

GUIDELINES FOR PROCESSING VOLUNTARY EARLY RETIREMENT FOR APWU-REPRESENTED EMPLOYEES

I. VOLUNTARY EARLY RETIREMENT (VER)

The Postal Service has received approval from the Office of Personnel Management under its Voluntary Early Retirement Authority to offer VER to career employees who occupy positions covered by the National Agreement between the U. S. Postal Service and the American Postal Workers Union (APWU), AFL-CIO. Eligible employees identified in Section II who elect to take advantage of this VER offer will have a retirement effective date of October 31, 2003. However based on USPS operational needs, employees in positions necessary to maintain service during the period November 1, 2003 through December 31, 2003, will be delayed and have a management determined retirement effective date of either January 31, 2004 or February 29, 2004.

II. ELIGIBILITY/ANNUITY REQUIREMENTS

A. Age and Service Requirements

To be eligible to retire under this VER offer, the employee must meet one of the following age and service requirements:

Age is at least...	and Creditable Service* is at least...
50 as of November 1, 2003	20 or more years as of October 31, 2003
Any Age	25 or more years as of October 31, 2003

*Creditable service requirement must include at least five years of creditable *civilian* service (career or non-career).

B. Covered Position Requirements

The employees must occupy a position that has been either identified as excess to the mission of the Postal Service, or is a potential reassignment opportunity for those employees whose positions are being excessed. As an aid, we have categorized employees who submit SOIs as follows:

Category 1 Potential excess positions in plants

- Level 4, 5, 6, 7 clerks
- Level 5 and below motor vehicle craft
- level 5 and below of Maintenance craft (except level 4 and 5 Maintenance Mechanic)

Category 2 Potential excess positions within 50 miles of plants

- Level 4, 5, 6, 7 clerks
- Level 5 and below motor vehicle craft
- level 5 and below of Maintenance craft (except level 4 and 5 Maintenance Mechanic)

Category 3 Other potential reassignment opportunities – Employees who are not in category 1 or 2; except motor vehicle craft level 6 and above and maintenance craft level 6 and above and 4 and 5 Maintenance Mechanic

Category 4 Ineligible – employees who are in pay schedules other than P or C.

Category 5 No VER offers at this time - Maintenance craft level 6, and above and 4 and 5 Maintenance Mechanic, and Motor Vehicle craft level 6 and above.

C. Excluded Employees

The following categories of employees are excluded from this VER offer:

1. Nonbargaining

All nonbargaining employees, including those in rate schedule codes E, F, J, S, and U.

2. Bargaining Unit

All bargaining unit employees, except those career employees who occupy a position covered under the National Agreement between the U. S. Postal Service and the American Postal Workers Union, AFL-CIO.

Because of errors in personnel records, some employees in these excluded categories may receive a Statement of Interest (SOI) package in error, see Section IV. Conversely, some employees may not have been identified as eligible due to a classification error. Personnel offices must correct the erroneous employee data and make a determination whether the employee meets the eligibility requirements for this VER offer. If the employee is found eligible, the personnel office should provide a copy of the materials provided to eligible employees (see Attachments C, D, E, and F).

III. EMPLOYEE IDENTIFICATION

A. Printout

Career APWU employees covered by either CSRS or FERS (retirement plan codes 1, 5, 8 or A), who meet the eligibility criteria in Section II.A, have been identified based on current CMS data. A listing of these eligible employees will be electronically transmitted to all district HR managers and managers, Personnel Services on July 11, 2003. Area HR managers will receive a summary reports and detailed listings for each district under their jurisdiction.

B. Employee Notification

All employees identified on the printout referenced above will be mailed a SOI package on July 15, 2003, at their address of record, informing them of their eligibility for the VER offer. The package will be comprised of Attachments C, D, E and F. Approximately 58,000 APWU employees have been identified as potentially eligible for this VER offer. The return address will be the employees' duty station. Any mail returned to the employees' duty station must be delivered to the employees by their supervisor. The supervisor should advise the employees that they must ensure that Postal records reflect their current address.

C. Employee Bulletin Board Notice

Attachment J is an employee bulletin board notice that must be posted on all employee bulletin boards during the period July 15, 2003 through October 27, 2003, end of the VER window period.

IV. VERIFYING ELIGIBILITY THROUGH THE RTR SYSTEM

Personnel offices are responsible for ensuring that employees meet the age and service requirements for this VER offer as specified in Section II.A of these guidelines. Although our ultimate goal is to have all employee records in RTR as soon as possible, **ONLY THOSE EMPLOYEES WHO SUBMIT A SOI FORM must** have their retirement plan codes and retirement computation dates in CMS verified **IMMEDIATELY** through the RTR System.

During the SOI period, July 15, 2003 through August 5, 2003, SER will electronically forward, on a weekly basis or more often as the volume dictates, the listings outlined above to each manager, Personnel Services with copies to Area and district HR managers. The listings will specify the five categories referred to in II. B.. **Those employees identified in category 1 and full time regulars in category 2 must be given priority for RTR processing.** For employees in categories 4 and 5, RTR processing is not required at this time.

Errors in RCD must be corrected immediately in CMS and a determination made as to whether the employee still meets the creditable service requirement for this VER offer. Errors in retirement plan code must be reported to HQ as outlined in SOP19, Correcting Retirement Plan Code Errors (NOA 008 and NOA 803). Employees must be advised of any corrections made to their personnel records.

Personnel offices are reminded that employees legally attain a given age on the day before their birthday. (See Compensation Letter 92-020) Under this VER offer, employees must meet the eligibility requirements on or before October 31, 2003, therefore based on the 'birthday rule', employees whose 50TH birthday falls on November 1, 2003, would be eligible for this VER offer.

