

Complete language of ELM 354 Assignment of Unassigned Employees

354 Assignment of Unassigned Employees

354.1 Policy

354.11 Bargaining Employees

Assignment of excess bargaining employees must be in accordance with the applicable provisions of the appropriate collective bargaining agreement.

354.12 Nonbargaining Employees

Assignment of unassigned career nonbargaining employees must be in accordance with the procedures described in [354.2](#) and [354.3](#), as appropriate. Postal policy provides equal opportunities for all employees without discrimination because of race, color, religion, sex, national origin, disability, or age. In exercising the various managerial options described in these procedures, managers are responsible for ensuring and documenting, where appropriate, that no discriminatory impact results from discussions or personnel actions implementing these procedures.

354.2 Assignment of Nonbargaining Unit Employees Due to a Potential or Actual Reduction in Force

354.21 General

354.211 Definition of Reduction in Force

A reduction in force (RIF) is a uniform and systematic way of making organizational changes resulting in the release of an employee from his or her competitive level as defined in [354.217a](#). A RIF action occurs in the Postal Service when an employee is released from his or her competitive level by separation, demotion, or a reassignment requiring displacement. Release from a competitive level must be caused by elimination or significant modification of existing work, creation of new work, reorganization, transfer of function, an individual's exercise of reemployment or restoration rights, or a reclassification of an employee's position based on the erosion of duties that will take effect after a RIF has been formally announced in the employee's competitive area (see [354.217b](#)), or when a RIF takes effect within 180 days.

Note: With the exception identified above concerning the reclassification of an employee's position, a change to lower grade based on the reclassification of an employee's position due to a change in classification standards or a correction of a

classification error is not a RIF.

354.212 Legal Basis for Reduction in Force

Laws governing RIF are found in Title 5, United States Code (U.S.C.), Sections 3501–3503. These laws are implemented in the federal government through regulations issued by the U.S. Office of Personnel Management (OPM) (Title 5, *Code of Federal Regulations* (CFR), 351). In the Postal Service, these laws apply only to preference eligible employees (individuals entitled to veterans' preference status during a RIF). The legislative provisions making these laws and regulations applicable to preference eligible employees in the Postal Service are found in 39 U.S.C. 1005 (a)(2).

354.213 Management Responsibility

Management must plan the work and organize the workforce to accomplish Postal Service objectives. This responsibility includes determining the type, number, and location of positions that are to be filled, abolished, or vacated. When changes are anticipated as a result of this responsibility, management determines whether a RIF is necessary and when such action will occur.

The managers of Human Resources at the district and area levels and the manager of Corporate Personnel Management for Headquarters and Headquarters–related units are designated as *placement administrators*. A placement administrator is responsible for coordinating all RIF avoidance or minimization strategies and placement activities for a competitive area undergoing a RIF. This responsibility includes close coordination with the manager of Selection, Evaluation, and Recognition, competitive area management, and other human resources personnel in other competitive areas. The placement administrator is also responsible for coordinating the activities associated with a reinstatement list (see [354.27](#)). A placement administrator who has direct responsibility over the competitive area in which employees have been separated due to a RIF and who have requested consideration for future reinstatement to the Postal Service is considered the *primary placement administrator*.

354.214 Coverage of Reduction in Force Procedures

These RIF procedures apply to the assignment or separation of career nonbargaining employees who occupy positions that have the potential of being impacted by, or will be directly affected by, a RIF. These procedures apply to noncareer nonbargaining employees only to the extent necessary to terminate their employment to avoid (or minimize) the impact of a RIF on career nonbargaining employees.

Exclusion: Bargaining employees are excluded from these procedures. The assignment or separation of excess bargaining employees is in accordance with the applicable collective bargaining agreement and applicable statutes.

354.215 Veterans' Preference Status

Entitlement to veterans' preference for RIF purposes is based on the Veterans' Preference Act of 1944, as amended, and is codified in various provisions of Title 5, U.S.C. Detailed instructions for adjudicating veterans' preference claims are contained in chapter 7 of the *Guide to Processing Personnel Actions*, an operating manual issued by OPM. Employees who are eligible for veterans' preference for purposes of initial appointment are also eligible for veterans' preference for RIF, except for employees who are retired members of the uniformed services. Employees who retired from the military must meet one of

several special conditions before they can be granted veterans' preference for RIF purposes. The conditions differ and depend on whether the employees retired below, at, or above the rank of major. [Exhibit 354.215a](#) shows the conditions that must be met by retired members of the uniformed services before veterans' preference for RIF is granted. [Exhibit 354.215b](#) shows the pay grades and titles (ranks) of officers of the uniformed services as defined by 5 U.S.C. 2101.

