

Contract Administration Unit

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Retirement processing issues

The Office of Personnel Management (OPM) administers the Civil Service Retirement System (CSRS) and the Federal Employees Retirement System (FERS). OPM is the federal agency that has authority to decide all matters regarding CSRS and FERS retirements. OPM decides whether a letter carrier is eligible to retire, how much he or she will receive in retirement, and a host of related issues. OPM has its own internal appeals system that is available when a retiree believes an OPM decision is wrong. No decision, action or lack of action by OPM can be challenged using the grievance procedure.

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

The Postal Service Employee Labor Relations Manual (ELM) Chapters 560 (CSRS) and 580 (FERS) also reflect many of OPM's regulations regarding retirement applications. If there is a conflict between OPM regulations or policies and the Postal Service ELM provisions regarding the processing of retirement applications, OPM's regulations control. See ELM 561.2 and 581.2:

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

Article 21 Section 3 of the National Agreement incorporates the provisions of the CSRS (5 USC 83) and FERS (5 USC 84). It follows that violations by the Postal Service of OPM regulations, *ELM* provisions, Step 4 settlements, etc., regarding retirement processing issues can be addressed through the grievance procedure, provided the grievant is a current employee at the time of filing.**

One retirement application processing issue seems to be widespread. It has to do with the Certified Summary of Federal Service. For CSRS employees, this form is the SF 2801-1. For FERS employees, it is the SF 2701-1. This is a critical form because both eligibility to retire, and the amount of a retirement annuity are based in part on the total years and months of service. The Certified Summary of Federal Service is the form that is used for agencies to certify to OPM the dates of the retiring employees creditable service, which may include time as a career employee, as a non-career employee, military service, part time service, etc.

Here is what OPM's *CSRS FERS Handbook* says about it:

Section 40A3.1-1B. CSRS Forms To Be Completed by Agency

The personnel office must:

Prepare a Certified Summary of Federal Service (SF 2801-1) that lists the employee's verified Federal civilian and military service. NOTE: The employee should review and sign the Certified Summary of Federal Service. However, if the employee is unable to sign the Certified Summary, the agency may submit the form to OPM without the employee's signature.

FERS Forms To Be Completed by Agency

The forms to be completed by the personnel office in the case of a FERS employee are the same as those used for a CSRS employee (see paragraph B), with the following exceptions: The Certified Summary of Federal Service is SF 3107-1.

The instructions on the form for the employee also are clear:

1. Your employing office will complete and certify this form for you.
2. Review this form carefully. Be sure it contains all of your service.
3. Complete Section E, Employee's Certification, and return the form to your employing office.

Section D of the form includes a line for a signature by an employer official certifying the service history information on the form accurately reflects official agency personnel and/or payroll records.

Section E of the form is titled "Employee's Certification" and includes a line for the employee's signature.

Despite the clear guidance and form instructions, reports have been received that Postal Service retirement counselors at the Human Resources Shared Service Center (HRSSC) have provided blank forms to some retiring employees, without any service history information or signature by an employer official, and have insisted the employees must sign it even though it is blank.

No employee can reasonably be required to sign a document certifying the information provided by the Postal Service on the document is accurate, when there is no information provided on the document.

Insistence by HRSSC counselors that retiring employees sign a blank SF 2107-1 or SF 2801-1 should be challenged, through the grievance procedure if necessary.

Employees who are concerned, or who feel threatened that their retirement application will not be processed by HRSSC if they do not sign the blank form could consider both filing a grievance (prior to separation date) and then signing the form.

*A former employee who has been separated from the Postal Service for more than 30 days must apply for retirement directly to OPM.

**As a general matter, non-employees, including retirees, do not have standing to initiate grievances. A major exception to this general rule is the recent Memorandum of Understanding (MOU) on grieving post-retirement debt collection efforts by USPS.*A former employee who has been separated from the Postal Service for more than 30 days must apply for retirement directly to OPM.