V. PROCESSING VER REQUESTS

A. Headquarters

Eligible employees interested in taking advantage of the VER offer, must submit their SOI forms to Headquarters' Selection, Evaluation, and Recognition (SER) no later than close of business August 5, 2003. SER will verify that the employees occupy positions covered by the VER offer and group these employees into the five categories identified in II. B. above

B. District Offices

After verification through RTR that an employee meets the eligibility requirements, personnel offices must coordinate with operations to determine if the employee's position is excess to the mission of the Postal Service or can be used as a reassignment opportunity for those employees who are excessed to the mission of the Postal Service.

The only restrictions to offering VER for employees in categories 1 and 2 are:

- A date restriction
 - If operations sets a maximum for the number of VERs that it will allow for October 31, 2003

- A distance restriction for jobs that are being used as potential reassignment opportunities
 - If an interested employee occupies a position that can be used as a potential reassignment opportunity, but a reassignment cannot be made because of the 50 mile moratorium on excessing

Human Resources must meet with Operations to determine if maximums will be established for the October 31, 2003 VER effective date. Area Human Resources must provide HQ Selection Evaluation Recognition with the results of this analysis by COB September 15, 2003 on a form that will be provided to the Area Organizational Change Coordinators via email.

The offer letter (Attachment G) will be limited to the October 31, 2003 effective date. Employees who submit an application (and do not withdraw) will retire on that date, provided that there was no maximum set or the maximum was not exceeded. These employees will be provided this information through a VER Approval Notice (Attachment K). At the same time, in instances where there are more applications than the published maximum, those employees will be sent a Retirement Request Status notice (Attachment L) informing them that they will be allowed to retire either January 31, 2004 or February 29, 2004. We will set a new irrevocable date for these additional letters.

C. Responding to Employee SOI Requests

Personnel offices must advise employees, in writing, concerning the status of their SOI requests.

• VER Eligible Employees

Once the number of allowable VERs by installation and position has been determined by Operations, and RTRs have been completed; a VER offer package should be prepared and mailed to eligible employees ***no later than Saturday, September 27, 2003***. The VER offer package includes:

- VER Offer Letter (Attachment G)
- Acknowledgement of Irrevocability of Voluntary Early Retirement Decision (attachment H)
- Annuity Estimate (based on the October 31, VER effective date)
- RTR Service History Worksheet

Certain sections of the VER offer letter must be completed prior to mailing.

• Ineligible Employees

Employees who do not meet the eligibility requirements in Section IIA or who have been identified as Category 4 and 5 employees, see Section V.A, must be notified using Attachment I, *VER Disapproval Letter*. The appropriate box indicating the reason for their ineligibility must be annotated prior to mailing.

D. Group Retirement Counseling Sessions

Because of the potential interest in the VER offer, personnel offices must conduct a series of group retirement counseling sessions during the VER window period. Eligible employees who are provided a VER offer/approval letter, regardless of the retirement effective date, should be notified of scheduled sessions at the time they are given their offer letter. Employees should be encouraged to review the information provided in their SOI package prior to attending the counseling sessions and to bring their annuity estimates and RTR service history worksheets with them when attending the sessions. These sessions should be structured along the lines of that provided in EL-502, *CSRS Retirement Guide*, and include information for FERS employees, including the reduction and postponement options for MRA+10, FERS annuity supplement, etc.

During these sessions, it should be emphasized that Civil Service Retirement System (CSRS) employees who retire under this VER offer will have their annuities reduced by two percent (2%) for each year (or one-sixth of one percent for each full month) they are under the age of 55. This reduction also applies to the frozen CSRS component for those employees who transferred to the Federal Employees Retirement System (FERS). There is no reduction to the FERS portion of the annuity for those who transferred, or to a FERS annuity without a frozen CSRS component, regardless of the employee's age.

At a minimum, personnel offices should cover the eligibility requirements for the VER offer, creditable service including civilian and military service, reduction for early retirement, Social Security benefits including the impact of the Windfall Elimination and Public Pension Offset provisions, and the impact of Social Security benefits on CSRS Offset employees, health and life insurance, thrift savings plan, and the process for submitting retirement applications under the VER.

E. Processing Personnel Actions

1. Nature of Action (NOA) Code

Personnel offices must use NOA 303 – Retirement –Special Option, when processing personnel actions for employees who elect to take advantage of this VER offer. Retirements for all excluded employees, see Section II.C, must be processed using normal procedures.

2. Form 50 Remarks

The remarks to be included on the Form 50 when processing a NOA 303 under this VER offer will be provided under separate cover.

Retirement Request Status

TO: Employee

SUBJECT: Retirement Request Status

You have applied for the voluntary early retirement option offered by the Postal Service under the Voluntary Early Retirement Authority ("VERA") granted by the Office of Personnel Management with a retirement effective date of October 31, 2003.

The maximum number of allowable VERs for the October 31, 2003 effective date has been reached. Employees with the earliest retirement computation date have preference. You will be allowed to retire on either January 31, 2004 or February 29, 2004. You will receive another VER offer letter which includes a new annuity estimate and new irrevocability date in mid-December 2003.

For more information please contact **(contact person name and phone number)**.

(Enter name and signature of the HR Manager)

Notice of Approval

TO: Employee

SUBJECT: Notice of Approval of Employee Voluntary Early Retirement Request

You have applied for the voluntary early retirement option offered by the Postal Service under the Voluntary Early Retirement Authority ("VERA") granted by the Office of Personnel Management with a retirement effective date of October 31, 2003.

Your request has been **approved**. Your decision became **IRREVOCABLE** at 5 PM on October 27, 2003.

You should contact **(contact person name and phone number)** to finalize your retirement application.

(Enter name and signature of the HR Manager)