10 membership categories were announced in the August 2016 issue of The Postal Record, and the first-place finisher in each category received an NALC plaque at the convention in Los Angeles.

In 2017, it was the 25th anniversary of the drive, and it was another extraordinary year with 75.3 million pounds of food collected to help needy families across America.

We had the steadfast partnership nationally of the U.S. Postal Service, the National Rural Letter Carriers’ Association, United Food and Commercial Workers International Union (UFCW), AFL-CIO, Valpak Direct Marketing Systems, United Way Worldwide and its local United Ways, the AARP Foundation and Valassis.

Once again we were given a creative and fun “Family Circus” cartoon in support of the drive by Jeff Keane. Again, the UFCW provided a donation to purchase 120 million postcard reminders.

In 2017, Los Angeles, CA Branch 24 captured the title as top branch in the nation with 2,002,047 pounds of food collected; Central Florida Branch 1091 was second with 1,537,505 pounds; and San Juan, PR Branch 869 was third with 1,439,267 pounds. Rounding out the top five were Garden Grove, CA Branch 1100 at 1,369,959 pounds and Pittsburgh, PA Branch 84 at 1,177,035 pounds, for a grand silver-anniversary total of 1.6 billion pounds since the beginning of the drive.

A report on the 2018 food drive will be delivered at the Detroit convention. NALC continues to build on foundational blocks in the electronic arena as far as the food drive is concerned. Informational materials, cartoons and logo artwork, public service announcements and order forms provided by union-made food-drive merchandise vendors were all made available online. An online Food Drive Tool Kit on nalc.org provides a one-stop location for NALC coordinators, food agency partners, media members, journalists and anyone in the general public who wants to find out more about how to get involved in the drive.

The total effect of this electronic effort has been an enormous awareness of our campaign. This diverse and multipronged approach, using physical assets and resources as well as digital ads and social media posts, come together to help spur one of the greatest days of giving in the United States—the Letter Carriers’ Stamp Out Hunger Food Drive. On that day, we have a special common purpose: helping those in our communities in need of food.
At least six days a week, letter carriers can be found in every neighborhood in the United States delivering the nation’s mail. The very nature of the job puts us in close contact with the American public. We are the only public servants to make regular rounds and come into the daily lives of customers—young and elderly, in need or affluent. We are everywhere and see most everyone.

As a result, letter carriers are often nearby when there is a car crash or a crime—and just as often, we are the first on the scene to offer assistance. We are in the elements during bad weather, and we are around often during crisis situations. Letter carriers also have a direct view of the needs and challenges in communities—a family without shelter or food, a child without a coat or shoes, a senior citizen in need of medical or social services.

NALC is proud of the heroism and good deeds performed by our members each year. In 1974, the union established the Heroes of the Year Awards to pay tribute to letter carriers who perform selfless and heroic acts, ignoring the risk to themselves. In 1978, the Humanitarian of the Year Award was added to honor letter carriers for significant, sustained and personal contributions to a worthy cause. A Branch Service Award was added in 1986 to recognize a branch’s involvement in ongoing community service. In 2002, a fourth category was created—a Special Carrier Alert Award to honor an individual carrier who, due to his or her keen observations of conditions and people on the route, saved a life or lives. Our first-ever Legacy Award was presented in 2012, recognizing a significant and/or lifetime achievement. And in 2014, we added a Unit Citation Award to recognize the collective actions of two or more people involved in a heroic act.

Each year, a panel of independent judges—representing the labor movement, community service organizations and emergency public services—reviews Postal Record features and items published in the magazine’s “Proud to Serve” pages. In 2016, the judges were Christopher Godfrey, chief judge for the Employees’ Compensation Appeals Board (ECAB); Ana Avendano, vice president and AFL-CIO community services liaison at United Way Worldwide; and Fairfax County, VA Fire Chief Richard Bowers. In 2017, Avendano took on a new position in another state when Kelly Temple, Director, Department of Labor Engagement with United Way Worldwide, was added to take her place on our NALC Heroes judge’s panel.

The judges select a national hero, a national humanitarian and three regional heroes (eastern, central and western). They also can name a Special Carrier Alert Award winner, a local NALC branch for its service, and they can opt to present new awards such as the Legacy or Unit Citation Awards.

The award-winning heroes are invited to come to Washington, DC, to receive their awards in person. An official ceremony is held at a hotel near NALC Headquarters in conjunction with a luncheon reception.

The Heroes event has become an important occasion in the nation’s capital, and it is attended by members of Congress, government dignitaries, the postmaster general and other postal officials, labor leaders, community service representatives and reporters, along with NALC’s resident national officers. These guests honor NALC’s proud tradition of service by joining the heroes, their families and their branch presidents for this special awards presentation. Each of the winners receives a signed certificate stating the award they received.

NALC believes it is important to bring the outstanding activities of our members to the attention of the public. For this reason, every effort is made to publicize each hero’s actions and to highlight the annual reception. Local, regional and national print and broadcast media outlets are informed, voice and video interviews are distributed to radio and television outlets, and the ceremony is recorded for distribution to the television stations in the heroes’ home cities.

It’s worth noting that, over the years, numerous NALC heroes have won the prestigious Carnegie Award for Heroism.

At the 2016 awards ceremony, Mark Pizzo, from Branch 1003 in Rock Hill, SC, was honored as the National Hero of the Year. Pizzo was delivering mail as usual when at the end of his route he came upon a neighbor’s pit bull attacking a girl who had been playing in the cul-de-sac. The veteran letter carrier immediately took action: He ran toward the child whose head was in the jaws of the dog as it was dragging her and punched the animal several times until the child was free.

The National Humanitarian was Bradley Gentz from Mason City, IA Branch 471. Gentz, an avid runner in his spare time, regularly saw a young boy with physical limitations sitting in his yard on sunny days. Recently seeing a documentary about a father who ran marathons while pushing his son gave him an idea. Gentz approached the parents of the boy to ask if he could push Ryan in a race. The parents agreed. A Facebook page called “Running with Ryan” to raise awareness and money for this was started. Sometime later, Gentz and Ryan participated in a 5K race that raised funds for the University of Iowa Children’s Hospital. The pair continue to participate in races and have formed a deep bond.

Eastern Regional Hero for 2016 was Lars Edleblute from Branch 509 in York, PA. Edleblute, after hearing a woman yelling while she ran toward the highway, spotted a child running across a busy highway and immediately went after him when a break in traffic allowed him just enough room to get across without getting hit. Edleblute calmed the child and reunited him with his mother.

Central Regional Hero for 2016 was Michael Murphy from Branch 5847 in Hazelwood, MO. Murphy heard a girl screaming. Since he wasn’t sure what was going on, he looked around and saw two people on cell phones talking to police, and then a man acting strangely. The man apparently tried to gain entry into a van and snatch the purse inside. As the women were waiting on the police officers, the man swung at them, knocking one to the ground. Murphy then knew he needed to act. He ran across the street, picked the man up and then slammed him into the ground. Eventually passersby helped control the man until police arrived to arrest the repeat offender.

Western Region Hero was David Crestik, from Branch 70 in San Diego, CA. Crestik noticed dark smoke coming from a nearby mobile home and went over to see if anyone might need help. When he called out, a woman responded that she cut herself and was on the floor unable to get out. Although smoke was everywhere, Crestik went in and then saw that the fire was “going pretty good” in the dining area. He located the woman, who was unable to walk, and carried her out on his shoulder to safety and fresh air.

The Special Carrier Alert Award was presented to Evangeline Johnson from Branch 1 in Detroit, MI. Johnson noticed smoke coming from a patron’s home. Johnson knew someone might be home, so she
rang the doorbell to alert those inside. A woman who had been sleeping opened the door and then ran to get her child. Both escaped because Johnson used the doorbell to wake the sleeping woman, who had been unaware until she awoke of the impending hazard.

In 2016, the judges gave a Special Education Award to Patrick Byrne, president of Branch 7, Lynn, MA. Byrne found a way to turn a personal tragedy into hope for others. People down on their luck, substance abuse, mental illness, depression and other personal struggles can lead some people to suicide. Suicide is what took Byrne’s son from him. In order to cope, Byrne shared his heartbreak with others. He thought he was alone until he made his story public. The EAP program “Silent No More” was launched as a result of Byrne’s experience. The program is designed to remove the stigma related to those conditions. Byrne helped bring awareness that you are not alone and it is OK to talk about these troubles.

The Branch Service Award was given to Branch 134 in Syracuse, NY. Members of this branch became aware of a teenager who always greeted the letter carriers who came to his home each day. The carriers named him Matthew the Mailman because he told them he wanted to be a letter carrier someday. One day, Matthew stopped appearing at his door. He was diagnosed with a cancer of the blood and needed several weeks of treatment away from home. When he finally came home, community workers, including the letter carriers of Branch 134, organized a parade of firetrucks, postal vehicles and LLVs that drove past his home after he was released from the hospital. The letter carriers made this an unforgettable homecoming for Matthew.

In 2017, the National Hero of the Year was Matthew Lamb from Branch 451 in Johnstown, PA. Lamb smelled smoke and thought it was a wood burner. But as he delivered a package nearby, he looked back and saw flames coming from the porch. Lamb helped an elderly woman out of the home. After the woman composed herself, she told lamb that her grandson was still inside. Lamb ran over to the area, where he saw the 20-year-old grandson sticking his head out the window. He pleaded with the man to jump and reassured him that he would catch him. Lamb broke his fall and everyone was able to get out safely.

Humanitarian of the Year was Deb Ochetti from Branch 9 in Minneapolis, MN. Ochetti responded to an appeal in her local newspaper to help save the life of a stranger with leukemia by volunteering to donate her bone marrow. Although she wasn’t a match for this person, a record of her DNA was saved in the national Be the Match Registry and four years later she received the call to help. She did not hesitate to answer this call and save a life. She now advocates for others to consider providing a sample and donating if needed.

The Eastern Region Hero was Clinton Parker from Connecticut Merged Branch 20. Parker, an Army veteran and Army reservist, was called upon by law enforcement at a distraught father’s request to help. A soldier with post-traumatic stress disorder (PTSD) was threatening himself and others. Parker was able to use his skills to defuse a tense situation without any regard to his personal safety.

Donte Cotton from Branch 82 in Dayton, OH, was the Central Region Hero. Cotton, a city carrier assistant at the time, heard a sound. He went to investigate and found that a car hit a pole, causing the transformer to spark. Cotton ran to the vehicle where he saw the dazed driver exit, but a child was still inside. Cotton crawled through the broken glass to remove the child from the car seat that saved her from traumatic injuries from the crash. Cotton knew the child needed to be taken from the overturned car because of the sparking transformer nearby.

Western Region Hero was Daniel Ochoa from Garden Grove, CA Branch 1100. Ochoa, a Marine reservist, used quick thinking and skills he learned at college-level firefighting courses to act on a fire that was growing. Ochoa scanned the yard looking for an extinguisher or water hose without any luck. As flames edged closer to a propane tank, Ochoa knew he needed to find a solution quickly. He found backyard swimming pool with water in it and a foam cooler nearby. Ochoa used these items to douse the flames until firefighters arrived.

The Special Carrier Alert Award was presented to Holly Allen from Branch 531 in Charleston, WV. Allen noticed that he had not seen an elderly customer in a while. When he opened her door, he heard her yelling for help. Allen responded and found the woman lying face down in her kitchen. At the woman’s request, Allen contacted her granddaughter and stayed with the woman until she arrived. The daughter called emergency responders so Allen waited with them both. While waiting, the granddaughter noticed the pungent smell of natural gas. Apparently, when the woman fell, the burner went out on the stove and gas was gathering in the kitchen area. Allen was able to get the gas off without incident, perhaps preventing a much more serious outcome for the elderly woman unable to get up on her own.

