

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 or retire pursuant to a Voluntary Early Retirement¹ (VER). 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 clerk craft employees in the APWU bargaining unit as well as to the IT/ASC employees pursuant to this Memorandum of Understanding (MOU) except for:
 - o Employees who have received a Notice of Removal or Letter of Decision as of the effective date of retirement or voluntary resignation.
 - o Employees who separate via disability retirement
 - o Employees who separate via transfer to another Federal Agency

The incentive for employees in the following facilities will be limited to 10% of the APWU VER and optionally eligible employees:

- o Human Resources Shared Service Center (HRSSC) (Greensboro)
- o HQ Facility Services (Washington)
- o Administration and Building Support (Merrifield)
- o National Material Customer Service Center (Topeka)

The Incentive will apply to the National Postal Professional Nurses (NPPN); however, the number of employees allowed to accept the Incentive will be capped at 10% of Optional or VER eligible employees Nationally.

The Incentive will also apply to the Maintenance and Motor Vehicle crafts; however, the number of employees allowed to accept the Incentive will be capped at 12% of Optional or VER eligible employees Nationally.

In the event a facility or craft, identified above, exceeds the cap, the VER incentive will be granted based upon total postal service to the most senior eligible employees who choose optional or VER retirement.

2. Employees must indicate in a manner prescribed by the Employer on or before Friday, March 7, 2025, their intent to participate in the incentive program by indicating that they wish to take optional retirement or retirement pursuant to a VER and separate effective April 30, 2025.

¹ Voluntary Early Retirement offers apply to employees covered under both the Civil Service Retirement System (CSRS) and the Federal Employees Retirement System (FERS). Employees who meet the below listed general eligibility requirements are eligible to retire early:

1. The minimum age and service requirements -
 - o At least age 50 with at least 20 years creditable Federal service, OR
 - o Any age with at least 25 years creditable Federal service.
 - o An employee must have at least 5 years of creditable civilian service to be eligible for an early voluntary retirement.

- Eligibility for optional or VER retirement, with incentive, will be based on a April 30, 2025, effective date.
- Effective on the date of this MOU, eligible employees who had a previously scheduled retirement date that is earlier than April 30, 2025, may retire on their scheduled date and receive the incentive.
- Effective on the date of this MOU, eligible employees who had a previously scheduled retirement date that is later than April 30, 2025, must change their date to April 30, 2025, and meet retirement eligibility on that date, in order to receive the incentive.
- 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).²
- Employees who indicate they are taking a VER under the terms of this MOU and wish to revoke their decision must do so on or before March 7, 2025, 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. 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 April 18, 2025.

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

\$10,000 to be paid on August 15, 2025.
 \$5,000 to be paid on August 28, 2026.

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 date of April 30, 2025.

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 April 18, 2025.

² Retirement counseling will include explanation of any penalties related to a voluntary early retirement.

Any employee who is eligible for these incentive payments will complete PS Form 3077, Request to Forward Salary Check, and submit 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 and the date of rehire.


4. In installations where the number of career employees accepting this retirement incentive impairs operations, the Postal Service will post and fill duty assignments 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 March 7, 2025, 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), only where PSEs are contractually permitted, for a period not to exceed ninety (90) days from the effective date of the voluntary separation or the April 30, 2025, 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.

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, including the grievance/arbitration process, except for the purpose of enforcing its terms.



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