Exhibit 354.215a

Veterans' Preference for Retired Military

Retiree below rank of major must meet one of the following conditions:	Retiree at or above rank of major must meet one of the following conditions:
Be retired based on war or combat-incurred disability. Be retired based on less than 20 years of active duty. Have continuous federal employment since November 30, 1964, without a break in service of more than 30 days.	Be retired based on war or combat-incurred disability. Be retired based on less than 20 years of active duty. Have continuous federal employment since November 30, 1964, without a break in service of more than 30 days. Be a disabled veteran eligible for retired pay under 10 U.S.C. 67.

Exhibit 354.215b

Officer Personnel by Pay Grades and Titles (Ranks)

Pay Grade	Army, Air Force, and Marine Corps	Navy, Coast Guard, and NOAA	Public Health Service (PHS)
Below Major:			
W-1	Warrant officer	Warrant officer	
W-2	Chief warrant officer	Chief warrant officer	
W-3	Chief warrant officer	Chief warrant officer	
W-4	Chief warrant officer	Chief warrant officer	
O-1	Second lieutenant	Ensign	Junior assistant
O-2	First lieutenant	Lieutenant (jg)	Assistant grade
O-3	Captain	Lieutenant	Senior assistant grade
Major and Above:			
O-4	Major	Lieutenant commander	Full grade
O-5	Lieutenant colonel	Commander	Senior grade
O-6	Colonel	Captain	Director grade

O-7	Brigadier general	Rear admiral (lower half) or commodore	Assistant surgeon general
O-8	Major general	Rear admiral (upper half)	Assistant surgeon general
O-9	Lieutenant general	Vice admiral	(Note: PHS does not use O-9 or O-10)
O-10	General	Admiral	

354.216 Veterans' Preference Entitlement

Veterans' preference eligible employees are entitled to the following:

- a. *Higher Retention Standing.* A preference eligible employee is entitled to a higher retention standing (seniority) on a retention register (see [354.217c](#)) than a nonpreference eligible employee during a RIF.
- b. *Assignment Rights.* A preference eligible employee in tenure group I or II with a current merit performance rating of *Met Expectations* or higher, who is released from his or her competitive level during a RIF, may displace another employee with a lower retention standing under certain circumstances. The assignment of a preference eligible employee to a position with an appropriate representative rate (see [354.217g](#)) held by an employee with lower retention standing can occur either through bumping or retreating.
 1. *Bumping.* A preference eligible employee may replace an employee in the same competitive area who has a lower retention standing and occupies a position that is no more than three grade levels (or appropriate grade interval or equivalent) lower than the position from which the preference eligible employee is released.
 2. *Retreating.* A preference eligible employee may replace an employee in the same competitive area, tenure group, and veterans' preference subgroup who has a lower retention standing and occupies a position identical to a position previously held by the preference eligible employee, that is no more than three grade levels (or appropriate grade interval or equivalent) lower than the position from which the preference eligible employee is released. A preference eligible employee with a compensable service-connected disability of 30 percent or more can retreat to a position that is up to five grade levels (or appropriate grade interval or equivalent) lower.
- c. *Appeal Rights.* A preference eligible employee may file an appeal with the Merit Systems Protection Board (MSPB) under the provisions of 5 CFR 351.901.

354.217 Definitions and Explanations

Definitions and explanations relevant to RIF procedures are as follows:

- a. *Competitive level* – one or more positions in a competitive area that are:
 1. In the same rate schedule code (e.g., EAS and PCES) and grade level.
 2. In the same job classification series and leadership code (i.e., type of contribution made to the organization as an executive, mid-level manager, initial-level supervisor, or individual contributor).
 3. Similar enough in duties, qualification standards (knowledge, skills, and

abilities), and working conditions so that the incumbent of one position can successfully perform the critical elements of any other position in the level upon assignment to it, without any loss of productivity during a 90-day orientation period beyond that normally expected of a new employee who is otherwise qualified.

- b. *Competitive areas* – organizational units that have separate management authority and geographical boundaries under which employees compete during a RIF. As an example, the Center for Employee Development in Norman, Oklahoma, is a Headquarters-related field unit; however, it is a separate competitive area because it has its own management authority and geographical boundary. Generally, a competitive area should be in effect for at least 90 days before the effective date of a RIF. The manager of Selection, Evaluation, and Recognition publishes a list of competitive areas in the *Postal Bulletin* at least annually.
- c. *Retention register* – a list of employees by competitive level ranked in descending order based on their retention standing within a specific competitive area. The retention standing for each competing employee is based on his or her tenure group, veterans' preference subgroup, and RIF service date. Employees are listed on the retention register in the following order:
 1. By tenure group I, group II, and group III (see [354.217d](#)).
 2. Within each tenure group, by veterans' preference subgroup AD, subgroup A, or subgroup B (see [354.217e](#)).
 3. Within each veterans' preference subgroup, by RIF service date (see [354.217f](#)).
- d. *Tenure groups* – the groups into which employees are separated for retention standing purposes during a RIF, based on their employment status. There are three tenure groups:
 1. *Tenure group I* – career employees who have completed their probationary period.
 2. *Tenure group II* – career employees who are serving their probationary period and who will not complete it before the RIF effective date.
 3. *Tenure group III* – noncareer employees serving under indefinite appointments, temporary appointments pending establishment of a register, status quo appointments, term appointments, and any other nonstatus nontemporary appointments that meet the definition of provisional appointments contained in 5 CFR 316.401 and 316.403.
- e. *Veterans' preference subgroups* – the subgroups into which employees are placed based on veterans' preference entitlement. The three preference eligible subgroups are defined as:
 1. *Subgroup AD* – employees entitled to veterans' preference based on a compensable service-connected disability of 30 percent or more.
 2. *Subgroup A* – all other preference eligible employees not included in subgroup AD.
 3. *Subgroup B* – employees who are not preference eligibles.