The Branch Service Award was given to Branch 80 in Springfield, IL. Members of this branch discovered that MDA’s state goodwill ambassador was unable to raise enough money to purchase a disabled accessible van. The branch set up a fundraiser at a local Knights of Columbus hall where residents of the community came to provide help and funds when they participated in the trivia contest. Almost $8,000 was raised and, when added to the money already provided, the family was able to purchase the van to help transport this disabled middle schooler.

And finally, the judges in 2017 awarded a Unit Citation Award to Evelyn Woodward and James McKay, both members of Branch 56 in Grand Rapids, MI. The pair helped to rescue a co-worker who had a life-threatening medical emergency on the workroom floor. Woodward yelled out for someone to call 911 as she ran to the woman’s side and started first aid. James McKay heard Woodward’s shouts and rushed over to help. The pair took steps to prevent choking and then started CPR. Soon the woman started breathing again. While waiting for emergency responders the pair kept the woman upright and conscious to prevent further injury.

Each honoree in 2016 and 2017 was presented a special NALC “National Hero” lapel pin. In an effort to do more to recognize the heroic actions of letter carriers who look out for their communities, NALC also awards smaller hero pins to each carrier whose story includes efforts above just notifying emergency responders or loved ones.

People know that letter carriers represent honest, hard work in public service. They know we are the trusted public face of the finest (and most affordable) postal service in the world. I believe that letter carriers also are some of the most dedicated and caring people you will ever find. And many times, in the most challenging circumstances, we become heroes.
NALC ACTIVIST

Under the supervision of the executive vice president, four issues of the Activist have been published since the last convention report. The newsletter draws on the knowledge and experience of many staff members at NALC headquarters. All issues from 1997 onward are available on the NALC website. An index that covers the entire period since the Activist was first published in 1986 makes it easy to access information contained in older issues. Copies of older articles can be obtained through the NALC Information Center. Approximately 9,000 people receive the Activist and the list continues to grow. It is not just for stewards; the newsletter regularly covers a wide range of subjects helpful to the many people who work for NALC at the branch level. The mailing list consists of branch officers, stewards and other NALC members actively engaged in advancing the interests of their branch and NALC as a whole.

Every issue lists training seminars and state conventions scheduled in each NALC region, along with the latest data on USPS operations. In addition to these regular features, issues since the last report have covered the following topics:

- Activists and the food drive
- Documenting and proving violations
- Submitting convention resolutions and amendments
- Digital storage of branch records
- Getting ready for local negotiations
- MDA National Ambassador
- Converting to career status
- Grieving OIG overreach
- Your first convention
- Gearing up for Election Day
- Honoring NALC veterans
- Contentions: tying it all together
- Employee claims
- Relative standing for CCAs
- Wounded Warriors leave
- Revised standard training program for city letter carriers
- NALC HBP orientation upon conversion to career
- Claiming OWCP travel expenses
- Writing effective statements
- Remedies
- Time limits
- 115th Congress
- Using USPS handbooks and manuals to enforce the contract
- Nominating someone for a Hero award
- Performance Engagement Tool (PET)
- New organizing protocol

COST OF NALC ACTIVIST

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*The NALC Activist and the NALC Bulletin share a USPS postage account, so the postage cost here is estimated.

WORKERS’ COMPENSATION DEPARTMENT

NALC’s Workers’ Compensation Department, headed by Kevin Card, assistant to the president for workers’ compensation, provides information and advice to the membership on the Federal Employees’ Compensation Act (FECA) and its administration by the Office of Workers’ Compensation Programs (OWCP).

The department provides direct representation for members who file appeals with the Labor Department’s Employees’ Compensation Appeals Board (ECAB). NALC members who are contemplating an ECAB appeal should contact the compensation office at NALC headquarters for assistance.

The NALC’s goal is to provide qualified OWCP representation to every injured member at every level of the organization. Seven full-time Regional Workers’ Compensation Assistants (RWCA) assist National Business Agents (NBAs) and branch officers with OWCP claims and other FECA-related matters. RWCA provide training at state and regional trainings. Branch officers should contact their NBA office to request RWCA assistance.

The Workers’ Compensation department provides information and advice to the membership through The Postal Record, The NALC Activist, the “Injured on the Job” section of the NALC website and national convention workshops. In 2018, the Equal Employment Opportunity Commission (EEOC) released a class-action decision that found the Postal Service’s National Reassessment Process (NRP) had violated the rights of more than 40,000 city letter carriers. NALC sent letters to every member of the class with instructions on how to file a claim with the Postal Service EEO office.

The department provides OWCP training to NALC Leadership Academy students focusing on the history of the FECA and its underlying social compact, the FECA’s structure and regulatory underpinnings and how the FECA intersects with the National Agreement. Leadership Academy students learn how to complete OWCP forms and the problems that can arise when the forms are improperly completed.

NALC encourages City Carrier Assistants (CCAs) seeking help for their FECA claims to contact their NBA’s office for assistance. Enforcing Department of Labor guidelines for determining pay rates for CCAs injured on the job is a major concern. NBAs and RWCA are instrumental in ensuring CCAs receive the representation and compensation they are entitled to.

The Workers’ Compensation Department works closely with the Contract Administration Unit (CAU) on grievances that deal with OWCP issues. Close monitoring of management’s obligations under FECA and the contract help every injured worker by enforcing strict compliance. The Workers’ Compensation Department also assists the CAU with USPS handbook and manual changes and postal programs to ensure that they are in compliance with the FECA.

Under President Rolando’s guidance, NALC provides the most comprehensive OWCP representation of any federal-sector union.
DEPARTMENT OF LEGISLATIVE AND POLITICAL AFFAIRS

Following NALC’s 2016 National Convention in Los Angeles, our country has gone through quite a few changes and the Department of Legislative and Political Affairs is always working to improve itself and adapt to the changing climate in the White House, on Capitol Hill, and across the country.

Whether that be working to educate and engage our letter carrier activists, expanding our mobilization efforts or highlighting the issues of importance to letter carriers and the U.S. Postal Service with members of Congress, the department always remains focused on the following priorities:

- advocating for letter carriers in the halls of Congress by working behind the scenes with lawmakers and stakeholders on policies affecting our issues
- monitoring federal and state legislation on bills affecting our issues
- collaborating with a broad range of stakeholders—including postal unions, postal management and a cross-section of the mailing industry—to help pass comprehensive postal reform legislation
- growing the Letter Carrier Political Fund to help elect and re-elect bipartisan lawmakers who defend the Postal Service and letter carriers
- mobilizing letter carriers and allies in local communities to advocate for a strong Postal Service
- preparing for the 2018 midterm elections around the country.

To do these things effectively, our department has been very active on a number of fronts. Below is a brief overview of the department’s activities since NALC’s 2016 convention in Los Angeles.

ENGAGING MORE LETTER CARRIER ACTIVISTS

Over the last two years, our department has greatly expanded our successful field-based structure, specifically by recruiting certain letter carrier activists to serve as legislative and political organizers (LPOs), who work to mobilize our ever-growing activist network around the country. We know there is a role for everyone who wants to be involved on the legislative and political front, and LPOs are the key to helping everyone become more engaged.

Ed Morgan of Philadelphia Branch 157 serves full-time at headquarters as our mobilization director. He coordinates the activities of a group of four LPOs: John Beaumont of San Francisco, CA Branch 214; Eddie Davidson of Durham, NC Branch 382; Brent Fjerestad of Sioux Falls, SD Branch 491; and Tony Perconte of Scotch Plains, NJ Branch 4102. By meeting with state associations and activists throughout the nation, the work of these letter carrier activists has helped increase letter carrier participation in the legislative and political process.

Over the course of the last two years, they have attended regional trainings, state conventions, branch meetings and other functions to help educate members on our legislative issues and the importance of the Letter Carrier Political Fund (LCPF). They also have spent a significant amount of time communicating with and working with the presidents of the state associations within their geographic areas to develop and implement plans that work best for each state.

They have led NALC’s Letter Carrier Congressional Liaison (LCLL) trainings across the country, bringing together both seasoned activists and those new to the process. Hundreds of letter carriers from nearly every state have participated in hands-on training to learn more about what we do best: mobilizing letter carriers by communicating with other members and making individualized pitches for involvement in legislation and politics. These trainings also teach attendees how to approach legislators and their staff members, and how to maintain those relationships.

Our activists are the backbone of our grassroots efforts. We look forward to bringing more trainings to our states in order for our activists to continue building relationships to influence the legislative and political process.

ON CAPITOL HILL

The momentum built by the voices of letter carriers on Capitol Hill continues to work in our union’s favor despite one-party control. Our letter carrier activists are the reason that those seeking to dismantle the Postal Service have been unsuccessful. Letter carriers have continued to build strong relationships on both sides of the aisle both in Washington, DC, and back home in their districts and states. Lawmakers have always known who we are due to USPS being consistently considered the most trusted federal agency, with favorability ratings at 84 percent.

While outreach in Washington has always been strong, members of Congress are increasingly responsive to in-district outreach. Decisions in DC are being driven even more from in-district meetings, events, and other opportunities for their constituents and the general public to engage with them amicably.

As such, NALC’s tactics have adapted to this growing priority and emphasized the importance of grassroots outreach back home where letter carriers are able to cultivate meaningful, personal relationships with their members. In fact, the excellent efforts by our letter carrier activists in reaching out to their representatives to co-sponsor our priority resolutions defending six-day mail delivery, door delivery, and service standards that were in place prior to July 2012 is demonstrated by the growing bipartisan support of each.

This hard work finds its way back to Washington, where it is easier for NALC leadership and staff to effectively engage USPS leadership and key lawmakers. In doing so, our message is heard and our mission remains the same: restoring financial stability to the Postal Service while protecting the employees and its universal network.

POSTAL-RELATED INITIATIVES

Throughout both the 114th and 115th Congress thus far, numerous attempts to reform the Postal Service emerged yet fell short, and the path forward continues to remain unclear even in the face of all the good work being done at growing bipartisan consensus around postal reform.

NALC continues to remain a key member of a coalition of stakeholders dedicated to restoring financial stability to the Postal Service, which is made up of the four...
The key stakeholders.

With regard to the administration, the president recently issued an executive order to form a task force charged with evaluating the finances of the U.S. Postal Service including pricing, policies and workforce costs. Instructed to regularly consult with the postmaster general and chair of the Postal Regulatory Commission, the task force is comprised of department and agency heads or their designees, including chair of the task force Steven Mnuchin (secretary of the Treasury), Mick Mulvaney (director of the Office of Management and Budget), Jeff Pon (director of the Office of Personnel Management) and any other department and agency head the chair may designate.

In a report due no later than Aug. 10, 2018, the task force will provide a “thorough evaluation of the operations and finance of the USPS, including: the expansion and pricing of the package delivery market and the USPS’s role in competitive markets; the decline in mail volume and its implications for USPS self-financing and the USPS monopoly over letter delivery and mailboxes; the definition of the ‘universal service obligation’ in light of changes in technology, e-commerce, marketing practices, and customer needs; the USPS role in the U.S. economy and in rural areas, communities, and small towns; and the state of the USPS business model, workforce, operations, costs, and pricing.”

Once the evaluation is completed, the task force will develop recommendations on administrative and legislative reforms to USPS. According to the executive order, recommendations will consider the views of the USPS workforce and industry.

As letter carriers know, nearly 90 percent of the Postal Service’s losses are not due to improper pricing, but rather are the direct result of the 2006 pre-funding mandate. NALC is hopeful that the inclusion of the Postal Service workforce in this evaluation and report will provide NALC the opportunity to provide input throughout the process, to address the burdensome mandate, and to restore financial stability to the agency while protecting the employees and its universal network.

