



American Postal Workers Union, AFL-CIO

1300 L Street, NW, Washington, DC 20005

September 9, 2008

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Mr. Doug Tulino
Vice President, Labor Relations
U. S. Postal Service
475 L'Enfant Plaza, SW
Washington, DC 20260-4100

**Re: Questions and Answers on Benefits, Pay, and
Leave under Voluntary Early Retirement
Authority**

Dear Mr. Tulino:

I am writing in regards to three errors that were called to my attention regarding the information provided to employees eligible for the Voluntary Early Retirement (VER). Two were in the "Questions and Answers on Benefits, Pay, and Leave under Voluntary Early Retirement Authority" that was originally posted on USPS LiteBlue in July 2008 and subsequently mailed to eligible employees. A third error was made in the "Voluntary Early Retirement (VER) Offer" letter that was mailed to eligible employees concerning the deadline for VER-eligible employees to withdraw their retirement application.

Notwithstanding the parties' pending dispute concerning Voluntary Early Retirement (VER) on other matters, it is important that employees receive the correct information regarding their rights relative to this issue. The errors are listed as follows:

- **The USPS answer to Question No. 12:** "*How is high three salary determined?*" incorrectly states that basic pay does not include cost of living allowance (COLA). The Postal Service subsequently posted on USPS LiteBlue a correction under "Question No. 13: "*How is high three salary determined?*" stating that "Basic salary includes higher-level pay and cost-of-living adjustments (COLAs), but does not include territorial cost of living allowance (TCOLA), overtime, bonuses, night differential, premium pay, military pay, lump-sum terminal leave or annual leave exchange payments, etc..."

- **The USPS answer to Question No. 35:** *“What will happen to my health benefits? is incomplete, and omits information regarding OPM’s authority to waive the eligibility requirements for employees who 1) retire on an immediate annuity, and 2) are eligible for continuous coverage in the FEHB program for the five years immediately preceding retirement or since the first opportunity to enroll (if less than 5 years).”* The Postal Service subsequently posted on USPS LiteBlue a correction under Question No. 36: *“What will happen to my health benefits?”* including the information regarding OPM’s authority to waive eligibility requirements for employees taking VER.
- **The “Voluntary Early Retirement (VER) offer letters** that were mailed to eligible employees informed that documentation for VER must be received no later than 8:30 P.M. Eastern Time (ET) on Tuesday, September 30, 2008, and if they elect to retire, their retirement effective date would be Wednesday, December 31, 2008. However, they were incorrectly told that their decision to retire would become **“IRREVOCABLE”** at 8:30 P.M. ET on Tuesday, September 30, 2008, the same deadline of their notice of intent to retire. This error has yet to be corrected.

The first two errors were corrected and posted on USPS LiteBlue; however, no corrected mailing was sent to eligible employees who received the original incorrect information. It cannot be assumed that every VER eligible employee accesses USPS LiteBlue or is responsible to access such information in that forum.

In addition, the third error concerning the incorrect deadline in which eligible employees are entitled to withdraw their retirement application has not been corrected to date. For example, an agency must permit an employee to withdraw his or her retirement application before the effective date of retirement. In this VER, the effective retirement date is December 31, 2008; therefore eligible employees have the right to withdraw their retirement application no later than December 31, 2008. The *only* exception for declining a request to withdraw an application before the effective date of retirement is when the agency ***“has a valid reason and explains that reason in writing to the employee.”***

Simply including in the Voluntary Early Retirement offer letter that the Postal Service “will rely on your decision in developing its complement management plan” does not represent a valid reason or constitute a

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written explanation as to why an employee's retirement application is irrevocable, effective September 30, 2008.

As you know, we have a pending dispute in regard to the Postal Service's obligation to provide individual and group pre-retirement counseling. Prior to the Postal Service's unilateral discontinuation of such counseling, upon request, interested employees were entitled to individual pre-retirement counseling and receive at least one group retirement counseling seminar each fiscal year if they were within three years of optional retirement eligibility.

In the VER that is presently being offered, the Postal Service is scheduling retirement counseling *after* employees have been approved for VER, and on or after the USPS "irrevocable" September 30, 2008 date. Many if not most of the employees that are eligible for VER have not received any retirement counseling.

I request your immediate attention to these matters so that eligible employees do not suffer irrevocable harm from erroneous information.

If the employer interprets the statutory and contractual provisions as permitting the instructions as outlined above, please inform the APWU so that we can engage in appropriate discussions or exercise other options to resolve any disagreement.

The union demands that all affected employees be made whole.

Sincerely,

A handwritten signature in black ink that reads "William Burrus". The signature is written in a cursive, slightly slanted style.

**William Burrus,
President**

WB/RB:rr
opeiu #2, afl-cio