- f. *RIF service date* – the date used in conjunction with the tenure group (see [354.217d](#)) and preference eligible subgroup (see [354.217e](#)) to determine an employee’s retention standing on a retention register (see [354.217c](#)) during a RIF. The RIF service date is derived by subtracting the additional years of service credit based on performance ratings from the employee’s leave computation date.
1. *Leave computation date* – a date based on total creditable service – generally including all creditable Postal Service, federal civilian service, and active military service (see [512.2](#)). For an employee who is a retired member of the uniformed services (see [354.215](#)), the leave computation date is adjusted by the amount of service credit based on the rank at which an employee retires and the circumstances of the retirement. The specific methodology used to calculate the leave computation date is provided in Exhibit 210d of Handbook EL–301, *Guidelines for Processing Personnel Actions*.
 2. *Performance ratings* – the three most recent merit performance ratings of record received during the 4–year period before the issuance date of the specific RIF notices. Based on these performance ratings, nonbargaining employees are entitled to additional service credit towards their RIF service date, as follows:
 - a. Merit performance ratings are used as follows:
 - i. If an employee has received three merit performance ratings of record during the period, the values of the ratings are added together and divided by three (rounded in the case of a fraction to the next higher whole number) to determine the amount of additional service credit.
 - ii. If an employee has received at least one but fewer than three merit performance ratings of record, the employee receives additional service credit for performance based on the amount derived when the values of the ratings received are added together and divided by the number of ratings actually received (rounded in the case of a fraction to the next higher whole number).
 - iii. If an employee has received no merit performance ratings of record, the employee receives additional service credit for performance based on the modal rating. The modal rating is determined based on the most prevalent merit performance rating received postal–wide during the most recent performance evaluation period.
 - b. Values are assigned to each merit performance rating of record (or the modal rating) as follows:
 - i. 20 additional years of service are credited for an adjective rating of Exceptional Contributor (EC).
 - ii. 16 additional years of service are credited for an adjective rating of High Contributor (HC).

- iii. 12 additional years of service are credited for an adjective rating of Contributor (C), Not Rated (NR), or No Score (NS).
 - iv. No additional years of service are credited for an adjective rating of Non-Contributor (NC) or Excluded (EX).
 - g. *Representative rate* – the hourly pay rate of a position that is used to determine a preference eligible employee’s assignment rights during a RIF. The representative rate is calculated by dividing the annual base salary for a position by 2,087 hours (number of hours in a government year). The annual base salaries used to derive the representative rates for career nonbargaining positions are based on the 25th percentile of annual base salary range for each grade level in the EAS, Structured Management Development (SMD) Schedule, A–E Postmaster (EPM) Schedule, and the Attorney Pay Schedule (APS). Level 01 positions under the PCES are subject to a market maximum that is used to cap salaries for each position. The market maximum is used to calculate the appropriate representative rate for PCES–01 positions. PCES–02 positions (corporate officers) are not covered by the RIF procedures.

354.22 Processing Requests for Organizational Change

354.221 Evaluating the Need for Change

Requests to change a Headquarters or field organizational structure are initiated by functional organization management with approval of the functional organization vice president. Such requests are processed as follows:

- a. The manager of Organizational Design and Management reviews and evaluates plan requirements; determines the appropriate categories, numbers, and grade levels of positions; and, if appropriate, develops job descriptions to support new positions and establishes reporting relationships for positions within the competitive areas impacted by the proposed change.
- b. The manager of Selection, Evaluation, and Recognition evaluates how the proposed changes will affect specific competitive areas and determines whether a RIF may be necessary. If a RIF potential exists, the manager of Selection, Evaluation, and Recognition provides functional organization management with a preliminary placement plan that, if possible, outlines the strategies to minimize or avoid the need for a RIF.