Additionally, the ongoing opioid epidemic has sparked a series of proposals aimed at solving the crisis, some of which include provisions regarding the Postal Service. Of the legislation currently being considered, some language includes: expanding use of Advanced Electronic Data for all domestic and international USPS packages; authorizing USPS to inspect packages without a warrant; and increasing USPS resources for detection and screening. As letter carriers, we work in every neighborhood in the country and have seen the devastating impact of opioids firsthand. We are fully committed to working with Congress to fight the epidemic in any way we can.

**FEDERAL EMPLOYEES ON THE DEFENSIVE**

The 115th Congress is seeing an avalanche of bills affecting federal employees, introduced in both the House and Senate. NALC continually monitors each one for any traction among them, especially those that relate to the federal workforce and agency reductions, changes to health care and retirement benefits. In fact, NALC continues to chair the Federal Postal Coalition (FPC), which is comprised of 30 organizations representing more than 2 million dedicated federal and postal employees.

As to be expected, there have been both positive and negative pieces of legislation regarding federal employees introduced in the 114th and 115th Congresses since Los Angeles, but below are some of the most detrimental.

For each fiscal year’s (FY) Congressional budget, the process begins with a request sent by the White House to Capitol Hill outlining the preferred funding for each department. While this request is often dismissed as “dead-on-arrival” amongst lawmakers, it does indicate the priorities of the administration as well as prompting various caucuses to release their own budget outlines. Over the last few months, numerous budget proposals emerged with language designed to hurt federal employees and retirees through cuts to benefits, pay, and basic worker protections. These can be found in the FY2019 White House budget, the
The president's management agenda, the Republican Study Committee's (a 150-plus member caucus of conservative representatives) FY2019 budget, and in an open letter from Office of Personnel Management (OPM) Director Jeff Pon to Speaker Paul Ryan, among others.

These proposals include: raising federal employees' pension contributions between 6 percent and 7.25 percent of pay over the next six years, costing active carriers up to $3,600-$4,350 per year; eliminating COLAs for FERS employees; reducing COLAs for CSRS employees; replacing CSRS and FERS average pay periods from high-three to high-five; eliminating FERS annuity supplements; reducing the TSP's G Fund interest rate; and, in the case of the Republican Study Committee, ending the use of official time for federal union officials; capping federal hiring to one employee in for every three who leave; and ending both across-the-board and automatic raises for federal employees.

While such proposals rarely, if ever, find their way into the actual Congressional budget, letter carriers should be aware that Congress may insert similar cuts to any must-pass bill at any moment. In fact, legislation on workforce reduction and official time are already making their way through Congress in unrelated bills. These include the VET Protection Act of 2017 (H.R. 1461 and S.2288), the Official Time Reform Act (H.R. 1364), the Serve Veterans First Act of 2017 (S. 1477), and the Civil Service Incentives Integrity Act of 2017 (H.R.1385). One such bill, H.R. 1293, introduced by Rep. Dennis Ross (R-FL), passed the House in May of last year and would require the Office of Personnel Management to submit an annual report to Congress outlining the use of official time by federal employees.

Among other troublesome legislation, Rep. Todd Rokita (R-IN) introduced the Promote Accountability and Government Efficiency Act (H.R. 3257) in July 2017, which would define future federal employees as “at-will employees.” This designation would mean the removal or suspension of all future employees could be done without due process. Such employees would be subject to the whims of political appointees overseeing federal agencies and could be fired without notice or right to appeal for good cause, bad cause, or no cause at all.

In a mostly party-line vote, the House of Representatives passed the Ensuring a Qualified Civil Service (EQUALS) Act (H.R. 4182) back in late November 2017. The bill, introduced by Rep. James Comer (R-KY), aims to change the probationary period for federal employees who currently serve a one-year probationary period to two years, and to undercut due-process rights, whistle-blower protections, and the very civil service protections designed to protect federal employees against unjust managerial rulings. Were this bill to become law, it would grossly affect employees’ (including veterans’ preference eligible letter carriers) eligibility to appeal any adverse actions to the Merit Systems Protection Board (MSPB).

On June 23, 2017, President Trump signed into law the Department of Veterans Affairs Accountability and Whistleblower Protection Act of 2017 (S. 1094), a bill introduced by Sen. Marco Rubio (R-FL). This measure drastically undermines civil service protections that ensure VA employment is based on merit and not on political affiliation. It overrides negotiated grievance and arbitration procedures in existing collective-bargaining agreements and has become the guiding bill for future legislation looking to chip away at federal employee protections.

In President Trump’s first State of the Union address, he called on Congress to expand S. 1094 to all of the government by removing “federal employees who undermine the public trust or fail the American people.” Numerous other bills based on “accountability” and with similar intent to S. 1094 emerged in the 115th Congress including: VA Accountability First and Appeals Modernization Act of 2017 (H.R. 611 and S. 152), the Federal Employees Accountability Act (H.R.1643), and the Department of Labor Accountability Act of 2017 (H.R.4703), among others.

While most of this legislation does not impact U.S. Postal Service employees directly, attempts to spread these sorts of dangerous policies across all federal agencies should be taken very seriously. Legislators who support these bills are dismantling the remaining civil service protections that exist to provide a safeguard against corruption, mismanagement, and political favoritism.

Through its leadership in the FPC, NALC will continue making the voice of letter carriers part of a united front to protect all federal workers. As bills continue to appear that threaten to harm federal employees, we will continue to work with other postal stakeholders to prevent any from gaining traction.

**ADVOCATING FOR VETERANS**

Since our last convention, there have been many pieces of legislation introduced related to veterans affairs and while some are directly or indirectly harmful to veterans, many are straightforward and designed to improve issues affecting veterans. NALC works hard to address them. The following are a few that have emerged or been signed into law in the last two years.

Toward the end of his term, President Obama signed into law the Combat-Injured Veterans Tax Fairness Act of 2017 (H.R. 5015 and S. 2712), introduced in the House by Rep. David Rouzer (R-NC) and the Senate by Sens. Mark Warner (D-VA) and John Boozman (R-AR). The new law directed the Department of Defense (DoD) to restore nearly $78 million in improper tax withholdings from individuals separated from service due to combat-related injuries. It instructs the DoD to identify veterans who have been separated from service for combat-related injuries and had taxes withheld from their severance payments, to determine how much the veterans are owed, and to allow veterans who have been improperly taxed to recover the withheld amounts.

On Aug. 12, 2017, President Trump signed into law the VA Choice and Quality Employment Act of 2017 (S. 114). Among other provisions, this bipartisan bill provides an additional $1.4 billion in funding for the VA and allows the department to manage non-VA care better than the Choice program. This temporary fix will allow the VA to open 28 new clinics and implement new hiring pro-
grams, thereby providing more veterans access to the care they need.

Reintroduced each year and passed like clockwork is the bipartisan Veterans’ Compensation Cost-of-Living Adjustment Act, which directs the Department of Veterans Affairs (VA) to increase the rates of veterans’ wartime disability compensation, compensation for dependents, the clothing allowance for certain disabled veterans, and dependency and indemnity compensation for surviving spouses and children. The 2017 version, introduced by Reps. Mike Bost (R-IL) and Johnny Isakson (R-GA), passed on Nov. 2, 2017, and the latest 2018 version is expected to pass later this year.

Recently introduced by Sens. Johnny Isakson (R-GA) and Jon Tester (D-MT) is the bipartisan Caring for our Veterans Act of 2017 (S. 2193) that seeks to improve the VA’s community care programs by ensuring there are more VA doctors, nurses and other medical personnel in rural areas, and expanding caregiver benefits to veterans of all eras.

Of course, there are numerous bills that would negatively affect veterans as well as those that NALC regularly pushes back against, including the Veterans Affairs Asset and Infrastructure Review Act of 2017 (H.R. 4243), introduced by Rep. David “Phil” Roe (R-TN), that would destroy the VA’s excellent, specialized, integrated health care system by using the Base Realignment and Closure (BRAC) process. BRAC, established for the Department of Defense (DoD), has been widely rejected due to its associated costs and harmful outcomes for local communities. If HR 4243 were to become law, members of Congress would lose their ability to fight for the interests of veterans and all other constituents in their communities who cherish and depend on their VA medical centers for medical care and a broad array of other services.

With around a thousand bills introduced in the 115th Congress regarding veterans, not all are applicable to letter carriers, but NALC always tracks and fights for what is best not simply for letter carriers, but our veterans as well.

2016 PRESIDENTIAL ELECTION AND A LOOK AHEAD TO 2018 MIDDENRS

Following the 2016 presidential elections, the House of Representatives welcomed 53 freshmen, consisting of 238 Republicans and 193 Democrats—a small shift in favor of the Democrats from the 114th, where the split was 247 Republicans to 188 Democrats.

The Senate welcomed six freshmen, consisting of 52 Republicans and 46 Democrats, and two Independents (who caucus with Democrats). The change reflects a nominal shift from the 114th make-up of 54 Republicans, 44 Democrats and two Independents.

With the House, Senate and administration under one-party control, many expected an end to the political gridlock often associated with Washington. However, in-party quarreling, often spurred by disagreements between the conservative House Freedom Caucus (with 36 members in February 2018) and Republican moderates (estimated around 50-60), makes it difficult for the majority party to get to the necessary 218 votes to pass any legislation on a regular basis without requiring Democratic support. Despite the difficulty in reaching 218, the White House and Congress was able to push through a tax reform overhaul and cuts to corporate taxes, but failed in their efforts to enact a full repeal of the Affordable Care Act (ACA, Obamacare) or kick off a $1 trillion infrastructure package.

The midterm elections are historically tough for the party of the president in power. Also going against the Republican Party is the unusually high rate of resignations and retirements this year. As of press time, there will be at least 56 vacated House seats up for grabs, the vast majority of which are Republican-held, and at least three vacated Senate seats, all Republican-held. This is important because incumbents tend to have an advantage over newcomers, but nothing is a guarantee in congressional Washington anymore as many expect November 2018 to have an unusually high turnout.

As mid-July and the August recess approaches, members of Congress will be dashing back to their districts for their re-election campaigns. As we often do, NALC will shift our focus both to ensure that quality candidates come to Washington and to protect incumbents who are supportive of letter carrier interests.

HONORING LONGTIME MEMBERS

The NALC honors its retirees in a unique way. Our retirees are an integral part of our organization and, as such, retain both their membership and union rights. But more than that, when they have belonged to the NALC for 50 years or more, we honor them with either a gold membership card, a lapel pin or a plaque. The gold cards are presented to our 50-year members (since 1939); the lapel pins are given to our 60-year members (since 1954), 65-year and 55-year members (since 2012) and the plaques are awarded on the members’ 70th and 75th anniversaries (since 1974). A number of 80-year plaques have also been awarded (since 2014).

Most of our branches make quite an occasion of the actual presentations, and I write a letter to the retiree expressing my personal gratitude for his or her continuing support of the NALC over the years.

The following presentations of life membership awards have been made since the Los Angeles Convention:

<table>
<thead>
<tr>
<th>Award</th>
<th>Number</th>
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<tbody>
<tr>
<td>80-year plaque</td>
<td>1</td>
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<tr>
<td>75-year plaques</td>
<td>39</td>
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<tr>
<td>70-year plaques</td>
<td>228</td>
</tr>
<tr>
<td>65-year pins</td>
<td>199</td>
</tr>
<tr>
<td>60-year pins</td>
<td>1,628</td>
</tr>
<tr>
<td>55-year pins</td>
<td>932</td>
</tr>
<tr>
<td>50-year gold cards</td>
<td>5,380</td>
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</tbody>
</table>
The work of the NALC Information Center (IC) falls into three main areas: the history of the union as documented in its archives and historical memorabilia; the union’s records management program dealing with files currently being produced as officers, staff and employees carry out their jobs; and the Information Center itself.

