

Contract Administration Unit

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Out-of-schedule premium pay

Under the provisions of Article 8 of the National Agreement, full-time regular and full-time flexible city carriers have a normal work week of five service days consisting of eight hours per day. In some situations, management determines that temporary changes to regular carrier work schedules are necessary to meet USPS delivery and service goals. In recent years, with the additional parcel volume and changing mail mix, temporary changes to carrier schedules have seemingly become more common. When temporary schedule changes occur based on the needs of the service and not for the convenience of the employee, full-time regular carriers are entitled to additional compensation designated as out-of-schedule premium pay. This month's Contract Talk will explain the rules for out-of-schedule premium pay and provide examples of times when a carrier will receive the additional compensation.

Article 19 of the National Agreement provides that those postal handbook and manual provisions directly relating to wages, hours or working conditions are enforceable as though they were part of the National Agreement. This includes Section 434.6 of the *Employee and Labor Relations Manual (ELM)*, which governs payment of out-of-schedule premium. When *ELM* requirements are met, this premium pay is paid at the postal overtime rate for time worked outside of, and instead of, the full-time employee's regularly scheduled workday or workweek.

ELM Section 434.61 Policy

434.611 General

Out-of-schedule premium is paid to eligible full-time bargaining unit employees for time worked outside of and instead of their regularly scheduled workday or workweek when employees work on a temporary schedule at the request of management.

Out-of-schedule premium pay provisions are applicable only when management has given advance notice of the change of schedule by Wednesday of the preceding service week.

434.612 Timely Notice

Payment of out-of-schedule premium is dependent on timely notice being given by management of the temporary schedule change, as follows:

a. If notice of a temporary change is given to an employee by Wednesday of the preceding service week, even if this change is revised later, the employee's time can be limited to the hours of the revised schedule, and out-of-schedule premium is paid for those hours worked outside of and instead of his or her regular schedule.

b. If notice of a temporary schedule change is not given to the employee by Wednesday of the preceding service week, the employee is entitled to work his or her regular schedule. Therefore, any hours worked in addition to the employee's regular schedule are not worked "instead of" his or her regular schedule. The additional hours worked are not considered as out-of-schedule premium hours. Instead, they are paid as overtime hours worked in excess of 8 hours per service day or 40 hours per service week.

ELM Section 434.612 explains the consequences if management fails to provide timely notice of a change of schedule. This section requires that management notify the eligible employee no later than Wednesday of the preceding week, to limit out-of-schedule pay to only the hours outside of the regular schedule. If management fails to provide timely notice, the employee is entitled to work their regular scheduled hours and will receive overtime for any hours outside of their regular schedule.

434.613 Application

Out-of-schedule premium hours cannot exceed the unworked portion of the employee's regular schedule. If employees work their full regular schedule, then any additional hours worked are not "instead of" their regular schedule and are not considered as out-of-schedule premium hours. Any hours worked that result in paid hours in excess of 8 hours per service day or 40 hours per service week are to be recorded as overtime (see 434.1).

Out-of-schedule premium pay is applied only to the hours worked outside of the regular schedule and only when overtime is not applicable (see example below).

434.614 Examples

Example: An employee is notified by Wednesday of the preceding service week to work a temporary schedule the following service week from 6:00 a.m. to 2:30 P.M., instead of his or her regular schedule from 8:00 a.m. to 4:30 P.M. The employee is paid 2 hours out-of-schedule premium for the hours worked from 6:00 A.M. to 8:00 A.M. and 6 hours' straight time for the hours worked from 8:00 A.M. to 2:30 P.M. If in this situation the employee continues to work into or beyond the balance of his or her regular schedule (2:30 P.M. to 4:30 P.M.), then he or she is to be paid for hours worked in accordance with Exhibit 434.614.

In this example, the letter carrier has a regular schedule of 8 a.m. to 4:30 p.m. USPS has instructed the carrier to come in two hours earlier than normal, changing his or her regular schedule to 6 a.m. to 2:30 p.m.