354.222 Implementing the Change

Following completion of the evaluation process and final approval by functional organization management of any revisions to the initial organizational change request and the placement plan, the following actions are taken:

- a. The manager of Organizational Design and Management notifies the functional organization vice president and the competitive area management of the new or modified structure and staffing changes to be implemented.
- b. The manager of Selection, Evaluation, and Recognition develops qualification standards (knowledge, skills, and abilities) for any new positions and assigns the positions to the appropriate competitive levels. If placement of competitive area employees into the new organization based on competitive levels and qualification

standards does not result in a potential RIF situation, the functional organization vice president and competitive area management are advised to proceed to fill any vacant positions under the normal EAS selection procedures. If the organizational change does result in a potential RIF, the manager of Selection, Evaluation, and Recognition is responsible for coordinating RIF avoidance or minimization strategies, conducting the RIF process, and, if necessary, coordinating with competitive area management other placement opportunities that may be available.

354.23 Implementing RIF Avoidance or Minimization Strategies

To minimize or avoid the impact of a RIF, the manager of Selection, Evaluation, and Recognition, in coordination with the functional organization vice president and competitive area management, may implement some or all of the following actions, either in the competitive area proposed to undergo the RIF or in additional specified competitive areas:

- a. Freeze hiring and promotion actions.
- b. Separate contract employees, temporary employees, and reemployed annuitants.
- c. Reassign employees out of a competitive area for which a RIF may be required and into vacant positions in competitive areas where a RIF is not being contemplated. Reassignments may be made to positions within or outside the commuting area and may be voluntary (e.g., where an employee has responded to a vacancy announcement) or directed by management. Such assignments are not subject to RIF procedures as long as preference eligible employees are not involuntarily placed into lower grade positions.
- d. Cancel all detail and temporary promotion PS Forms 50, *Notification of Personnel Action*.
- e. Terminate probationary employees.
- f. Approve employee requests to voluntarily change to vacant positions at lower grades within the competitive area, including bargaining positions.
- g. Provide voluntary resignation incentives.
- h. Obtain approval from OPM to offer a voluntary early retirement option.
- i. Provide voluntary early retirement incentives.
- j. When circumstances warrant, implement other RIF avoidance measures, provided such measures are in compliance with regulations and, if appropriate, the applicable collective bargaining agreements.

354.24 Providing Initial Notification and Making Preliminary Placements

354.241 Notifying Employees of a Potential RIF

If a potential RIF situation exists, management at the competitive area must meet with employees to advise them of the situation, either individually or in groups. This meeting occurs after approval is received from Organizational Design and Management and Selection, Evaluation, and Recognition, but before issuance of the general RIF notice. The information provided to employees includes, if applicable:

- a. A description of the new organization, including the job title and number of any new positions added, their grade levels, and reporting relationships.

- b. The number of positions by title and grade level in the organization being abolished.
- c. The position titles, grade levels, or organizational function that will be directly impacted by the RIF.
- d. The options available to potentially impacted employees, including any RIF avoidance or minimization strategies that will be used (see [354.23](#)).

354.242 Establishing Employee Qualifications

Employees who may be impacted by a RIF must provide updated pages 1 and 2 of PS Form 991, *Application for Promotion or Assignment*, to establish their qualifications for any vacant positions that remain in the new organization at the same grade level.

354.243 Making Preliminary Placements

Management at a competitive area, in coordination with the manager of Selection, Evaluation, and Recognition, matches employees to positions, including any vacant positions at the same grade levels, if any, in the new organization, based on employee qualifications and position requirements.

354.25 Implementing RIF Procedures

354.251 Issuing General RIF Notices

A RIF situation exists if a preference eligible employee in the competitive area undergoing a potential RIF is matched to a lower-grade position or is unplaced following the preliminary placement procedures in [354.23](#). The manager of Selection, Evaluation, and Recognition issues a general RIF notice to all employees within the competitive area. The general RIF notice advises employees that a RIF exists within their competitive area and provides the following information:

- a. The business reasons for the RIF.
- b. The position titles, grade levels, and organizational functions that will be directly impacted by the RIF.
- c. The RIF effective date is established no less than 60 days after anticipated receipt of specific RIF notices. Generally, the RIF effective date is established at the close of business on the last Friday of a pay period.

354.252 Issuing Specific RIF Notices

The manager of Selection, Evaluation, and Recognition issues specific RIF notices to all employees within the competitive area no less than 30 days after the issuance of the general RIF notice. Each specific RIF notice either advises an employee that he or she has been placed in the new organization, giving the position title, grade level, occupational code, and duty station location, or that he or she did not receive a placement offer and will be separated from the Postal Service. The specific RIF notice also contains the following:

- a. Information used to determine an employee's assignment rights in the RIF, including the competitive area, competitive level, tenure group, veterans' preference subgroup, RIF service date, and the four most recent merit performance ratings of record.
- b. A statement that all employees are entitled to review the OPM retention regulations (5 CFR 351) at their personnel services office.
- c. If the employee is a preference eligible, a copy of the MSPB regulations (5 CFR

1201) and appeal form.