ARCHIVES

The 71st Biennial Convention takes us to Detroit, the site of the Walter P. Reuther Library of Labor and Urban Affairs at Wayne State University, home of NALC’s official archives. Reuther’s professional staff of archivists and technicians safeguard the documents physically and organize their contents for ease of access. Documents are stored in acid-free containers in climate-controlled settings. Finding aids produced by the Reuther staff help researchers locate specific items of interest.

The archives have been located at Reuther Library since 2001, when then-President Vincent Sombrotto spearheaded its establishment at one of the pre-eminent centers for research in American labor. By so doing, NALC’s story would be preserved and made available to a wide audience. NALC’s papers joined those from the United Auto Workers; American Federation of State, County and Municipal Employees; United Farm Workers; Service Employees International Union and the American Federation of Teachers. Anyone interested in NALC, the postal service and its workers, or U.S. labor in general can access this treasure trove of historical material.

The remaining three years of records from President Sombrotto’s tenure (1978-2002) were recently sent to Reuther for processing, completing the documentation of his remarkable legacy. Professional archival processing is a painstaking business and takes time; these records will hopefully be available for researchers sometime next year.

The use of the terms “records” or “archives” may conjure up images of papers, folders, and storage boxes, but the union’s history also can be traced through many other types of sources. NALC’s collection at Reuther includes memorabilia, photographs, videos, posters, badges and uniforms. If you go to the Reuther website (reuther.wayne.edu), you’ll see the finding aids to the NALC collection alluded to above, and a photo gallery of historic images. These will provide you with some idea of the extent of NALC’s collection.

While the union’s official archives are in Detroit, many historical items and files remain in Washington. The collection of historical artifacts started in earnest with the celebration of the union’s centenary in 1989 and has continued since. The Information Center is fortunate to receive numerous donations each year. We have, among other things: uniform items from USPS, the Post Office Dept. and foreign postal services; an almost complete collection of convention badges, dating back to the organizing convention in 1889; pins and buttons; scrapbooks, and other items. The collection should continue to grow.

RECORDS MANAGEMENT

As branches should be aware, the Labor-Management Reporting and Disclosure Act (LMRDA) imposes strict retention requirements on unions, both on the local and national levels. But records management is about more than legalities. The purpose of the records management program at NALC’s headquarters is to organize and preserve the enormous amount of material generated by the union while disposing of that which is no longer needed. Although increasing amounts of NALC’s work is done solely in digital format, paper is still around and must be dealt with. Space limitations and requirements for records retention (whether practical or legal) often collide.

NALC is currently in the process of setting up a satellite storage facility for infrequently used documents that we are legally obligated to retain but do not need to consult very often. This satellite facility will allow the valuable records-storage real estate in the headquarters building to be used to store only those items for which officers and staff may need convenient and frequent access.

Records management doesn’t stop when files are stored in neatly labeled boxes. Equally important is the timely destruction of material that is no longer needed or legally required. And that adds up to a lot of paper—several tons a year goes to the shredders. Care is always taken to safeguard personal and financial data and other sensitive information when disposing of records.

As mentioned above, branch record-keeping is also subject to the LMRDA and must follow the same general principles that govern records management at the headquarters level, though on a smaller scale. Branch officers’ training, offered by the secretary-treasurer, provides instruction on records management and many other topics.

INFORMATION CENTER

The NALC Information Center holds a large collection of NALC and postal materials, and a smaller amount of general interest and reference sources.

One of the most significant parts of the IC collection is, not surprisingly, postal-related material. This part of the IC’s collection has always been one of its strengths; no USPS publication is ever discarded. Most are in the IC itself, but the oldest are in storage. The IC can supply, when asked, the changing language of a section of the ELM (Employee and Labor Relations Manual) or M-41 (Management of Delivery Services manual) or other postal document going back to its origin. Branches needing support for arbitration, as well as Washington officers and staff, have access to this information through the IC staff. In addition to official USPS documents, the IC has an extensive collection of postal-related books and government documents, ranging from former President William C. Doherty’s Mailman USA to a complete set of Government Accountability Office (GAO) studies on postal issues to recently published studies of the postal service.

The IC also tries to maintain copies of NALC publications or CD/DVDs. These copies prove especially useful every two years when we prepare for our national convention and people develop a sudden interest in past proceedings, officers’ reports and resolutions. The IC has a collection of convention documents going back to the early 1960s. Combining those with all the past Postal Records, we can trace what happened in every convention of the union’s history.

The resources available in the IC are also used when the union is engaged in bargaining or preparing for arbitration. Among other items, the IC has the transcripts and exhibits from all NALC interest
MUSCULAR DYSTROPHY ASSOCIATION

Muscular Dystrophy Association—for strength, independence and life. Although MDA has changed its brand, NALC did not change its commitment to help “Deliver the Cure” for muscular dystrophy. We have been there since 1952 and will be there until the need has disappeared.

As its first national sponsor, NALC has a long history helping those stricken with MD to stay independent and “live unlimited” well into adulthood. In 2015, for the first time ever, MDA chose an adult ambassador. Joe Akmakjian became the national face and voice of the message. Joe shared his story at our last convention and holds NALC and our members in high regard. He knows that this continues to be an exciting time for MDA and NALC as more children reach adulthood thanks to medical and research advances made possible by letter-carrier efforts to raise awareness and funds. NALC has remained faithful to its commitment to help patients and families fighting more than 90 neuromuscular diseases, raising countless millions of dollars.

I want to thank all the branches that put forth an effort to raise funds and awareness. Although 11 branches are recognized each year, I know there are several NALC locals that make our national effort a success. NALC is a Diamond Partner, raising more than $1 million annually for MDA research and services.

Letter carriers from almost every state have held or participated in activities such as bowlathons, “muscle walks,” satchel drives, trivia contests and letter-writing campaigns. These and other events make a critical difference. My message to you is to get involved or increase your current efforts. Appoint an MDA coordinator if your branch does not have one. Don’t be afraid your effort is too small; just get started.

Thanks to you, families served by MDA have a future with hope. Let’s keep up the great work and strive to Deliver the Cure. In 2016, NALC branches, state associations, auxiliaries, headquarters and Health Benefit Plan raised $1,291,030. Last year, NALC raised $1,201,381. Since 1952, NALC has raised more than $103 million. Our members have also logged several volunteer hours to benefit MDA through camp programs, fundraisers and more.

MDA activities build camaraderie among members, which in turn builds a stronger union. Let’s do what we can to promote strength, independence and life to MDA while showing the best of what we union members are: trusted and respected public servants.

In 2014, NALC introduced gold, silver and bronze fundraising levels. Since the bronze level was achievable by any branch that put forth any fundraising effort, we made a change in 2017. Honorable Mention now identifies branch efforts of donations of $5 or less per capita on the total number of members in a branch. Gold, silver and bronze fundraising levels were put in place. The following is a breakdown of the levels and the number of branches that achieved that level.

**Gold:** More than $25 per member per capita; 39 branches achieved gold.

**Silver:** Between $10 and $25 per member per capita; 25 branches reached silver.

**Bronze:** Less than $10 but more than $5 per capita; 66 branches attained bronze.

Honorable Mention: Contributions of $5 per capita; 198 branches received honorable mention.

If you need help getting started, contact NALC at mda@nalc.org. NALC continues to post to the “Deliver the Cure” Facebook page and to highlight MDA fundraising efforts, family stories, progress toward a cure and new research and services available through MDA. NALC has an email address exclusive to MDA-related email communication and Headquarters has an improved network of communication with the branches and a system to update records, especially when branches contact NALC at mda@nalc.org. We also have a new handbook that is available online and will be updated as needed. All forms, ideas and program information is readily available and downloadable to personal devices. Additionally, we are using the NALC app to promote all MDA-related issues as we become aware. Don’t hesitate to let us know about what your branch is doing so we can share with anyone who elects to receive MDA notifications. This information will help promote local events, which should increase participation. The newest event MDA has added is “Team Momentum” marathons. Tap into an activity that your members can rally around and plan a fundraiser around it.

We have many goals for the future. These include:

- Inspiring active branches to increase the number of members involved and money collected.
- Motivating branches that have lapsed in fundraising activity to get back on track.
- Inviting branches that have not had fundraising activity to engage in a way that is successful and fun.
- Increase NALC fundraising by 1 percent over the previous year.
- Have every NALC branch achieve at least Honorable Mention level.

Every year, the MDA Honor Roll is published in The Postal Record. For the past several years, it has been in the April issue along with a feature article relating to MD. With our continued efforts, letter carriers and NALC hope to fulfill our commitment and one day truly “Deliver the Cure” for those with MD.
The NALC Research Department provides research and analysis for the NALC’s Office of the President, Executive Council and staff of the union’s major departments.

Examples of Research Department work includes: analysis of quarterly and annual USPS financial reports; analysis of postal regulatory developments and filings; research on U.S. postal and parcel industry trends; evaluation of regulations and developments among international postal operators; representation of NALC on postal industry panels and at postal conferences; demographics and workforce analysis; and support for collective bargaining.

Jim Holland has been the research director since May 2013. In July 2017, Sean Crosbie joined the department as an economic analyst. Sean has a B.A. in economics from American University and most recently worked as a library assistant in the NALC Information Center.

Since the 2016 biennial NALC convention, the Research Department has worked on a number of issues on behalf of NALC members.

USPS FINANCIAL ANALYSIS

Research monitors USPS financial results and compiles information about the results for the Office of the President. The department also examines trends that impact USPS financials, including business trends in mail and parcels and changes to actuarial and economic inputs. Research creates reports for union leadership following each quarterly and annual USPS financial report, and during other times of the year when other USPS reports are published. We also review what others write about the USPS financial results, including reports published by the Postal Regulatory Commission (PRC), the U.S. Postal Service Office of the Inspector General (USPS OIG) and industry groups.

PAY TABLES, COLA TRACKING, ANNUITY TABLES

When the USPS makes changes to the letter carrier pay tables, the Research Department independently verifies the changes to make sure they are correct. The department provides pay tables to the Communications Department for publication in The Postal Record and posting on NALC’s website.

The Research Department also tracks the monthly changes in the Consumer Price Index (CPI) and summarizes where the contract, retiree and Federal Employees’ Compensation Act (FECA) cost-of-living adjustments (COLAs) stand each month.

To provide letter carriers a visual representation of the progress toward a COLA, each month the department updates a CPI graph on NALC’s website. The line graph shows the history of the CPI since the start of the contract, the most recent CPI reading, and the CPI number that would generate a future COLA.

When actual contract COLA amounts are calculated by the USPS in February (January CPI) and August (July CPI), the Research Department independently reviews the amounts to ensure they are correct.

Research also maintains and updates the CSRS and FERS annuity projection tables that are included in The Postal Record magazine.

PRC 10-YEAR PRICE CAP REVIEW

The department provided research and analysis support for NALC’s regulatory filing in the PRC’s review of the market dominant rate-setting system (the “10-year review”).

When the Postal Accountability and Enhancement Act (PAEA) was enacted back in 2006, a price cap linked to the Consumer Price Index (CPI) was established for market-dominant postal products. This CPI price cap established the annual price increases for products such as first-class mail, marketing mail and periodicals. The USPS was allowed to increase prices on these products up to the annual percentage change in the CPI. The CPI price cap, a measure of economy-wide price changes, was put into place for an initial period of 10 years. At the end of the 10-year period, the PAEA required the PRC to review the system to determine if it had been working according to the goals set by the PAEA. If the PRC determined it was not working, the PRC was given the authority to decide if a new price-cap system should be put into place.

