MEMORANDUM OF UNDERSTANDING
BETWEEN THE
UNITED STATES POSTAL SERVICE
AND THE
AMERICAN POSTAL WORKERS UNION, AFL-CIO

Re: One-time Retirement Incentive

The parties agree that the Postal Service will make lump sum incentive payments totaling $15,000 (less applicable taxes and deductions) to eligible full-time career employees who choose optional retirement, retire pursuant to a Voluntary Early Retirement Authority (VERA), or voluntarily resign from the Postal Service. Part-time employees shall be eligible for a prorated amount, as provided below. These payments are subject to the following terms and conditions:

1. The incentive will apply to all career employees in the APWU bargaining units pursuant to this Memorandum of Understanding (MOU) except for:

    - Employees in a probationary status on the date of retirement or voluntary resignation
    - Employees who have received a Notice of Removal or Letter of Decision as of the effective date of retirement or voluntary resignation.
    - Employees who separate via disability retirement
    - Employees who separate via transfer to another Federal Agency

With regard to Information Technology employees who accept this retirement incentive, the complement may be reduced by one position for each employee granted the incentive payment.

With regard to employees in the Accounting Services position of the Information Technology/Accounting Services bargaining unit, the incentive offer is limited as follows:

- No more than thirty employees may accept the incentive offer in the Eagan, Minnesota Accounting Service Center (ASC).
- No more than ten employees may accept the incentive offer in the San Mateo, California ASC.
- No more than twenty employees may accept the incentive offer in the St. Louis, Missouri ASC.

In addition, employees accepting the incentive from Accounting Services will have a separation date of February 28, 2013.

2. Employees must indicate in a manner prescribed by the Employer on or before December 3, 2012, their intent to participate in the incentive program by indicating that they wish to take optional retirement, retirement pursuant to a VERA, or voluntary resignation and separate effective January 31, 2013.

    - On the date of this MOU, eligible employees who had a previously scheduled retirement date that is earlier than January 31, 2013, may retire on their scheduled date and receive the incentive.
    - On the date of this MOU, eligible employees who had a previously scheduled retirement date that is later than January 31, 2013, must change their date to January 31, 2013, and meet retirement eligibility on that date, in order to receive the incentive.
    - Eligibility for optional or VERA retirement, with incentive, will be based on a January 31, 2013, effective date.

- Employees who indicate they are taking a VERA under the terms of this MOU and wish to revoke their decision must do so on or before December 3, 2012, which is the irrevocable date provided in the written offer letter. Exceptions will only be granted by mutual agreement of the parties at the National level.

- All retirement counseling will be conducted via phone in group sessions not to exceed 10 retirees. Any employee seeking additional assistance after participation in a group session will be accommodated on an individual basis. Individual retirement counseling will be conducted in accordance with the parties pre-arbitration settlement (QOOC-4Q-C 07097274, dated September 21, 2009). Employees whose VERA application and Statement of Irrevocability (SOI) are received at HRSSC by Friday, November 9, 2012, will have group counseling appointments available on or before the Irrevocable Date of December 3, 2012. Group counseling sessions must be scheduled by the employee no later than Tuesday, November 20, 2012, to ensure appointment availability.

  In the event a VER group counseling appointment is not available for an employee who met the conditions identified above, the employee may withdraw their VER application in writing by close of business December 13, 2012.

3. The $15,000 incentive for eligible full-time career employees will be paid as follows:

   $10,000 to be paid on May 24, 2013.
   $5,000 to be paid on May 23, 2014.

   Part-time flexible and part-time regular employees shall receive incentive payments that are prorated based on the number of hours paid in the twenty-six full pay periods prior to the effective date of their retirement or resignation in accordance with the following schedule:

Number of Paid Hours	Percent of Incentive Payment
Under 520	25
520 and under 1020	50
1020 and under 1520	75
1520 and over	100

The prorated percentage shall be applied separately to each of the two incentive payments ($10,000 & $5,000). These payments shall be made on the same dates as for full-time employees.

In order to ensure time to provide accurate retirement estimates, part-time flexible employees, part-time regular employees, and employees with Non-Traditional Full-Time duty assignments of less than forty hours per week, will be assigned a retirement or separation date of February 28, 2013. Employees whose VERA application and SOI are received at HRSSC by Monday, December 10, 2012, will have group counseling appointments available on or before the Irrevocable Date of January 4, 2013. Group counseling sessions must be scheduled by the employee no later than Friday, December 21, 2012, to ensure appointment availability. Instructions for scheduling the group counseling session will be provided to the employee upon receipt of the VERA application and SOI.

In the event a VER group counseling appointment is not available for an employee who met the conditions identified above, the employee may withdraw their VER application in writing by close of business January 14, 2013.

Any employee who is eligible for these incentive payments will complete PS Form 3077, Request to Forward Salary Check, to their employing office. The incentive payments will be distributed to the address provided by the employee.

An employee who accepts the incentive payment, and subsequently seeks future career employment with the Postal Service, must return the incentive payment received to the Postal Service as a precondition for employment, unless a period of two years has passed from the date of retirement or separation and the date of rehire.

4. In installations where the number of career employees accepting this retirement incentive impairs operational efficiency, the Postal Service will post and fill duty assignments as necessary in accordance with the applicable contract provisions. For purposes of this provision, the parties agree that the duty assignments of employees accepting this incentive that management determines to post for bid, may be posted any time after December 3, 2012, to be filled no sooner than the vacating employee's separation date. If a temporary staffing need still exists after this process, the Postal Service may replace each career APWU employee who accepts the incentive with a Postal Support Employee (PSE) for a period not to exceed ninety (90) days from the effective date of the voluntary separation or the January 31, 2013, separation date. The hiring of these PSEs will not count towards the existing PSE caps. This provision does not provide authority to exceed the PSE cap when the number of PSEs to be hired under this section can be accomplished under the existing cap. There will be no involuntary reassignment of career employees from an installation (physically moved out of installation) while the District cap in which the installation is located exceeds the PSE cap as a result of this provision.

5. When career employees are excessed into, transfer to, hired into, or retreat to those installations where employees have accepted the one-time retirement incentive and PSEs have been hired, the number of PSE employees in Section 4 above will be reduced by the number of career employees brought into the installation, unless the District is under their respective cap, then this reduction will not apply. This will not diminish the employer's obligation under Article 12.5.B.2.

The parties further agree that these incentives will be provided to all eligible employees who elect to take advantage of the offer with no limit or cap except as provided in Section 1 of this MOU.

Any disputes arising under this MOU will be referred to the Alternate Dispute Resolution Procedure for discussion and resolution.

These incentives are a result of a bargaining agreement and are not Voluntary Separation Incentive Payments (VSIP).

This MOU is without prejudice to the positions of the parties on any issue and shall not be cited in any dispute resolution proceedings, except for the purpose of enforcing its terms.

Doug A. Tulino
Vice President, Labor Relations
U.S. Postal Service

Date: 9/28/12

Cliff Guffey
President
American Postal Workers Union, AFL-CIO