- d. If the employee did not receive a placement offer and was notified that he or she would be separated from the Postal Service:
 - 1. A Postal Service document titled *Explanation of Compensation Programs* that would be sent with the letter of notification.
 - 2. PS Form 999, *Application for Reinstatement List*.
- e. If the employee is a preference eligible who is changed to a lower grade level as a result of the RIF, information concerning Veterans' Preference Saved Grade NTE and Veterans' Preference Retained Salary under the provisions of [415.12](#).

354.253 Placing Unplaced or Displaced Employees

Procedures for placing employees before the RIF effective date are as follows:

- a. Preference eligible employees who are not placed based on their RIF rights and nonpreference eligible employees who are considered for any appropriate and available vacant positions remaining in their competitive area as follows:
 - 1. Following the issuance of the specific RIF notice, the manager of Selection, Evaluation, and Recognition provides the placement administrator with a list of employees not placed during the specific RIF action (see [354.252](#)), and a list of vacant positions within the competitive area undergoing the RIF, if any. In the case of closure of an entire competitive area, all positions are abolished and no placement opportunities remain within the competitive area.
 - 2. Any vacant positions that exist in the competitive area are used as placement opportunities during a 2-week period beginning with the date of receipt of the lists. During this 2-week period, qualified employees are matched to these vacant positions. If warranted by the number of vacant positions and individuals impacted by the RIF, the placement administrator, with the help of a committee, if desired, may review PS Forms 991 and establish employee referral lists of individuals who meet the basic qualifications for available vacancies. If not, directed reassignments may be made. PS Forms 50 for these selections bear the same effective date as the RIF effective date.
 - 3. Selecting officials must return the entire placement file to the placement administrator, including the referral list and PS Forms 991, with a written list of selected employees in rank order, within 1 week. Selecting officials should list more than one acceptable selection for each vacancy, if possible.
- b. Career bargaining employees displaced in order to afford a preference eligible his or her RIF assignment rights are reassigned in accordance with the applicable collective bargaining agreement.

354.254 Advising Employees of Options

During the week before the effective date of the RIF, the placement administrator meets, individually or in groups, with employees who remain unplaced. The administrator discusses in detail the following options with the employees:

- a. *Nonpay, Nonduty Status.* Employees who do not expect to be placed by the RIF effective date may request to be placed in a 30–day nonpay, nonduty status, an extension to the RIF effective date. The placement administrator must receive this request before the RIF effective date. During the 30–day extension, employees may continue to seek a position with the Postal Service based on the conditions specified in [354.26](#).
- b. *Compensation Alternatives.* Generally, information provided about compensation alternatives that may be available to employees upon separation should include:
 1. An overview of the compensation programs available to separated employees and answers to any questions employees may have concerning the information previously provided in the Explanation of Compensation Programs attached to the specific RIF notice.
 2. Assistance in identifying and completing the forms necessary to apply for any compensation to which individuals may be entitled.
 3. A reminder for those individuals who have not indicated an interest in being reinstated that they are eligible to apply for placement on the reinstatement list (see [354.27](#)).

354.255 Separating Remaining Employees

Employees who decline or fail to request a 30–day extension in a nonpay, nonduty status by the RIF effective date are separated on that date.

354.26 Making Post–RIF Employee Placements

Employees placed on a 30–day extension in a nonpay, nonduty status have the following options:

- a. *Noncompetitive Consideration.* Employees may apply noncompetitively for any vacancy at or below their current grade within the commuting area. Employees assigned to a lower grade position are entitled to grade and salary treatment in accordance with [415.4](#).
- b. *Voluntary Bargaining Position Placement.* If employees meet the qualifications for vacant bargaining positions, they may volunteer for placement into these vacancies subject to the approval of the manager where the vacancy exists. Seniority and pay provisions governing such placements are in accordance with the applicable collective bargaining agreement.

354.27 Establishing a Reinstatement List

354.271 Providing Priority Consideration to Employees

A reinstatement list (RL) identifies for priority consideration for reinstatement to the Postal Service those eligible career nonbargaining employees who have been separated due to a RIF.

The RL is established on the 31st day following the RIF effective date, provided one or more employees have been found eligible for placement on the RL. The RL remains in effect for 2 years following its establishment, or until no eligible employees remain on the RL, whichever is earlier.

Note: Acceptance of an employee’s PS Form 999, *Application for Reinstatement List*, and placement on the RL does not guarantee former employees reinstatement to the

Postal Service.

354.272 Determining Employee Eligibility

Employees are eligible to be placed on a RL if the following occurs:

- a. They received a specific RIF notice indicating that they will be separated from the Postal Service and are subsequently separated on their RIF effective date. Employees who retire on or after their RIF effective date are eligible for placement on the RL, provided they meet all other eligibility requirements.
- b. Their last merit performance rating of record before separation was above *Unacceptable*.
- c. They submit their PS Form 999 no later than 30 days after their RIF effective date.
- d. They are found at least *minimally qualified* by the primary placement administrator for one or more of the positions identified on their PS Form 999.