NALC evaluated the outcomes of the PAEA price cap system and determined that it had not provided the USPS with the pricing flexibility it needed to cover the cost of delivering mail. The Research Department provided analytical support and extensive background research on the financial impacts of the price cap on USPS operations, and provided material for inclusion in the NALC filing with the USPS regulator. The department developed models for forecasting the effects of various types of price increases, including the potential impact on revenue and letter mail volumes.

REPRESENTING NALC AT POSTAL CONFERENCES AND ON PANELS

The Research Department represents NALC at various postal conferences and on panels throughout the year, and provides input to reports produced on the USPS.

In 2018, the department attended the Rutgers University Center for Research in Regulated Industries (CRRI) 26th Conference on Postal and Delivery Economics, held in Split, Croatia. In 2018, the department also attended the CRRI Advanced Workshop on Regulation and Competition in Network Industries, held in Washington, D.C.

In 2017, the department was invited to participate as a panelist in a USPS OIG forum on mail-use trends held in Arlington, VA.

The department has previously represented NALC as a program speaker at the CRRI Advanced Workshop on Regulation and Competition in Network Industries, and as a panelist in USPS OIG-organized forums.

ANALYSIS OF PRC, USPS OIG AND INDUSTRY REPORTS

The department works to analyze and interpret reports and studies from the PRC, the USPS OIG and reports produced by other independent bodies.

Research reviews and summarizes annual reports and supporting material filed at the PRC. These reports include the PRC’s financial analysis of United States Postal Service Financial Results.
and 10-K Statement; the PRC’s Annual Compliance Determination report; and the PRC’s Analysis of the Postal Service’s Annual Performance Report and Performance Plan. In 2016, Research also reviewed and summarized the PRC’s Analysis of the Postal Accountability and Enhancement Act of 2006. This report is produced by the PRC every five years. Research also monitors other filings with the PRC to determine if they may be of interest to NALC.

An example of Research’s USPS OIG report analysis includes the examination of an OIG report on first-class correspondence mail and its significance in terms of volume and revenue for the USPS. Correspondence mail consists of mail that is primarily used in communications, including personal letters, greeting cards and other non-sales-related mail. NALC Research also explored the relationship between real GDP growth and first-class mail volume growth, and largely confirmed the findings of the OIG. Up until the 1990s there was a positive correlation between real GDP and FCM volume; but since then there has been a decoupling of the two variables. Changes in real GDP still have some effect on mail volume, but they no longer grow together.

Other OIG reports analyzed by Research have included analysis of mail profitability in international posts, USPS retiree fund investments strategies, new technology such as the Small Package Sorting System, and how mail use is changing across the United States.

LABOR AND THE ECONOMY
The Research Department also analyzes and produces reports on broader economic indicators and evaluates how these indicators may affect letter carriers and the labor movement. The department seeks to understand economic developments by analyzing a wide range of economic data.

The department explores the forces that affect working people such as the declining real value of the minimum wage; income and wealth inequality; the gap between productivity and wages; employee compensation trends; and the latest trends in the labor market. Research also analyzes data related to union membership so that NALC may gain a better understanding of the state of unionized America and how NALC membership compares to that of the overall workforce.

Research also tracks the state of the economy as a whole, looking at economic indicators such as GDP, interest rates and trade. While these indicators are often incomplete ways to gauge the health of the economy for letter carriers, they provide NALC with a sense of how the economy might affect letter carriers and the USPS. The NALC Economics Blog also periodically posts analysis of all the above trends to inform membership of developments in the economy and labor market. The department attends and participates in economic seminars on issues affecting working people, including those organized by the Economic Policy Institute, Economists for Peace and Security and the AFL-CIO.

The NALC Education Department continues to provide educational opportunities and training materials for NALC officers, stewards, activists and rank-and-file members. Director of Education Jamie Lumm works closely with national officers and headquarters staff to develop training modules on a wide variety of subjects as well as to present educational programs at training events across the country.

NALC LEADERSHIP ACADEMY
Founded in 2005 by President Emeritus Bill Young and then-Executive Vice President Jim Williams, the NALC Leadership Academy continues to reflect the national leadership’s belief in the importance of developing and preparing current and future NALC leaders for the challenges of today and those that are surely ahead. Since the Los Angeles convention in 2016, the Academy has graduated Class 21 and Class 22, bringing the total number of graduates to just under 660. Class 23 will commence shortly after this convention on July 29 and Class 24 will start on Jan. 13, 2019.

Interest in the Academy remains high. Each year hundreds of NALC activists apply for one of the 30 slots available in each class. Most encouraging to me is how closely the demographics of the applicants reflect those of NALC as a whole. This year 35 percent of the applicants were female; 45 percent were or currently are CCAs. The applicants came from branches of fewer than 20 members to those with more than 7,000, and from members with barely a year in the Postal Service to those with more than 40. More than 100 were applying for the first time while dozens were seeking admission for the sixth, seventh or eighth time. This is promising on many levels. It shows that there’s a high interest among newer members in becoming of greater service to the union. It also shows that in spite of not being selected in previous attempts, many continue to reapply each year, showing that they are determined and not easily discouraged, both characteristics of a good leader.

Admission to the Academy begins with the completion of a written application form available on the NALC website during the application acceptance period, which is announced on the website and in the NALC Bulletin and Postal Record. Applicants must be endorsed by a union leader who commits to being their mentor throughout the Leadership Academy experience and provides them with additional learning opportunities. It’s an extremely difficult job to select only 30 students for each class from among the many qualified applicants.

The rivers of NALC talent and dedica-
tion continue to run deep as evidenced by the high quality of each new Leadership Academy class. At last count, 19 state presidents, 22 regional administrative assistants, eight headquarters staff members, four regional workers’ compensation assistants, three legislative political officers, three national business agents and one resident national officer are graduates of the Academy. Additionally, Academy graduates have been elected to leadership positions in their local branches, small and large, many becoming full-time union officers. Just as important, hundreds of graduates have gone on to serve NALC in various other capacities. These include as arbitration advocates, Dispute Resolution Team members, OWCP representatives, shop stewards, route adjustment team members, carrier academy instructors as well as Food Drive, MDA, and community service coordinators, just to name a few.

I am constantly encouraged by the commitment to work hard and help others seen in each successive leadership class. If this is any indication of the future of NALC, and I believe that it is, we have a bright future ahead of us.

BRANCH OFFICER TRAINING

NALC was on the road again the past two years offering its expanded branch officer training in various locations around the country. Director Lumm worked with NALC Secretary-Treasurer Nicole Rhine and Assistant Secretary-Treasurer Judy Willoughby to develop this popular enhanced program. The workshops cover a variety of topics related to the administrative and fiduciary duties and responsibilities of state and branch officers and trustees. Sessions were held in early 2017 in Phoenix and St. Louis followed up by fall sessions in San Diego and Baltimore with more scheduled for 2018 and early 2019. In addition to those named above, instructors included NALC Information Center Director Nancy Dysart and auditors David Dorsey and Scott Price.

STEP B TRAINING

NALC continues to work with USPS Headquarters to prepare and conduct joint training for Step B candidates as part of the Dispute Resolution Process. There are currently 58 teams actively employed to cover the 67 USPS districts around the country. This means that providing DRT replacement and backup training is an ongoing process. Since the Los Angeles convention, week-long Step B training sessions were held at the Bolger Training Center in October 2016, February and October 2017 and March and June 2018, with two more scheduled for this fall. Director Jamie Lumm, along with his counterpart from the USPS, head a training team consisting of USPS and NALC Headquarters staff, area labor representatives and experienced Step B Team members. NALC instructors include Anthony Ali, Doyle Callihan, Christina Davidson, Jeffry Fox, Michael Keels, Karrie Kimbrell, Geneva Kubal, Gina Mendoza-Telk, Warren Wehmas and Sue Wellhausen.

Step B candidates receive training on various sections of the contract, the Joint Contract Administration Manual (JCAM) and postal manuals as well as in contract application, computer research and decision writing. To become certified to serve on a Step B Team, candidates must satisfactorily complete all work assignments, demonstrate accuracy and proficiency in decision-making and writing and pass a comprehensive written examination on the contract. NALC continues to work with Postal Service staff to improve and update this training.

ARBITRATION ADVOCACY TRAINING

Director Lumm worked with NALC Vice President Lew Drass and NALC headquarters staff members Greg Dixon and Mark Sims to develop and conduct six-day training sessions for arbitration advocates. Students learned how to review, research and prepare cases for arbitration hearings and presented cases in two separate mock hearings. Retired NALC officers and advocates with extensive experience served as arbitrators for these hearings. Classes were held in November 2016, November 2017 and March 2018. Also assisting with the training were regional administrative assistants (RAAs) Shawn Boyd and James Henry.

ADVANCED FORMAL STEP A AND BEYOND

Vice President Lew Drass, along with NALC headquarters staff members Greg Dixon and Mark Sims, have developed and conducted a shop steward seven-day training program designed to enhance the ability of stewards in investigating, researching and preparing grievances at the higher levels of the grievance procedure. More than 375 representatives have been sent by their local branches to participate in one of the five Advanced Formal Step A and Beyond classes that have been offered since August 2016. In addition to the above, RAAs Javier Bernal, Rick DiCecca and James Henry, along with regional workers’ compensation assistant Tonya Detrick have assisted VP Drass with these classes. Two more classes are planned for later this year.

NATIONAL CONVENTION

At the 2016 National Convention in Los Angeles, NALC presented numerous educational seminars and workshops on a variety of subjects prior to and following each convention business session and will do so this year in Detroit. These classes are designed to inform and involve NALC delegates on issues that directly concern them and their families, such as contract administration, legislation, organizing, fiduciary responsibilities, retirement, injured workers’ rights, safety and health, community services and many others. Director Lumm will be working with other NALC staff to assist with and present these classes.

‘THE POSTAL RECORD’

Director Lumm writes a monthly column for The Postal Record to advise members of the educational opportunities available within NALC and to discuss methods, tools and techniques that local branch leaders can use to develop and conduct local training to educate and empower their membership. Lumm also writes regularly about items of general interest to letter carriers and labor history.
The NALC Communications and Media Relations Department is the hub for the union’s official communications efforts, striving to provide a consistent and effective message that resonates with audiences—both internal and external. The department has a challenging mission, one that is central to the future of NALC, of the letter carrier craft and of the U.S. Postal Service—informing active and retired NALC members alike while also helping to develop and get the union’s message out to the public and to the public’s political representatives. Increasing the understanding of postal issues in the public and political arenas is crucial to NALC’s ability to succeed in everything else it does.

In delivering our message, we have two spheres of activity—internal communication (to NALC members) and external communication (largely through the news media), with a good deal of interaction between the two.

For members, our aims are to inform them about the postal situation, tell them what’s at stake for them and inspire them to take action, whether through political activity or by spreading the message.

The chief forms of communication with members are The Postal Record, NALC’s monthly magazine that is sent to our 282,000 members, and NALC’s website, nalc.org. Also central to our efforts are the NALC Bulletin (a periodic publication that is posted in branch halls and post offices), the NALC Member App for smartphones and our outreach through various social media channels.

We seek to influence the public by getting our message out through the news media—on the national, regional and local levels. That involves responding to requests for comments by reporters seeking basic information on postal issues, comments from NALC on postal issues, and interviews with national officers or local letter carriers. It also includes getting our message across directly in the media in our own voices—by writing commentary pieces and letters to the editor.

Also critical in the process, given the amount of misleading conventional wisdom that exists, is the department’s effort to inform journalists about USPS finances and other postal matters.

