

The Local Line

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The Official Voice of the
Northwest Illinois Area Local

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Special points of interest:

Excessing Updates
Palatine and the FSS
Notice of Separations
Issa's "Postal Reform" Act
USPS Suspends FERS Pension
Fund Contributions...
Legislative Committee Letters in
Support of HR 1351...

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Excessing Updates
At our recent Labor-Management meetings at Carol Stream and Palatine we asked about impacts at each facility. At CS, Plant Manager Johnson said nine Clerks remain impacted based on a loss of nine Clerk jobs from the closing of the Northern IL District. Of 51 Clerk jobs in the District, nine were abolished and three more are undecided. The original BPI impact for CS was down to 37 Clerks but management is saying no Clerks will be impacted from the BPI impact but nine may be impacted due to the loss of jobs from the closing of the District Offices. Palatine Plant Manager Chuck Scirba also says he does not think Clerks will be excessed for the BPI impact but only for the CFS impact of 22. The new target date for CFS closing is 8-27-11. There are more than 22 Mail Handler residuals at Palatine so no Clerk should be forced to leave, but senior-in-lieu of must be able to go.

Palatine and the FSS
We were told weeks ago that FSS bids would be posted on 6-21-11 but the bids were not posted on 6-21-11 because In-Plant said there were problems with the sections. At the 6-16 Labor-Management meeting we asked if the FSS time changes were still long term/permanent, and they were not sure. The Union has said we would agree to short-term schedule changes if the FSS problems could be corrected within 90 days. On 6-17-11 Chuck called to talk about details and we met again on 6-21-11. We asked how long the Clerks would be needed at 10 am and he said at least through the fall mailing season. Management does not know if and when the FSS will be at the productivity rate they need to keep the 12 and 830 pm start times. We wanted to save the bids but cannot agree to long-term open-ended details in lieu of posting newly created tour 2 bids. FSS Clerks working out of schedule should be paid out of schedule pay.

Notice of Separations
Some employees who have been off on LWOP and/or LWOP-OWCP for more than one year are receiving letters stating they will be separated from the Postal Service. These are employees who are unable to work and not employees who can work with restrictions but were put out under the National Reassessment Process. The Employee and Labor Relations Manual (ELM) Section 545.9 Extended Leave Cases states that "An employee who suffers job-related injury / illness should be granted LWOP for an initial period of up to 1 year from the date OWCP compensation begins. If the employee is unable to return to work at the end of a 1 year period LWOP may be extended for successive additional periods of up to 6 months. If it is unlikely that the employee will be able to return to work at the end of 1 year LWOP/IOD or during the extended authorized period, the employee may be separated." The employee has 14 days from the date they are notified to file a grievance.

Issa's "Postal Reform" Act

Congressman Daryl Issa is the chairman of the House Committee on Oversight and Government Reform, and on 6-23-11 he introduced a postal "reform" bill. It would create a commission with authority to decide which post offices, plants, and administrative offices would be closed. It would also create a Control Board which would take control of the USPS if it defaults on any obligation to the federal government, such as the annual \$6 billion dollar payment to the Future Retiree's Health Benefit Trust Fund mandated by the 2006 Postal Accountability and Enhancement Act or PAEA. This pre-funding requirement mandated by Congress in 2006 is pushing the USPS to insolvency. Issa is using the USPS inability to pay the \$6 billion as a reason to dismantle the agency. His bill would give the Control Board the power to remove officers and managers, and to rewrite existing collective bargaining agreements as needed to "achieve specific economic savings and workforce flexibility goals". The bill would increase the amount employees pay for health benefits and ensure that postal wages are comparable to the private sector. He says the changes in his bill will save the USPS \$6 billion per year which is the same amount that Congress is taking from the agency through the 2006 PAEA. The bill would also allow USPS to move to 5 day delivery of mail. This bill is not good for the Postal Service and/or postal employees, and we must fight Issa's attempt to use the \$6 billion dollar obligation Congress created to dismantle the USPS. Let your congressman know you strongly oppose the Issa bill.

USPS Suspends FERS Pension Fund Contributions...

The USPS halted its contributions to the Federal Employees Retirement System (FERS) as a cost-cutting measure. The agency said it can afford to halt the payments based on a \$6.9 billion surplus in employer contributions in the FERS pension account. USPS has informed the Office of Personnel Management of the move to stop payments of \$115 million every two weeks that will save \$800 million this fiscal year. USPS Chief Human Resource Officer Tony Vegliante says the decision will have no effect on pension payments to current or future retirees. The agency will keep sending employee contributions to FERS and will continue to make the employer and employee payments to the Thrift Savings Plan. OPM is opposing the halt in USPS FERS contributions, arguing that the government lacks the authority to apply the USPS surplus to fill the hole left by the suspension of new contributions. OPM and the USPS have asked the Justice Department's Office of Legal Counsel to settle the dispute but a decision could be months away. If the decision goes against the USPS they would have to pay skipped payments with interest. Vegliante said if USPS keeps making FERS contributions it will not be able to pay vendors later this fiscal year. He hopes the unusual step will motivate Congress to deal with the USPS worsening financial plight. USPS anticipates an 8.3 billion deficit this year after reducing 110,000 positions and saving \$12 billion in costs. USPS also seeks relief from Congress for the elimination of the prepayment to the retiree health benefits program.

Legislative Committee Letters in Support of HR 1351...

Legislative Director and Carol Stream tour 3 Chief Steward Walter Elerby Jr. has drafted a form letter in support of HR 1351, which will be available at Carol Stream, Palatine, and Chicago Metro Surface Hub this week. A vote will be taken soon and now is the time to support this bill which is critical to prevent USPS from a predicted July 2012 shut-down. HR 1351 would correct postal pre-funding inequities by instructing the Office of Personnel Management (OPM) to recalculate payments to the Civil Service Retirement System (CSRS) and the Federal Employees Retirement System (FERS) using updated technology. Independent actuarial studies have concluded that as a result of improper funding formulas, USPS has overpaid CSRS by \$50 to \$75 billion, and overpaid FERS by 6.9 billion. HR 1351 was introduced by Congressman Stephen Lynch to restore financial stability to the USPS by allowing it to use any surplus in the retirement system to meet the retiree health benefits pre-funding obligation mandated by Congress. Illinois co-sponsors of HR 1351 are Jerry Costello, Danny Davis, Jesse Jackson Jr., Bobby Rush, Mike Quigley, and Jan Schakowsky. Legislative Director Elerby's form letter asks other congressmen to become co-sponsors of the bill, and we are asking all members to sign a letter to their congressman so we can mail them out before the vote which is expected soon. Passing HR 1351 is critical to the survival of USPS as we know it. Congress must hear from postal employees who support HR 1351 and oppose Congressman Issa!