354.273 Considering Employees on a Reinstatement List

Provisions for reinstatement list consideration are as follows:

- a. Eligible RL applicants are provided initial consideration before advertisement of a vacant position within their competitive area and all other competitive areas within commuting distance not undergoing a RIF action (the reinstatement list area of consideration (RLAC)). Consideration is limited to those applicants who have been found at least *minimally qualified* for the vacant position by the primary placement administrator.

Note: A vacant position does not include positions that are filled through other special programs such as the restoration of individuals who served in the uniformed services and the reemployment or reassignment of employees injured on duty.

- b. Positions identified by eligible RL applicants on their Form 999 for which they have been found at least *minimally qualified* by the primary placement administrator must be:
 1. Authorized positions within the RLAC.
 2. At the same or lower grade level (or representative rate for PCES employees) as the positions held before separation due to a RIF action.
- c. After initial consideration, eligible RL applicants may either be given further consideration for the identified vacant position on a competitive or noncompetitive basis, or not be considered further. A decision to *not consider* an applicant further for a particular vacancy does not impact the applicant's standing on the RL. This decision does not prevent the applicant from being considered for a similar vacant position at a later date or for any other position that the applicant has been found eligible to be considered for on the RL.

354.274 Removing Employees From a Reinstatement List

Names of former employees are taken off the RL, if they:

- a. Accept a career appointment with the Postal Service or other federal agency.
- b. Voluntarily request, in writing, to have their names removed from the RL.
- c. Decline or fail to reply to a written or telephone notification concerning an

employment opportunity to a specific position identified on the RL.

- d. Decline an interview or fail to appear for a scheduled interview, provided they are notified in advance of the interview, and do not take reasonable action to reschedule the interview.
- e. Fail to provide the placement administrator with any changes in their address or telephone number and thus prevent contact concerning potential employment opportunities.

354.3 Actions for Nonbargaining Employees in Connection With the Discontinuance and Consolidation of Post Offices

354.31 Background

Statutory and regulatory requirements mandate consideration of the effects of closing or consolidating a Post Office on Postal Service employees in that office, and making a public record and analysis concerning the effects on these employees.

354.32 Definition of Terms

District manager refers to the manager who is proposing the discontinuance of a Post Office within his or her district under *Domestic Mail Manual* (DMM) G011.1.2 and G011.1.3. Discontinuance of a Post Office includes the consolidation of the Post Office with another Post Office and replacing it with a community Post Office, or a classified or contract station or branch, as well as the discontinuance of a Post Office without establishing another facility to replace it.

354.33 Planning Considerations

The dual objectives of minimizing the impact on individual employees, and maximizing the economies to be affected by consolidating or discontinuing Post Offices, can best be achieved through careful planning and judicious placement of impacted employees. Management keeps employees informed at each step of the process and identifies positions appropriate for reassignment and for which employees are willing to accept reassignment voluntarily.

354.34 Postmaster and Supervisors

354.341 Postmasters

When the district manager proposes to recommend the discontinuance of a Post Office where there is an incumbent postmaster, each of the following alternatives, as applicable and appropriate, are discussed with the incumbent postmaster, and the district manager prepares a memorandum stating which alternative is recommended. The following alternatives are available:

- a. *Reassignment to Another Postmaster Vacancy.* The district manager may recommend that the established procedures for the selection of postmasters be waived and that the postmaster be reassigned to an existing postmaster vacancy located within the same district. The district manager includes in the memorandum a statement that the postmaster meets the requirements and qualifications of the vacant postmaster position to which reassignment is recommended and can satisfactorily perform the duties of that position. A signed statement from the postmaster that the reassignment recommended by the district manager, if

approved, will be accepted, must also be obtained for the record.

