

# The Local Line

"A PPA Award Winning Publication"

The Official Voice of the  
Northwest Illinois Area Local

Floor Edition

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Update by: Jackie Engelhart

## PMG Briefs Unions on USPS Finances

On July 14, 2009 PMG Potter briefed the postal unions and management associations on USPS current situation. He said continued losses in volume are crippling finances. Between 2008 and 2010 the USPS expects it could lose as much as 25 - 30 billion pieces of mail. USPS loses 360 million for every billion pieces of mail lost. Per union contracts employees will pay 1% more each year for Health Benefits, which he said will bring USPS in line with other federal employees. He said there is no plans for new equipment deployments in the near future. Right now the USPS has enough equipment to process all the world's mail in six hours time. Relief from passage of HR 22 will not be enough and approval of five day delivery is vital to future solvency. Mail would not be delivered on Saturday and most mail processing would be Monday thru Friday.

## GAO-USPS High Risk

The Government Accountability Office (GAO) has added the USPS to the list of high-risk areas needing congressional attention. Amid challenging economic conditions and a changing business environment, USPS is facing a deteriorating financial situation. It does not expect to cover its expenses and financial obligations in fiscal years 2009 and 2010, and expects a year-end debt of 10 billion and cash shortfall of 1 billion. USPS business model relies on growth in mail volume to cover costs and enable it to be self-supporting. The current decline in volume from 203 billion to 175 billion pieces since 2008 has placed USPS at risk. Addressing USPS financial viability is critical due to its vital role in the economy and in providing postal services to all communities. It is also the largest civilian federal agency with 633,000 career and 94,000 non-career employees in 38,000 facilities.

## GAO Recommends

USPS 5-year forecast is that much of the recent volume decline will not return. The short-term challenge is to cut costs quickly enough to offset volume/revenue declines to cover operating expenses. The long-term challenge is to restructure USPS operations, networks, and workforce to reflect changes in mail volume, revenue, and use of mail. Key actions to reduce costs include retirements, early retirements and lowering benefit costs. 162,000 employees are eligible to retire now and 300,000 within the next four years. GAO states USPS pays more for employee health benefits at 80% than other federal agencies at 72% and more for life insurance at 100% than other agencies who pay 33%. GAO states USPS must remove excess capacity in the 400 mail processing facilities nationwide and consolidate some of the 37,000 retail facilities. They recommend a review of the 74 district and 8 area offices, and adding new/enhanced products to increase \$\$\$.

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### Special points of interest:

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### **NRP Limited Duty Changes**

All Postal Unions within the Northern IL District were invited to a briefing on new Limited Duty procedures being implemented in this district within the next few weeks. Northern is the first district in the Great Lakes Area and one of the first in the nation to implement these changes. The briefing was conducted by Kevin McGovern who is the Manager of OWCP Programs for USPS. One NALC Representative in attendance said National Reassessment Process for Limited Duty sounds like "NRP on crack" and she was not kidding. All of the 300 Limited Duty employees (all crafts) within the district will have new Job Offer -2499's issued at "work status meetings". These meetings will be conducted office by office and there will be no individual employee notice letters sent to the union as they have done for past NRP Job Offer meetings. These meetings will be conducted by the local supervisors who will be trained on the day of the meetings by the Headquarters/Area people. The employee must request a Steward as one will not be automatically provided for them. Ask for a Steward and wait until you get one to before allowing the meeting to proceed. The first five offices targeted are Carol Stream P&DC tour 1, Arlington Heights, Schaumburg, Maywood, and McHenry. They expect to finish within four weeks or by September. Employees will be placed in one of three categories, Partial Day Work, Full Day Work, and Complete Day No Work. Pilot Result Actions show 30%, were designated as partial-day work, 41% full-day work and 29% as complete no day work.

### **Phase 2 - "NRP on Crack"**

This is a good description for what was described to us for "NRP Phase 2 Limited Duty". Employees designated as full-day and partial day will report for duty as usual on a daily basis. They will be assigned to "necessary work" within their restrictions to the extent there is such work. If management determines they have exhausted necessary work within the employee's restrictions they are supposed to contact other offices in the surrounding area to find work for before sending the employee home. \*Management has cut Clerk staffing in most offices and back-fills those positions with Part-Time Flexible Clerks on long-term details and Carriers. This NRP process proposes to move injured employees from office to office and Mr. McGovern said employees could be used as an APC Host or Lobby Director and disagreed with me when I said that was Retail Clerk work. This sounds like a plan to use injured Carriers and Clerks from other offices to back-fill disappearing Clerk jobs around the district. If they do not find work for you in the surrounding offices they must document what efforts were made to find work before sending you home and that documentation must be placed in your "activity file". You are entitled to anything in your activity file and he said the activity file is the key document to request. If management decides to send you home with less than 8 hours they must provide you with a CA-7 and a CA-7A for compensation from the Department of Labor. The DOL requests that employees submit the CA-7 and 7A on a pay period and not on a daily basis to expedite their pay.

### **Messing up Your Pay**

This latest USPS plan will flood the Department of Labor with claims to be processed every pay period. Even if only 1/3 of the 300 Limited Duty employees are sent home during any given pay period this adds 100 new claims to an already over-burdened OWCP bureaucracy. Will the employees will be paid in a timely manner for those hours they are not allowed to work. Is this another way to discourage injured workers into retirement. For a new traumatic injury CA-1 the employee still gets Continuation of Pay for 45 days after the first 3 days.

### **A Word on the Burris Memo**

On the last posting at both Carol Stream and Palatine a number of injured Clerks bid and were awarded bids pending medical. The posting did not say "pending medical" as it normally would, but had no effective dates for these employees. Many Clerks asked how injured Clerks could get these bids and the answer is the Burris Memo has been around for years. It is not new and is not a local but a national agreement with USPS. The purpose of the Memo is to protect the right of temporarily injured Clerks to bid and hold that bid for up to one year at which time they must be able to work the bid or have it taken and reposted. As is the case with many things in life this agreement can be subject to abuse but it was designed to protect the bidding rights of Clerks on temporary restrictions. **NWIAL Scholarship Drawing at the August 9th Union Meeting** Chief Trustee Ray Wience wants all members to know scholarship applications for the four \$500.00 scholarships must be received by the time of the drawing on 8-9-09.