**INTERNAL COMMUNICATIONS**

The Postal Record is, as mentioned, NALC’s chief communications vehicle with the membership. It is a unique resource, without peer in the U.S. labor movement in focus and quality. The official journal of NALC, The Postal Record is two years older than the union itself, having been founded in 1887. Its pages address the concerns of letter carriers in the workplace, legislative and political spheres; when relevant, it places topics in the context of the broader labor movement. The magazine’s emphasis is on straightforward information so members can make their own informed decisions. The Postal Record also explains how members can help make NALC stronger. We provide thorough and up-to-date reports on the letter carrier craft, the Postal Service, public policy issues and the many notable efforts of our members to improve the communities in which they work—or through the annual food drive or the Muscular Dystrophy Association. We also write feature stories relevant to letter carriers.

In planning magazine articles, the staff works directly with resident national officers and coordinates with other NALC Headquarters departments. Most of the articles are written by Communications Department staffers, but staff members from other departments provide essential material for many items.

The Postal Record has featured a wide range of articles recently, such as encouraging members to get involved in the fight to save the Postal Service and protect their wages and benefits, updating legislative progress (or lack thereof), planning life insurance needs, and preparing for the biennial convention in Detroit.

Meanwhile, because it is not on a set publication schedule, the NALC Bulletin provides a timely way to address issues such as legislation, contract negotiations and various union campaigns, as events warrant. Further, the Bulletin is available to all postal employees, because it’s posted on union bulletin boards in the work areas of post offices as well as in branch halls. Nearly 13,000 copies of the Bulletin are mailed to branch officials and shop stewards.

Along with these publications, the department maintains the NALC website, which aims to be attractive, content-rich, focused and current. While the website’s primary goal is to provide information to members, it also serves as a public relations tool by communicating to a wider audience the value of the universal network and the important contributions letter carriers make to their communities every day. The level of interest is reflected in the tens of thousands of visits a month to NALC’s website. Contract-related PDF documents account for the majority of downloads from the website. Its seven main sections—About NALC, News & Research, Government Affairs, Workplace Issues, Union Administration, Community Service and Member Benefits—contain subsections with hundreds of pages of information and thousands of supporting documents, with much of the material in portable document format (PDF).

The Communications and Media Relations staffers also work closely with other Headquarters departments to post important information to the website in timely fashion.

The department delivers vital information to members quickly through the NALC Member App for iPhone and Android smartphones, a tool that uses today’s technology to put the most up-to-date information and resources into the hands of our stewards and members. The app was developed at NALC Headquarters with the needs of all members in mind. It contains links to workplace resources, including the National Agreement, the Joint Contract Administration Manual (JCAM), the Materials Reference System (MRS), city carrier assistant (CCA) resources and more. It also includes legislative tools such as a bill tracker, an individualized list of your congressional representatives and information on the Letter Carrier Political Fund. And one of the most useful features for all letter carriers: an interactive non-scheduled days calendar. Members can sign up for notifications based on their interests and...
COST OF THE POSTAL RECORD

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COST OF NALC BULLETIN

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*The NALC Bulletin and the NALC Activist share a USPS postage account, so the postage cost here is estimated.

where they live. The app is available in the App Store or Google Play.

The Communications and Media Relations Department provides frequent updates on web-based social media sites, including Facebook (facebook.com/nalc.national), Twitter (@NALC_National) and Instagram (LetterCarriers). The staff employs means such as these to spread NALC’s message and to generate enthusiasm among the rank and file for the union’s agenda. We also use YouTube (youtube.com/ThePostalRecord) to post NALC-made videos and Flickr (flickr.com/nalc.photographer) to share the hundreds of photos taken at various events throughout the year.

Additionally, the department provides creative, editorial and publishing support for other departments, and prepares materials for national conventions and rap sessions. The expertise and experience gathered in the department gives other NALC Headquarters operations the ability to create professional-quality publications in-house at a substantial savings over contracting with outside vendors, to produce items ranging from greeting cards and invitations to major works such as Carriers in a Common Cause and the Joint Contract Administration Manual (JCAM).

For national conventions, the department produces the Officers’ Reports book, the Financial Reports book and the Pocket Guide, and helps produce specialty items such as CDs and DVDs. It also works with video providers during the convention to quickly isolate key events for posting to NALC’s website as well as to its YouTube account.

When the convention is in session, the department writes and produces a daily summary, the Convention Chronicle, with department staffers monitoring the proceedings, taking notes, writing, taking photographs, editing, doing layout and proofreading from morning well into the evening. The Chronicle is produced completely on-site and printed overnight at a union printer for distribution of about 8,000 copies the next morning to delegates.

Following the convention, the department produces a special convention edition of The Postal Record to share convention business with the full membership. Later, the staff assembles the Convention Proceedings, a verbatim account mailed to every NALC branch represented at the event.

Department members also participate in training and developing the union’s future leaders at the Leadership Academy—from reviewing students’ project reports, to explaining how to create effective branch publications and websites, to leading workshops on developing and communicating a message.

EXTERNAL COMMUNICATIONS

The department’s communications efforts focus on getting information out through the news media that will influence the public and political conversation about postal matters in constructive ways. That requires educating journalists by debunking the large amount of misleading conventional wisdom and explaining the actual financial situation at USPS as well as the value of the Postal Service and letter carriers. Much progress has been made in these areas in the past several years, with reporters now routinely including—for example—the pre-funding mandate in their news stories and often mentioning the operating profits being realized by USPS; much remains to be done.

When media outlets publish, air or broadcast accurate reports, it informs the public while influencing the political discussion in two ways—lawmakers consume media reports, and their constituents let politicians know of the value they place on the Postal Service.

The department also helps to publicize and generate news coverage for the many important things that letter carriers do beyond their jobs to serve their customers, their communities and the country as a whole.

Our overall goal: to inform the press, public and policymakers in ways that will lead to public policies that will ensure a stable and prosperous future for the Postal Service and for letter carriers, one that will allow us to continue to offer all of this country’s residential and business customers the world’s most-affordable delivery service.

To get there, members of the Communications and Media Relations Department interact daily with news reporters, editors and producers all over the country. We provide information for journalists working on stories, so NALC’s voice—and the facts—will be part of the
public discussion. That includes facilitating interviews with NALC officers and members by media outlets ranging from the most prominent television and radio networks (National Public Radio and MSNBC among them) and print publications to the smallest—but often highly trusted—local media outlets. It also involves providing extensive information to key reporters and outlets before events such as the USPS quarterly financial reports in an effort to help frame the way those events are covered—which has led to much-improved reporting at key outlets such as the Associated Press and Wall Street Journal.

Additionally, our letters to the editor and our op-ed/commentary pieces have been published in major newspapers such as The New York Times, USA Today, Washington Post and Los Angeles Times, as well as in hundreds of regional newspapers throughout the country and community dailies or weeklies. Our internal communications efforts help inform letter carriers so they can carry this out—and they deliver the message far more successfully than members of any other union.

The department regularly converses with journalists—in Washington, DC, around the country, and occasionally around the globe—to help them better understand postal issues, to explain where the common narratives about USPS fall short, and to show them why postal issues matter to readers, viewers or listeners—and thus are worth reporting on or commenting on. A key element here is to explain that while the internet has led many people to communicate or pay bills online, it also has sparked a jump in package deliveries as a result of e-commerce. That means that red ink is not the result of technological progress but rather of public policy (including the pre-funding mandate)—policy that reads like this: “The Postal Service lost billions of dollars a year because everyone is on the internet, thus putting taxpayers on the hook and requiring sharp cuts in postal services, is increasingly being challenged as more and more reports provide a fuller context. Journalists who were simply reciting the conventional wisdom about the Postal Service often now display the knowledge—and willingness—to delve, beyond press releases and special-interest statements and get at the actual financial situation, while frequently including NALC’s perspective and comments.

### MEET THE DEPARTMENT

The Communications and Media Relations Department staff consists of five individuals:

- **Philip Dine**, the department’s director and the union’s media liaison.
- **Mike Shea**, NALC’s graphic designer and web editor.
- **Rick Hodges**, a writer and editor.
- **Jenessa Kildall Wagner**, a writer and editor.
- **Donna Peremes**, the department’s editorial assistant.

These five staff members provide most of the story-idea generation, research, interviewing, writing, editing, copy editing, photography, design, layout and production for department projects.

As director since 2010, Dine’s work encompasses a broad spectrum. He edits The Postal Record and also discusses communications and media issues in his Letter from the Editor in the magazine. Dine also interacts daily (and often nightly) with the news media on issues of importance to letter carriers, the Postal Service and the labor movement. He works with national officers on their media appearances, speeches and congressional testimony while also helping letter carriers around the country write letters or commentary pieces or prepare for interviews.

Wagner joined the staff in 2007 as editorial assistant, becoming a writer/editor in 2018. She relies on her substantial knowledge of NALC and her editing skills to perform her new job as a writer of a variety of news and feature stories for The Postal Record, including several about contributions of letter carriers at the community and national levels. He also is involved in the editing and layout of The Postal Record’s large Branch Items section.

Donna Peremes joined the communications staff in 2018. Peremes uses her extensive copy-editing experience to assure that the department’s written products meet high standards. She also helps lay out some sections of The Postal Record, while performing traditional office duties such as handling telephone calls and incoming mail.

The department also plans to fill the position of digital communications coordinator soon. This new position will focus on the website, social media and other digital communications needs.
The Postal Employees’ Relief Fund (PERF), created by postal unions, management associations and the U.S. Postal Service in 1990, continues to serve the needs of active and retired postal employees who suffer substantial damage to their homes caused by major natural disasters and fires.

Over the 28 years that the PERF has existed, it has provided grants to 3,901 postal employees, providing $20,756,200 to individuals—including hundreds of letter carriers—who have requested assistance related to losses from earthquakes, hurricanes, tornadoes, flooding, wildfires, home fires and other natural disasters.

The fund receives most of its money from payroll check-off donations through the annual Combined Federal Campaign (CFC), although some individual and organizational donations also are received. As of April 1, 2018, the fund has a remaining balance of $1,718,704.60.

The PERF grant structure was modified after Hurricane Sandy effective Oct. 29, 2012, to maintain a stable and sufficient fund balance that is able to help all postal employees well into the future.

Generous contributions from postal employees and others through the CFC have allowed the fund to maintain a stable base of resources. An inspired effort for CFC donations is needed this fall to continue PERF’s work. Donations can be made through CFC #10268. Checks can be mailed to: Postal Employees’ Relief Fund, P.O. Box 7630, Woodbridge, VA 22195.

For more information call 202-408-1869.

In 1986, Union Privilege was launched by the AFL-CIO as a benefit program for union members and their families. Designed to increase the purchasing power of millions of union workers, the program continues to be administered by the AFL-CIO Executive Council, of which I am a member.

Revenue generated from Union Plus programs helps support the priorities of the labor movement and working people, priorities that may not coincide with those of corporate America—notorious for keeping all profits to itself. After considering the competing offers from other credit cards, many of our members carry the Union Plus credit card.

Union members are not immune from being hit by hardships. Union Privilege provided $35,430 to 48 union members in hardship assistance grants in 2016. In 2017, $17,050 grants were awarded. Since the beginning of this program, NALC members have received 274 grants totaling more than $230,000.

In 2016, Union Plus awarded $150,000 in scholarships to 121 students representing 39 unions, including two winners representing NALC. More than 5,700 applications were received from union members and families in all 50 states. The two NALC winners in 2016 were Isiah Oropeza of Santa Maria, CA, whose father is Ulysses Oropeza, a member of Central California Coast Branch 52 ($3,500 scholarship) and Samantha Gollmer of Albion, PA, whose mother, Leanne Gollmer, is a member of Erie, PA Branch 284 ($1,000 scholarship).

Out of the 5,100 applications received in 2017, Union Plus awarded $162,000 in scholarships to 117 students representing 36 unions, including two winners representing NALC: Alyssa Menko of Kulpmont, PA, whose father, David Menko, is a member of Allen L. Stuart Branch 500 ($750 scholarship) and David Tegtmeyer of Las Vegas, NV, whose father is David Tegtmeyer of Las Vegas, NV Branch 2502 ($1,000 scholarship).