- b. *Unavailable Postmaster Vacancy.* In the event there is no postmaster vacancy to which an affected postmaster may be reassigned, the district manager notifies the postmaster in writing. If the affected postmaster accepts a nonpostmaster assignment, that postmaster retains the right, for 104 weeks from the date of reassignment, to be offered a vacant postmaster position located within the district at his or her former level, when one occurs. Declination of an offer in writing, voluntary acceptance of a lower level postmaster position, or promotion to a higher level postmaster position terminates the right to be offered a postmaster vacancy at the postmaster's former level.
- c. *Reassignment to a Supervisory Vacancy.* If there are no postmaster vacancies available for possible reassignment, or if it is determined and documented that the postmaster does not meet the requirements and qualifications of the vacant postmaster positions available and cannot satisfactorily perform the duties, the district manager may recommend that the postmaster be reassigned to an existing supervisory vacancy within the district. The vacancy can be a station or branch manager of the classified station or branch established as a result of a consolidation. The district manager documents that the postmaster meets these requirements and qualifications of the vacant supervisory position to which reassignment is recommended and can satisfactorily perform the duties of that position, and includes a signed statement from the postmaster that the reassignment as recommended by the district manager will, if approved, be accepted.
- d. *Reassignment to Another Position in the Postal Service.* If there are no postmaster or supervisory vacancies within the district to which the postmaster can be reassigned, because either the vacancies do not exist or it is determined and documented that the postmaster does not meet the requirements and qualifications of the positions that are available for possible reassignment and cannot satisfactorily perform the duties of those positions, the district manager recommends that the postmaster be reassigned to another position in the Postal Service. As appropriate, postmasters at noncity delivery offices may be offered available full- or part-time clerk or carrier positions or other available craft positions for which qualified. In all such cases, the individual's seniority is established in accordance with the applicable provisions of the National Agreement. In recommending reassignment to another position in the Postal Service, every effort is made to recommend a position for which the annual pay that the postmaster can expect to receive is as nearly equal as possible to the pay received during the last year as a postmaster. A signed statement from the postmaster that the reassignment recommended by the district manager, if approved, will be accepted, must be obtained for the record.
- e. *Voluntary Retirement.* Eligibility for voluntary retirement is established if, by the anticipated date of discontinuance of the Post Office, the postmaster has been employed under the Civil Service Retirement System for at least 1 year within the 2-year period preceding the discontinuance, and:
 1. Has at least 30 years of creditable service and is at least 55 years of age.

2. Has at least 20 years of creditable service and is at least 60 years of age.
3. Has at least 5 years of creditable service and is at least 62 years of age.

If the postmaster is employed under the Federal Employees Retirement System, one of the following conditions must be met:

- d. Has at least 30 years of creditable service and is at least the minimum retirement age (MRA) (see [583.14](#)).
- e. Has at least 10 years of creditable service and is at least the MRA. This is a reduced annuity retirement, without a reduction of 1/6 of 1 percent for each month the employee is under age 62.
- f. Has at least 20 years of creditable service and is at least 60 years of age.
- g. Has at least 5 years of creditable service and is at least 62 years of age.

The district manager advises the postmaster of the eligibility for voluntary retirement. Under no circumstances may the district manager attempt to coerce the postmaster into taking voluntary retirement in lieu of reassignment to a postmaster, supervisory, or any other position in the Postal Service. The decision to take voluntary retirement in lieu of reassignment must be made by the postmaster, and this alternative may not be recommended by the district manager, unless the postmaster has chosen it.

Discontinued Service Annuity. Eligibility for a discontinued service annuity is established if, by the recommended date of discontinuance of the Post Office, the postmaster has been employed under the Civil Service Retirement System for at least 1 year within the 2-year period preceding the discontinuance (see [563.21](#)), and:

1. Has at least 25 years of creditable service regardless of age.
2. Has at least 20 years of creditable service and is at least 50 years of age.

The district manager advises the postmaster of the eligibility for a discontinued service annuity and of the fact that under present law this type of an annuity requires a reduction of 1/6 of 1 percent for each month the employee is under 55 years of age at the time of retirement.

If the postmaster is under the Federal Employees Retirement System, the same age and service requirements must be met, but there is no reduction for being under age 55 (see [583.21](#)).

Under no circumstances may the district manager attempt to coerce the postmaster to accept a discontinued service annuity in lieu of assignment to a postmaster, supervisory, or any other position in the Postal Service. The decision to accept a discontinued service annuity in lieu of reassignment must be made by the postmaster, and the district manager may not recommend this alternative, unless the postmaster has chosen it.

354.342 Supervisors

When the district manager proposes to recommend the discontinuance of a Post Office at which a supervisor is stationed and whose position would be abolished, each of the following alternatives, as applicable and appropriate, is discussed with the affected supervisor, and the district manager prepares a memorandum for the record stating which alternative is recommended. The following alternatives are available:

- a. *Reassignment to a Postmaster Vacancy.* The district manager may recommend that the established procedures for the selection of postmasters be waived, and that the

supervisor be reassigned to an existing postmaster vacancy. The district manager includes a statement that the supervisor meets the requirements and qualifications of the vacant postmaster position to which reassignment is recommended and can satisfactorily perform the duties of that position, and a signed statement from the supervisor that the reassignment as recommended by the district manager will, if approved, be accepted.

