

DOUG A. TULINO
VICE PRESIDENT, LABOR RELATIONS



June 28, 2018

Gregory S. Acord
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Co-National Presidents
United Postmasters and Managers
of America
8 Herbert Street
Alexandria, VA 22305-2600

Gentlemen:

Enclosed is the Postal Service's decision concerning changes in pay policies, schedules, and fringe benefit programs for postmasters. This decision is the outcome of the pay consultation process outlined in Title 39, U.S. Code, § 1004 (e). This decision was made following full and fair consideration of recommendations submitted by the United Postmasters and Managers of America (UPMA).

This compensation package covers, unless otherwise specified, through fiscal year 2019.

Sincerely,

A handwritten signature in black ink, appearing to read "D. Tulino".

Doug A. Tulino

Enclosure

**EAS PAY PACKAGE DECISION
THROUGH FISCAL YEAR 2019
POSTMASTERS**

1. PAY-FOR-PERFORMANCE

The EAS Pay-For-Performance (PFP) Program and Matrix established by the Fiscal Year (FY) 2011-2015 pay decision will continue for FY2018. Employee performance will be measured under a 15-point rating system with different pay increases established at each of the 15-point ratings.

This application will be based on the matrix immediately below:

PFP MATRIX FY2018

| | | | | |
|-------------|-------------|-------------|--------------|--------------|
| (3) 0.0% | (6) 3.0% | (9) 5.0% | (12) 7.0% | (15) 9.0% |
| (2) 0.0% | (5) 2.5% | (8) 4.5% | (11) 6.5% | (14) 8.5% |
| (1) 0.0% | (4) 2.0% | (7) 4.0% | (10) 6.0% | (13) 8.0% |

Note: All percentages are paid as salary increases if room within the salary range. If amount limited by the salary range, balance of amount will be converted to a lump sum payment.

Under the EAS Pay-For-Performance (PFP) Program and Matrix for FY2019, employee performance will be measured under a 10-point rating system with a combination of base salary and performance lump sum increases at each of the 10-point ratings.

This application will be based on the matrix immediately below.

PFP MATRIX, STARTING FY2019

| Rating | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 |
|------------------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| Base Salary Increase | 0.00% | 0.50% | 1.00% | 1.50% | 1.90% | 2.10% | 2.30% | 2.50% | 2.70% | 2.90% |
| Performance Lump Sum % | 0.00% | 0.00% | 0.00% | 0.50% | 1.00% | 1.50% | 2.00% | 2.50% | 3.00% | 4.00% |
| Total % Increase | 0.00% | 0.50% | 1.00% | 2.00% | 2.90% | 3.60% | 4.30% | 5.00% | 5.70% | 6.90% |

2. PAY-FOR-PERFORMANCE, NPA COMPOSITE WEIGHTS

Corporate 60%

Unit 40%

3. SALARY RANGES

Changes to EAS salary structure, effective September 29, 2018.

| RSC GRADE | Minimum | Maximum |
|------------------|----------------|----------------|
| 15 | \$46,500 | \$69,551 |
| 16 | \$48,500 | \$77,785 |
| 17 | \$52,800 | \$81,234 |
| 18 | \$52,800 | \$84,802 |
| 18B | \$59,330 | \$86,300 |
| 19 | \$60,000 | \$88,821 |
| 20 | \$65,300 | \$93,639 |
| 21 | \$71,000 | \$98,188 |
| 22 | \$73,300 | \$106,415 |
| 23 | \$77,300 | \$112,213 |
| 24 | \$82,000 | \$117,767 |
| 25 | \$93,000 | \$123,627 |
| 26 | \$99,900 | \$129,792 |

| PM - Grade | Occ - Code | Minimum | | Maximum | |
|-------------------|-------------------|----------------|--------------------------|----------------|--------------------------|
| | | Hourly | Annual Equivalent | Hourly | Annual Equivalent |
| PTPO-56 | 2301-0056 | | | | |
| RMPO-56 | 2301-0057 | \$16.30 | \$33,898 | \$28.89 | \$60,091 |

Part-Time Postmasters assigned to Part-Time Post Offices (PTPOs) with a career appointment date prior to January 1, 2013, will receive up to a 5% salary increase and result in a minimum base pay of \$22.43/hour and no more than the maximum of \$28.89/hour.

4. HEALTH BENEFITS CONTRIBUTION

The employer's contribution towards the Federal Employee Health Benefit (FEHB) plan will be 72% of the weighted average as determined by the Office of Personnel Management (OPM) and will not exceed 75% for any individual plan.

5. PROMOTIONAL PAY INCREASE

Nonbargaining unit employees may receive promotion increases based on the distance from the maximum of the new grade as follows:

Factor #1

| Award this percentage... | If the employee's current salary is... |
|---------------------------------|---|
| 5 to 10 | Greater than 20 percent from the maximum of the new grade. |
| 4 to 8 | 10 to 20 percent from the maximum of the new grade. |
| 3 to 5 | Less than 10 percent from the maximum of the new grade. |

Factor #2

In addition to the eligible promotion increases described in Factor #1, nonbargaining unit employees will automatically receive a percent increase for promotions that are 3 or more grades.

| Award this percentage... | If the employee's promotion equals... |
|---------------------------------|--|
| 3 | 3 grades |
| 5 | 4 or 5 grades |
| 8 | 6 or more grades |

**There is no change to factor #2*

6. PROMOTIONAL PAY INCREASE

A nonbargaining employee who voluntarily changes to a lower grade position and is promoted to another position up to the previous grade within one year will not receive promotion pay. If within the one-year period, employee is subsequently promoted to a higher level position, promotion pay increase eligibility will be determined based on highest level position permanently held within the prior 12 month period.

7. LEVEL-18 POST OFFICE WORKLOAD SERVICE CREDITS (WSC)

The current WSC for Level-18 offices will be split into two levels, EAS-18 and EAS-18B, to reflect a consistent level of responsibility and relative complexity of the EAS-18 Postmaster position across the full range of these offices.

EAS-18 Post Offices

- Offices currently earning less than 2,076 WSC

EAS-18B Post Offices

- Offices currently earning 2,076 – 5,500 WSC

| Level | WSC Range |
|---------|-------------|
| EAS-18 | 0 - 2075 |
| EAS-18B | 2076 - 5500 |

Incumbents in offices reclassified to EAS-18B will not receive the normal upgrade pay

8. USPS/UPMA WORK GROUPS

- A. The Postal Service and the United Postmasters and Managers of America have agreed to create a joint work team for the purpose of exploring and resolving issues regarding Postmasters' salaries and grades. The intent is to complete work on this so that any changes will be implemented in FY2019. In the event the work team is unable to conclude their work on the pay issues in question prior to September 4, 2018, the parties will reconvene to determine increases to the salary ranges for FY2019.
- B. The Postal Service and the United Postmasters and Managers of America have agreed to establish a joint work team to identify the issues associated with work hours of EAS-20 Postmasters in delivery offices with no authorized Supervisor. One specific item the work team will address is determining if the above-referenced EAS-20 Postmasters are being required to consistently work more than 5 days in a service week and the reason why.