Visit UnionPlus.org/Education for applications and benefit eligibility.

Union Privilege remains committed to improving the quality of life of working families through its products and services. Using the strength of unions and the purchasing power of more than 13 million union members, Union Plus can negotiate good programs at competitive prices. Quality programs and services promote better lifestyles for working families, including scholarships, travel discounts, auto insurance, financial services, legal services, everyday savings, hardship assistance and much more. And Union Plus staff members support consumers and advocate union members’ rights and the best services with Union Plus program providers.

NALC has long been an enthusiastic supporter of the Combined Federal Campaign (CFC), which is designed to allow postal and federal government employees to make charitable donations through payroll deduction.

Each year, I have issued an endorsement of the annual CFC campaign and suggest that NALC members use the opportunity to make regular donations to the Muscular Dystrophy Association, the Postal Employees’ Relief Fund, the United Way, or any charity of their choice.
DUTY OF FAIR REPRESENTATION CASES


Ayala v. USPS and NALC—This action by former letter carrier Miledys Ayala was filed June 23, 2015, in the U.S. District Court for the Southern District of New York. The complaint alleged that USPS unlawfully discriminated against plaintiff on the basis of her national origin and age by, among other things, terminating her employment in 2013. The complaint also alleged that NALC breached its duty of fair representation by, among other things, not grieving her termination. On March 31, 2017, the court granted the defendants’ motions to dismiss the case. On March 22, 2018, the U.S. Court of Appeals for the Second Circuit denied plaintiff’s appeal.

Montoya v. NALC—This suit was filed on Nov. 18, 2015, in the U.S. District Court for the Western District of Texas by former letter carrier Ramon Montoya against various union defendants, including NALC and President Rolando. Plaintiff claimed, among other things, that the defendants failed to represent him properly in connection with his discharge from postal employment. On Nov. 8, 2016, the court granted the union defendants’ motion for summary judgment.

Carter v. Brennan, Rolando—On Feb. 5, 2016, former letter carrier La’Trice Carter filed this lawsuit against USPS and NALC in the U.S. District Court for the Southern District of Texas. She claimed that USPS discriminated against her and that NALC breached its duty to represent her fairly. On June 28, 2016, the court granted NALC’s motion to dismiss.

Shaw v. Brennan, NALC—On Feb. 18, 2016, former letter carrier Phillip Shaw filed this lawsuit against USPS and NALC in the U.S. District Court for the Middle District of Florida. He claimed that USPS discriminated against him and that NALC breached its duty to represent him fairly. On Oct. 3, 2016, the court granted NALC’s motion to dismiss.

Payton v. USPS, NALC—On June 1, 2016, former letter carrier Robert Payton filed this lawsuit against USPS and NALC in the U.S. District Court for the Eastern District of New York. He claimed, among other things, that USPS violated the collective bargaining agreement by terminating him and that NALC violated its duty of fair representation in connection with his termination. On Dec. 29, 2016, the court granted NALC’s motion to dismiss.

Chamberlain v. USPS, et al.—On Aug. 12, 2016, former letter carrier Cheryl Chamberlain filed this lawsuit in federal district court in New Jersey against USPS, NALC, Branch 370 and a Branch 370 steward. She claims that USPS violated the collective bargaining agreement by terminating him and that the union defendants violated the duty of fair representation in connection with her termination. On March 15, 2018, the court granted the union defendants’ motion to dismiss Branch 370 and the steward, leaving NALC as the only union defendant. The case is in discovery.

Simone v. USPS, Branch 148—On Aug. 29, 2016, former letter carrier Branden Simone filed this lawsuit in the U.S. District Court for the Northern District of Ohio against USPS and Branch 148. The complaint alleged a breach of the duty of fair representation against Branch 148. On March 12, 2018, the court granted the defendants’ motions for summary judgment.

Haney v. Brennan, NALC, Branch 725—On June 22, 2017, former letter carrier Christopher Haney filed this lawsuit in federal district court for the Eastern District of Pennsylvania against USPS, NALC and Branch 725. He claimed that the union defendants, in breach of their duty of fair representation, misled him by telling him he could return to his letter carrier position with his seniority and wages unaffected after he took a position as a Postal Police officer. On Jan. 2, 2018, the court granted the motion to dismiss filed by NALC and the branch.

Brooks v. USPS, NALC—Erica Brooks, a member of Branch 73, filed this lawsuit in Georgia state court on July 14, 2017, against USPS, NALC and various other parties. NALC was not served until March 26, 2018. Plaintiff’s complaint references numerous causes of action but contains no specific factual allegations or claims against NALC. The case was removed to federal court in Georgia on March 31, 2018.

Jackson v. USPS, NALC—On Sept. 11, 2017, former letter carrier Delbert Jackson filed this lawsuit in state court in St. Louis County, Missouri, against USPS and NALC. The case was removed to U.S. District Court for the Eastern District of Missouri on April 3, 2018. Plaintiff claims that dues were unlawfully deducted from his paycheck and sent to NALC from 2001 to 2017, even though he transferred to the mail-handler craft in 2001. NALC answered the complaint on April 23, 2018.


Fling v. Brennan, NALC—On Nov. 7, 2017, former letter carrier Daniel Fling filed this lawsuit against USPS and NALC in the U.S. District Court for the Eastern District of Virginia. He claimed that USPS violated the collective bargaining agreement by terminating him and that NALC breached its duty of fair representation in connection with his termination. On April 26, 2018, the court granted NALC’s motion for judgment on the pleadings.

Callender v. USPS, Branch 133—On Jan. 5, 2018, former letter carrier Cecil Callender filed this lawsuit in the U.S. District Court for the Eastern District of California against USPS and Branch 133. The complaint alleges that USPS
unlawfully terminated plaintiff and that the branch breached the duty of fair representation in connection with the termination. On April 20, 2018, the branch filed a motion to dismiss, which is pending.

**OTHER NALC COURT LITIGATION**

**Noble v. Sombrotto, et al.**—This action was filed in the U.S. District Court for the District of Columbia in February 1994 by letter carrier David Noble against 12 NALC officers. In September 1995, plaintiff filed an amended complaint adding NALC as a party. The complaint alleged that NALC failed to provide plaintiff with documents he requested and that the individual defendants breached their fiduciary duties under federal labor law by accepting in-town expenses, convention per diem payments and Federal Insurance Contributions Act (FICA) reimbursements. In September 2005, after a trial, the court rendered judgment in favor of the defendants. Plaintiff then appealed the district court’s decision to the U.S. Court of Appeals for the D.C. Circuit. In May 2008, the court of appeals affirmed the district court’s dismissal of the plaintiff’s claims with respect to convention per diem payments and FICA reimbursements. However, the ruling reversed the district court’s dismissal of the claims with respect to in-town expenses and the alleged failure to provide plaintiff documents he had requested. The court of appeals remanded the case to the district court for further proceedings. On March 27, 2015, the district court issued a decision dismissing plaintiff’s claim that the former resident officers had improperly accepted payments for in-town expenses. On Jan. 17, 2017, the district court entered judgment against plaintiff regarding his request for NALC documents. Plaintiff appealed the district court’s 2015 and 2017 rulings to the U.S. Court of Appeals for the D.C. Circuit. That appeal is pending.

**Noble v. NALC**—Retired letter carrier David Noble filed this action against NALC in the federal district court for the District of Columbia on June 27, 2017, seeking an injunction against the membership ratification vote on the tentative new National Agreement. On July 31, 2017, the court denied plaintiff’s motion for a preliminary injunction. On Jan. 4, 2018, after the new National Agreement had been ratified, the court granted NALC’s motion to dismiss as moot plaintiff’s claims related to the ratification vote. On May 16, 2018, Noble amended his complaint, asserting a claim that NALC unlawfully refused to allow him to send his campaign emails to those on NALC’s member email list via an online platform called MailChimp.

**LITIGATION AGAINST NALC HEALTH BENEFIT PLAN**

**New Jersey Spine and Orthopedics, LLC v. NALC Health Benefit Plan**—On March 22, 2018, a medical provider, New Jersey Spine and Orthopedics, LLC, served the NALC HBP with a lawsuit filed in New Jersey state court. The lawsuit alleges that the plaintiff rendered services to an individual covered by the plan on Aug. 19, 2016, incurring charges totaling $317,212.10, and that the NALC HBP failed to pay for the services rendered. NALC HBP removed the case to New Jersey federal district court. On May 22, 2018, plaintiff agreed to dismiss the suit.

**Peterson Enterprises v. Patterson v. UHC (United HealthCare) and HBP**—In this lawsuit in Washington State court, a collection agency, Peterson Enterprises, sued an NALC HBP participant who allegedly failed to pay for medical care provided to the participant’s child by a medical provider, Columbia Medical Associates. On Jan. 2, 2018, the participant filed a third-party complaint against the NALC HBP, claiming that it was responsible for the amount claimed. On May 16, 2018, the participant dismissed his claim against NALC HBP.

**NATIONAL LABOR RELATIONS BOARD CASES**

**Branch 4779 (Winiesdorffer; Bossick)**—On Oct. 26, 2015, Region 7 of the National Labor Relations Board (NLRB) issued a complaint against Branch 4779 on unfair labor practice charges filed by letter carriers Valerie Winiesdorffer and Elizabeth Bossick. The complaint alleged that Branch President Robert Willbanks unlawfully threatened them. After a hearing, an administrative law judge, on March 2, 2016, dismissed the complaint. On July 21, 2016, the NLRB affirmed the judge’s dismissal of the case.

**Branch 1537 (Luthi, Kevin)**—On June 28, 2016, Region 10 of the NLRB issued a complaint against Branch 1537 based on an unfair labor practice charge filed by letter carrier Kevin Luthi. The complaint alleged that Branch 1537 unlawfully refused to assist Luthi with a grievance because Luthi was not a union member. In March 2017, Branch 1537 and Luthi entered into a settlement agreement resolving the case.

**Branch 385 (Harsh, Darrin)**—On Sept. 29, 2016, Region 8 of the NLRB issued a complaint against Branch 385 on an unfair labor practice charge filed by letter carrier Darrin Harsh. The complaint alleged that Branch 385 unlawfully objected to his serving as an on-the-job instructor because he was not a union member. In December 2016, Branch 385 and Harsh entered into a settlement agreement resolving the case.

**NALC, Branch 627 (Vanourkerk; Irwin)**—On Jan. 31, 2017, Region 20 of the NLRB issued a complaint against NALC and Branch 627 on unfair labor practice charges filed by letter carriers Chris Vanourkerk and Annette Irwin. The complaint alleged that NALC and Branch 627 unlawfully objected to their serving as on-the-job instructors because they were not union members. In May 2017, NALC and Branch 627 entered into a settlement agreement with the NLRB resolving the case.

**Branch 2184 (Herring, Latrice)**—On May 2, 2017, Region 7 of the NLRB issued a complaint against Branch 2184 based on an unfair labor practice charge filed by letter carrier Latrice Herring. The complaint alleged that the branch unlawfully informed USPS management of alleged misconduct by Herring. In March 2018, the NLRB approved a settlement agreement resolving the case.

**Branch 124 (Jensen)**—On May 31, 2017, Region 15 of the NLRB issued a complaint against Branch 124 based on an unfair labor practice charge filed by
letter carrier Paul Jensen. The complaint alleged that the branch unlawfully failed to provide Jensen with information he had requested concerning certain grievances. On March 20, 2018, the parties resolved the case by entering into a settlement agreement.

**Branch 197 (Dright, Channing)**—On May 31, 2017, Region 15 of the NLRB issued a complaint against Branch 197 based on an unfair labor practice charge filed by letter carrier Channing Dright. The complaint alleged that the branch refused to provide Dright with information concerning grievance resolutions. In September 2017, the parties reached a settlement agreement resolving the case.