- b. *Reassignment to a Supervisory Vacancy.* The district manager may recommend that the supervisor be reassigned to an existing supervisory vacancy, including that of a station or branch established as a result of a consolidation. The district manager includes a statement that the supervisor meets the requirements and qualifications of the vacant supervisory position to which reassignment is recommended and can satisfactorily perform the duties of that position, and endorses a signed statement from the supervisor that the reassignment as recommended by the district manager will, if approved, be accepted.
- c. *Reassignment to Another Position in the Postal Service.* If there are no postmaster or supervisory vacancies to which the supervisor can be reassigned, either because the vacancies do not exist or it is determined and documented that the supervisor does not meet the requirements and qualifications of the positions that are available and cannot satisfactorily perform those duties, the district manager recommends that the supervisor be reassigned to another position in the Postal Service. Supervisors may be offered available full- or part-time clerk, carrier, or other craft positions for which they are qualified. In all such cases, the individual's seniority is established in accordance with the applicable provisions of the National Agreement. A signed statement from the supervisor that the reassignment to another position in the Postal Service as recommended by the district manager will, if approved, be accepted, must be obtained for the record.
- d. *Voluntary Retirement.* Eligibility for voluntary retirement is established if, by the expected date of discontinuance of the Post Office, the supervisor has been employed under the Civil Service Retirement System for at least 1 year within the 2-year period preceding the discontinuance, and:
 1. Has at least 30 years of creditable service and is at least 55 years of age.
 2. Has at least 20 years of creditable service and is at least 60 years of age.
 3. Has at least 5 years of creditable service and is at least 62 years of age.

If the supervisor is under the Federal Employees Retirement System, one of the following conditions must be met:

- d. Has at least 30 years of creditable service and is at least the MRA (see [583.14](#)).
 - e. Has at least 10 years of creditable service and is at least the MRA. This is a reduced annuity retirement, without a reduction of 1/6 of 1 percent for each month the employee is under age 62.
 - f. Has at least 20 years of creditable service and is at least 60 years of age.
 - g. Has at least 5 years of creditable service and is at least 62 years of age.

The district manager advises the supervisor of the eligibility for voluntary retirement. Under no circumstances may the district manager attempt to coerce the supervisor into taking voluntary retirement in lieu of reassignment to a postmaster, supervisory, or any

other position in the Postal Service. The decision to take voluntary retirement in lieu of reassignment must be made by the supervisor, and this alternative may not be recommended by the district manager unless the supervisor has chosen it.

□ *Discontinued Service Annuity.* Eligibility for a discontinued service annuity is established if, by the recommended date of discontinuance of the Post Office, the supervisor has been employed under the Civil Service Retirement System for at least 1 year within the 2-year period preceding the discontinuance (see [583.21](#)), and:

1. Has at least 25 years of creditable service regardless of age.
2. Has at least 20 years of creditable service and is at least 50 years of age.

The district manager advises the supervisor of the eligibility for a discontinued service annuity and that under present law this type of an annuity requires a reduction of 1/6 of 1 percent for each month the employee is under 55 years of age at the time of retirement.

If the supervisor is under the Federal Employees Retirement System, the same age and service requirements must be met, but there is no reduction for under age 55 (see [583.21](#)).

Under no circumstances may the district manager attempt to coerce the supervisor into accepting a discontinued service annuity in lieu of reassignment to a postmaster, supervisory, or any other position in the Postal Service. The decision to accept a discontinued service annuity in lieu of reassignment must be made by the supervisor, and the district manager may not recommend this alternative, unless the supervisor has chosen it.

354.343 Reassignment to Higher Grade Position

In situations where the proposed reassignment would be to a higher-grade position and a promotion procedure is prescribed by regulation, that promotion procedure must be followed.

354.344 Salary Protection

See [415.12](#) for information on salary protection.

354.345 Relocation Expenses

Any postmaster or supervisor who is reassigned as a result of the discontinuance of the Post Office where employed is entitled to reimbursement of approved relocation expenses consistent with Handbook F-15, *Travel and Relocation*.

354.346 Discussions With Postmasters and Supervisors

When possible, the district manager must discuss with the affected postmasters and supervisors the alternatives available to them incident to the discontinuance of their Post Office of employment. In isolated instances where the district manager cannot personally discuss this with the affected postmasters and supervisors, a manager at the district as designated by the district manager performs it.

354.347 Subsequent Personnel Actions

Employees who voluntarily accept lower-grade positions may subsequently be assigned to positions that do not exceed the grade from which they were downgraded. The normal promotion procedures may be waived. However, employees must meet the prescribed minimum qualification requirements for the positions to which they are assigned. Eligibility for special placement in postmaster positions described in [354.341](#) is limited to 104 weeks.

354.348 Refusal of Reassignment Offer

If a postmaster or supervisor is offered reassignment to a postmaster, supervisory, or any other position in the Postal Service and refuses to accept any of these alternatives, RIF procedures are instituted. The postmasters or supervisors must apply for any retirement benefits for which they are eligible. If the postmaster or supervisor is separated from the Postal Service and is not eligible for either voluntary retirement or a discontinued service annuity, severance pay is paid if provided for in the relevant Postal Service rules and regulations.