

Positive changes to annual leave provisions

With implementation of the 2023-2026 National Agreement, the parties have agreed to three new memorandums of understanding (MOUs) related to annual leave crediting and usage. The three new MOUs offer significant improvements to annual leave provisions that benefit letter carriers. This article will briefly explain the new MOUs and what carriers can expect.

All city letter carriers in a paid status earn annual leave. The amount of annual leave you earn and the way it is credited depend on your classification and time in service. City carrier assistants (CCAs) can earn up to 13 days of annual leave per year based on the number of hours they work during each pay period. CCAs receive one hour of annual leave credit for every 20 hours in a paid status. So, for each pay period, CCAs can earn a maximum of four hours of annual leave. This means that CCAs can earn a maximum of 104 hours, or 13 days, of annual leave each calendar year.

Part-time regular (PTR) and part-time flexible (PTF) letter carriers also earn leave based on the hours they work; however, as career employees their annual leave earnings increase as they reach certain milestones relative to their years of career creditable service. Part-time carriers who have less than three years of creditable service will receive a maximum of four hours per pay period totaling 104 hours, or 13 days, of annual leave. When a part-time employee reaches three years of creditable service, they will begin earning annual leave at the rate of six hours per pay period for a maximum of 160 hours, or 20 days. Part-time employees who have 15 years or more of creditable service will earn eight hours



August 2025						
Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
					1	2
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17	18	19	20	21	22	23
					29	30

of annual leave per pay period for a maximum of 208 hours, or 26 days, per calendar year.

Full-time regular (FTR) carriers earn annual leave based on their years of career service. FTR carriers with less than three years earn four hours per pay period, 104 hours per year, or 13 days. FTR carriers with three years but less than 15 years earn six hours per pay period plus four hours in the last full pay period in the calendar year. This is 160 hours, or 20 days, of annual leave per 26-pay-period leave year. After reaching 15 years or more, FTR carriers will receive eight hours for each full biweekly pay period for a total of 208 hours (26 days) per 26-pay-period leave year.

The Postal Service advances full-time and part-time regular city carriers their complete yearly annual leave entitlement on the first full pay period of each new leave year. This means that if you are a full-time carrier, you can use approved annual leave immediately after it appears on your check stub.

CCAs and PTFs are credited with annual leave on an “earn as you go” basis. Starting on their appointment

date, CCAs earn annual leave based on their hours worked. When they reach the end of their appointment, any remaining unused annual leave is paid out in a terminal leave payment. CCAs are not able to carry over any annual to the next appointment. Prior to the implementation of the 2023-2026 National Agreement, after reappointment to a new term, the CCA would return to a zero annual leave balance, then begin earning annual leave again based on their work hours. This “earn as you go” accrual created problems for some CCAs who needed to use annual leave early in their second term but had no annual leave available to use because they hadn’t worked enough hours to earn the annual leave they needed.

Fortunately, with the implementation of the 2023-2026 National Agreement, a new memorandum of understanding has helped fix this situation. The MOU Re: CCA Advanced Annual Leave (found on page 185 of the 2023-2026 National Agreement) states that upon completion of an initial 360-day appointment as a CCA, and immediately upon reappointment to any subsequent appointments, CCAs will

be advanced 40 hours of annual leave. Now, CCAs who have the need to take annual leave after being reappointed will have 40 hours of annual leave available to them. Keep in mind that since this leave is advanced before it is earned, if you leave the Postal Service before you earn enough hours to offset the advance, you will have to pay back any used annual leave that you have not earned. Most of the time, the Postal Service will recover the money for this advanced annual leave offset by taking it out of your final paycheck, but if there are insufficient funds to cover the advanced leave offset, separated employees might receive a letter from the Postal Service demanding repayment.

Like CCAs, PTFs also accrue annual leave on an “earn as you go” basis. One distinct difference, though, is that PTFs, as career employees, can carry over annual leave from one leave year to the next. However, if you are a new PTF or have depleted your previous year’s annual leave balance, it may take a while to accrue earned annual leave in the new leave year. With the recent implementation of the 2023-2026 National Agreement, PTFs now will receive advanced annual leave. The MOU Re: PTF Advanced Annual Leave (also found on page 185 of the 2023-2026 National Agreement) states that 40 hours of annual leave will be advanced to PTF employees, prorated to the end of the leave year for their first leave year as a PTF, and annually thereafter, unless and until the employee converts to full-time status.

Newly hired letter carriers should be mindful that a 90-day qualifying period found in the *Employee and Labor Relations Manual (ELM)* Section 512 still applies. *ELM* Section 512.311 states:

Ninety-Day Qualifying Period. (1) Requirement. New employees are not credited with and may not take annual leave until they complete 90 days of continuous employment under one or more appointments without a break in service.

If you are a newly hired carrier, for the first 90 days you will not be able to take annual leave.

As previously indicated, career employees can carry over annual leave from year to year. Another MOU added to the 2023-2026 National Agreement provides career letter carriers the opportunity to receive additional pay in exchange for unused annual leave if they meet certain conditions. The MOU Re: Monetization of annual leave (found on page 186 of the 2023-2026 National Agreement) provides career employees the opportunity to sell back to USPS up to 40 hours of annual leave prior to the beginning of the leave year if they are at the carryover maximum and have used fewer than 75 sick leave hours in the year immediately preceding the year for which the leave is being exchanged.

Normally, the maximum carryover amount is 440 hours, as explained in Section 512.32 of the *ELM*, and any accumulated annual leave exceeding 440 hours at the end of the leave year is not carried or rolled over into the next leave year. However, since 2022, the Postal Service and NALC have agreed via MOUs on a year-by-year basis to increase the annual leave carryover

maximum amount to 65 days, or 520 hours, per leave year. This carryover increase is not a permanent change to the *ELM* provisions, but rather an agreement made each year. Whether the Postal Service will continue the 520-hour carryover maximum or revert to the 440-hour maximum contained in the *ELM* has not yet been determined. If the parties make another agreement to increase the carryover amount for 2025, NALC will post this information on the website and social media.

If you have any questions about annual leave provisions or the new MOUs, you should contact your local shop steward or branch officer. **PR**