**NALC, Branch 11 (Williams, Vanessa)**—On June 29, 2017, Region 13 of the NLRB issued a complaint against Branch 11 on unfair labor practice charges filed by letter carrier Vanessa Williams. The complaint was later amended to add a claim against NALC. The amended complaint alleged that Branch 11 failed to pursue a grievance for Williams because she was not a union member and that NALC threatened not to represent her unless she joined the union. A hearing took place before an administrative law judge in January 2018. The judge has not yet issued a decision.

**Branch 2293 (White, John)**—On Aug. 31, 2017, Region 31 of the NLRB issued a complaint against Branch 2293 based on an unfair labor practice charge filed by letter carrier John White. The complaint alleged that branch representatives unlawfully refused to provide White with information relating to overtime grievances. In January 2018, the parties reached a settlement agreement resolving the case.

**Branch 361 (Wells, Leslie)**—On Nov. 21, 2017, Region 9 of the NLRB issued a complaint against Branch 361 based on an unfair labor practice charge filed by former letter carrier Leslie Wells. The complaint alleged that Branch 361 breached its duty of fair representation by failing to file grievances on her behalf. After a hearing, an administrative law judge on May 4, 2018, issued a decision finding that the branch did not violate the duty of fair representation and dismissing the complaint.

**Branch 504 (Chacon, Valerie)**—On Dec. 13, 2017, Region 28 of the NLRB issued a complaint against Branch 504 based on unfair labor practice charges filed by letter carrier Valerie Chacon. The complaint alleged that Branch 504 refused to provide her with her grievance files. On Feb. 16, 2018, Branch 504 entered into a settlement agreement with the NLRB resolving the case.

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**THE PRESIDENT OF THE NALC AUXILIARY**

This is the end of my first term as president of this great organization and I am proud and honored to have served you.

I would like to give a big thanks to President Fredric Rolando. We have been working with a committee assigned by President Rolando to help restructure the Auxiliary. This committee is working to ensure that we will continue to help letters carriers into the future.

There is a lot that you can do to help but I will name two:

1. You, your family and friends should join the auxiliary.
2. Make sure that everyone in your household age 18 or older is registered to vote.

The United States Postal Service is a federal agency that is dependent upon whom we elect. Simply put, our livelihood hangs in the ballot each election cycle. We as union brothers and sisters must get out to support the people that support us. So vote!

Our theme for the national convention in Detroit is “Family and Friends Moving Into the Future.” The Auxiliary will be voting to have our name changed to “Family and Friends of Letter Carriers.” The Auxiliary is striving to once again be an important part of NALC and we need you to do this. We are moving into the future.

I would like to take this opportunity to thank my board for a job well done. Cynthia Martinez, George Anna Myers, Linda Davis and Pamela Fore—these ladies are the backbone of the Auxiliary. Thanks for your time and service. I love you all.

Each board member attended the convention in her state. I was honored once again to attend the Washington State Convention in Walla Walla. Thanks for a great convention and a great time. You exemplify what a union and auxiliary working together should be. You not only talk the talk, but you walk the walk.

These last four years have been challenging. We have had auxiliary after auxiliary disband because of lack of interest. I ask you to think about your future with the letter carriers and decide to become part of something that is going to benefit you and your family for years to come.

Looking forward to meeting each and every one of you in Detroit.

This report is hereby submitted to the officers, families, friends and delegates and all members of the National Association of Letter Carriers and the National Association of Letter Carriers Auxiliary.

Yours in union brotherly and sisterly activism—

Cythensis Lang

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**PRESIDENTIAL RULINGS**

Members can find the presidential rulings in the Officers’ Reports Book distributed at the NALC convention in Detroit or on The Postal Record section of nalc.org.
1. Case No. Q11N-4Q-C 14289728 (Article 17.2.B)—This national level, interpretive dispute, originating in San Diego, CA, involved the question of whether a shop steward is a “union officer” who may be designated to investigate, present and adjust grievances in another station within the same installation under Article 17.2.B of the National Agreement. A first day of hearing before Arbitrator Das took place on April 21, 2015. The interpretive issue was subsequently resolved in the 2016 round of collective bargaining. The parties agree to amend Article 17.2.B so that a “union representative” may be designated to investigate, present and adjust grievances in another station. The change from “union officer” to “union representative” clarifies that stewards may be designated.

2. Case No. Q06N-4Q-C 12013405 (Video Recording)—This interpretive case was initiated by NALC at the national level. This case arose when management took video recordings of 400 letter carriers while they performed office duties to gather data for the 2011 round of collective bargaining. NALC claimed that the Postal Service violated Article 34 of the National Agreement insofar as the purpose of the videos was to support proposals for changing work standards. This case was heard by Arbitrator Nolan on Feb. 4, 2016. The arbitrator issued his award on Aug. 9, 2016, sustaining NALC’s position. The award holds that Article 34 applies to presidential caucuses. The arbitrator sustained the grievance, holding that the Postal Service violated the ELM by denying administrative leave to letter carriers to attend the 2016 Nevada Democratic caucuses.

4. Case Nos. Q15C-4Q-C 17697250 and 18033553 (Hatch Act Changes to LWOP Rules and Regulations)—This interpretive case was initiated by the American Postal Workers Union (APWU) at the national level. NALC and the National Postal Mail Handlers Union (NPMHU) intervened in support of the APWU. The dispute concerns the Postal Service’s unilateral implementation of changes to ELM subchapter 514 and Form 3971. The changes would prohibit employees from taking union business leave without pay to participate in partisan political activity. According to the Postal Service, the changes were required to remedy a finding by the Office of Special Counsel that the postal managers had violated the Hatch Act by allowing letter carriers to take union business leave to engage in partisan political activity during the 2016 election. The unions have argued that management violated the National Agreement by making these changes without bargaining and by failing to comply with the procedures for changing handbooks and manuals provided by Article 19.

The case was heard by Arbitrator Stephen Goldberg on May 2, 2018. The parties agreed to submit post-hearing briefs on June 22.

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<th>NALC DIRECT ARBITRATION COSTS</th>
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<th>Two-year period ended 3/31/18</th>
<th>Percentage Change</th>
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*The total figure includes cases where no decision was issued by the arbitrator—for example, because the cases were settled during or after the hearing.
### Cumulative Pay Since Postal Reorganization

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<td>1976</td>
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<td>1975</td>
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<td>1974</td>
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</tr>
</tbody>
</table>

Note: Figures are for July 1 of each year and include cost-of-living adjustments and for local and base pay. Prior to 1991, a 1% increase was granted for each year of employment, and cost-of-living adjustments were granted until 2004.
City Carrier Wage Schedule: Effective March 3, 2018

The following salary and rate schedule is for all NALC-represented employees.

### Career city letter carrier increases

<table>
<thead>
<tr>
<th>Date</th>
<th>Type of Increase</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>July 2016</td>
<td>COLA</td>
<td>$21</td>
</tr>
<tr>
<td>Nov. 26, 2016</td>
<td>General wage increase</td>
<td>1.2%</td>
</tr>
<tr>
<td>Jan. 2017</td>
<td>COLA</td>
<td>$333</td>
</tr>
<tr>
<td>July 2017</td>
<td>COLA</td>
<td>$270</td>
</tr>
<tr>
<td>Nov. 25, 2017</td>
<td>General wage increase</td>
<td>1.3%</td>
</tr>
<tr>
<td>Jan. 2018</td>
<td>COLA</td>
<td>$520</td>
</tr>
<tr>
<td>July 2018</td>
<td>COLA</td>
<td>TBD</td>
</tr>
<tr>
<td>Nov. 24, 2018</td>
<td>Upgrade/Pay Schedule</td>
<td>2.1%</td>
</tr>
<tr>
<td>Jan. 2019</td>
<td>COLA</td>
<td>TBD</td>
</tr>
<tr>
<td>July 2019</td>
<td>COLA</td>
<td>TBD</td>
</tr>
</tbody>
</table>

*All career Grade 1 and Grade 2 letter carriers will receive an average increase of 2.1%.

Note that the full COLAs will be added to the salaries of all steps in Table 1 and Step O of Table 2, with proportionate application of the COLA to Steps A-N of Table 2.

### City carrier assistant increases

<table>
<thead>
<tr>
<th>Date</th>
<th>Type of Increase</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nov. 26, 2016</td>
<td>General wage increase</td>
<td>2.2%</td>
</tr>
<tr>
<td>Nov. 25, 2017</td>
<td>General wage increase</td>
<td>2.3%</td>
</tr>
<tr>
<td>Nov. 24, 2018</td>
<td>Upgrade/Pay Schedule</td>
<td>3.1%</td>
</tr>
</tbody>
</table>

### Table 1: City Carrier Schedule

This schedule applies to all carriers with a career appointment date prior to Jan. 12, 2013.

<table>
<thead>
<tr>
<th>CC Grade</th>
<th>A</th>
<th>B</th>
<th>C</th>
<th>D</th>
<th>E</th>
<th>F</th>
<th>G</th>
<th>H</th>
<th>I</th>
<th>J</th>
<th>K</th>
<th>L</th>
<th>M</th>
<th>N</th>
<th>O</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>49,540</td>
<td>53,521</td>
<td>55,067</td>
<td>58,026</td>
<td>58,435</td>
<td>58,845</td>
<td>59,245</td>
<td>59,652</td>
<td>60,061</td>
<td>60,463</td>
<td>60,872</td>
<td>61,278</td>
<td>61,686</td>
<td>62,096</td>
<td>62,499</td>
</tr>
</tbody>
</table>

### Table 2: City Carrier Schedule

This schedule applies to all carriers with a career appointment date on or after Jan. 12, 2013.

<table>
<thead>
<tr>
<th>CC Grade</th>
<th>A</th>
<th>B</th>
<th>C</th>
<th>D</th>
<th>E</th>
<th>F</th>
<th>G</th>
<th>H</th>
<th>I</th>
<th>J</th>
<th>K</th>
<th>L</th>
<th>M</th>
<th>N</th>
<th>O</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>38,439</td>
<td>40,155</td>
<td>41,874</td>
<td>43,593</td>
<td>45,313</td>
<td>47,031</td>
<td>48,750</td>
<td>50,467</td>
<td>52,188</td>
<td>53,905</td>
<td>55,624</td>
<td>57,343</td>
<td>59,062</td>
<td>60,782</td>
<td>62,499</td>
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<tr>
<td>2</td>
<td>39,218</td>
<td>40,970</td>
<td>42,725</td>
<td>44,478</td>
<td>46,232</td>
<td>47,985</td>
<td>49,470</td>
<td>51,139</td>
<td>52,818</td>
<td>54,531</td>
<td>56,244</td>
<td>57,943</td>
<td>59,656</td>
<td>61,368</td>
<td>63,082</td>
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</table>

### Table 3: City Carrier Assistant Schedule

<table>
<thead>
<tr>
<th>CC Grade</th>
<th>A</th>
<th>B</th>
<th>C</th>
<th>D</th>
<th>E</th>
<th>F</th>
<th>G</th>
<th>H</th>
<th>I</th>
<th>J</th>
<th>K</th>
<th>L</th>
<th>M</th>
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<tbody>
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<tr>
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</tbody>
</table>

### Table 4: City Carrier Assistant Schedule

<table>
<thead>
<tr>
<th>CC Grade</th>
<th>A</th>
<th>B</th>
<th>C</th>
<th>D</th>
<th>E</th>
<th>F</th>
<th>G</th>
<th>H</th>
<th>I</th>
<th>J</th>
<th>K</th>
<th>L</th>
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<tbody>
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<tr>
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</tbody>
</table>