(continued on next page)

Premium pay (continued)

The two hours from 6 a.m. to 8 a.m. are outside of this carrier's regular schedule; therefore, out-of-schedule premium pay applies to these hours. The remaining six hours in the eight-hour day fall within the carrier's regular schedule and are paid at the straight time rate.

Below, you will find another example from *ELM* Section 434.614.

Example: An employee's regular schedule is Monday through Friday and he or she is given a temporary schedule of Sunday through Thursday. The hours worked on Sunday are out-of-schedule premium hours provided they are worked instead of the employee's regularly scheduled hours on Friday. If, however, the employee also works his or her regular schedule on Friday, then there can be no out-of-schedule premium hours; the hours worked on Sunday would be paid as regular overtime hours worked in excess of 40 in the service week.

In the second example, USPS changes the carrier's regular weekly schedule from Monday through Friday to a revised schedule of Sunday through Thursday. Any hours the carrier works on Sunday are considered outside of his or her regular schedule, and the carrier should receive out-of-schedule premium pay for these hours. However, if the carrier works Friday, all hours worked on Sunday would be considered overtime because the total weekly work hours encompass the regular weekly schedule.

Letter carriers should remember that out-of-schedule premium pay is distinctly different than overtime pay. Out-of-schedule pay is paid at the same rate as overtime; however, out-of-schedule pay is not calculated toward overtime totals for the week. In addition, out-of-schedule hours are not considered as hours worked or opportunities for overtime equitability under Article 8.5.c. As stated earlier, out-of-schedule premium only applies to the hours outside of the regular schedule when the hours do not exceed eight hours in a service day or 40 hours during a service week. Once a letter carrier is in an overtime status, out-of-schedule premium does not apply.

There are some limitations to management's requirement to pay out-of-schedule premium, even in cases where a letter carrier does not work his or her normal workday or workweek. Letter carriers who fill temporarily vacant carrier technician positions under the provisions of Article 25.4 assume the hours and schedule of the vacancy. These temporary carrier technician assignments are not entitled to out-of-schedule premium pay. This understanding is found in pre-arbitration settlement H8N-3P-C 32705, from Jan. 27, 1982, (M-00431), which states:

Details of anticipated duration of one week (five working days within seven calendar days) or longer to temporarily vacant Carrier Technician (T-6) positions shall be filled per Article 25, 1981 National Agreement. When such temporary details involve a schedule change for the detailed employee, that employee will assume the hours of the vacancy without obligation to the employer for out-of-schedule overtime.

Likewise, letter carriers opting on temporary assignments are not eligible for out-of-schedule premium pay. This situation is explained in pre-arbitration settlement H1N-1J-C 6766, from April 15, 1985, (M-00767), which reads in part:

Where temporary bargaining-unit vacancies are posted, employees requesting these details assume the hours and days off without the Postal Service incurring any out-of-schedule liability. The bargaining-unit vacancies will not be restricted to employees with the same schedule as the vacant position.

Additionally, letter carriers who request a temporary change of schedule for their personal convenience are not entitled to this compensation. Letter carriers should not, however, be forced to request a schedule change to accommodate the needs of the Postal Service. Also, employees attending a recognized training session or working outside of their normal schedule to make up for being late when reporting for duty are not entitled to out-of-schedule premium pay. Payment of out-of-schedule premium is not required in the case of a letter carrier working a modified schedule to provide light duty in accordance with Article 13 or limited duty under the provisions of the Federal Employees Compensation Act.

More information on out-of-schedule premium pay can be found on pages 8-4 through 8-6 of the *NALC-USPS Joint Contract Administration Manual (JCAM)*. To review the *JCAM*, National Agreement and *ELM* provisions relating to out-of-schedule premium pay, visit nalc.org/workplace-issues/resources.

