

Field EAS Compensation Decision

1. Duration—The compensation policy set forth below is effective until changed through future pay consultations as required by statute. Implementation dates for the various changes described herein are provided with the explanation of each change.

2. Salary Ranges—The salary structure for EAS pay grades will be adjusted as indicated on the EAS Salary Structure table (*Attachment 1*). The effective dates for these structure changes are Jan. 1, 2000, and Dec. 30, 2000. The adjustments to the salary structure will not automatically change employee salaries. Employee salaries will be adjusted within their respective salary ranges based on individual performance determinations in accordance with the merit basic salary adjustment process as discussed in number 3 below.

3. Merit Pay Program—Effective Jan. 1, 2000, and Dec. 30, 2000, the EAS merit pay program will be revised to provide pay adjustments for FY-99 and -00 individual performance as indicated in the chart below.

The current 10 percent limitation of the number of “far exceeded” ratings will remain in effect.

4. Supervisory Differential Adjustment—Within the salary structure, EAS exempt employees in Grades 15 to 18 who directly supervise two or more full-time equivalent bargaining-unit employees will be paid no less than 1.05 times the maximum annual rate for the most populated grade and step in the largest postal bargaining unit, which is currently Step O, Grade 5, of the APWU salary schedule.

5. Additional Straight-Time Pay—The current method for identifying special-exempt employees will remain in effect, i.e., FLSA code S will be used to identify supervisors of bargaining-unit employees in a production operation. However, effective Oct. 23, 1999, FLSA special-exempt supervisory employees in Grades 18 and below will become eligible for additional straight-time pay when they

are authorized to work more than 8.5 hours per scheduled work day, or at any time on a nonscheduled work day. All time worked that exceeds the normal work schedule will be paid at straight time if the authorized work exceeds one half-hour per day. All authorized time worked on a nonscheduled work day will receive the additional straight-time pay.

6. EAS to EAS Higher-Level Pay—Effective Oct. 23, 1999, higher-level pay within the EAS schedule, following the 10-day waiting period, will be calculated at 5 percent of the employee’s actual salary, or an amount necessary to bring the employee’s salary to the minimum of the higher grade level, whichever is greater. When an EAS nonexempt employee is on higher-level detail to an exempt position, the employee will retain his or her position of record nonexempt FLSA status, and will remain eligible for time-and-one-half pay for overtime work. Similarly, when a special-exempt employee is on higher-level detail to a regular-exempt position, the employee will retain his or her special-exempt status, and will remain eligible for additional straight-time pay.

7. Change to Lower Grade Levels—Effective Oct. 23, 1999, indefinite saved salary will be applied to all career nonbargaining employees for management-initiated and mutually agreed-upon actions that result in a change to a lower grade level. Indefinite saved salary means an employee’s salary is unchanged if the salary is within the salary range for the lower-grade position; or if the employee’s salary exceeds the salary maximum of the lower-graded position, the salary will be frozen until there is room under the new pay grade to receive a merit increase. If an employee initiates a voluntary change to a lower-grade position, is demoted for cause or refuses a reasonable assignment to a higher-grade position, the employee’s salary will be reduced to the same relative percentile as in the higher grade.

8. Night Differential—The night shift differential premium for eligible hours worked between 6 p.m. and 6 a.m. will be changed from the current rate of 9 percent to a rate of 8 percent of basic pay effective Jan. 1, 2000.

9. Promotions and Upgrades—Effective Oct. 23, 1999, the promotion

EAS Merit Pay Program Award Matrix

		Employee's Salary Position in Range		
		Below Midpoint	At or Above Midpoint	At or Above Maximum
FY-99	Far Exceeded Objectives/ Expectations	4.5% basic salary increase*	4.1% basic salary increase up to max; remainder in lump sum not to exceed 2% of the max	Lump sum of 2% of the max
	Met Objectives/ Expectations	3.5% basic salary increase**	3.1% basic salary increase up to max; remainder in lump sum not to exceed 1.5% of the max	Lump sum of 1.5% of the max
	Unacceptable	0%	0%	0%
	Not Rated	0%	0%	0%
FY-00	Far Exceeded Objectives/ Expectations	4.5% basic salary increase [†]	4.2% basic salary increase up to max; remainder in lump sum not to exceed 2% of the max	Lump sum of 2% of the max
	Met Objectives/ Expectations	3.5% basic salary increase ^{††}	3.2% basic salary increase up to max; remainder in lump sum not to exceed 1.5% of the max	Lump sum of 1.5% of the max
	Unacceptable	0%	0%	0%
	Not Rated	0%	0%	0%

* New basic salary cannot exceed 4.1% above the midpoint.

[†] New basic salary cannot exceed 4.2% above the midpoint.

** New basic salary cannot exceed 3.1% above the midpoint.

^{††} New basic salary cannot exceed 3.2% above the midpoint.

increase range will be established at 3 to 8 percent. The promotion increase may be adjusted higher, if necessary, to bring the salary to the minimum of the higher pay grade, or lower to keep the salary from exceeding the maximum of the higher pay grade, or lower to keep the salary from exceeding the 15 percent limit in a 12-month period.

Effective Nov. 6, 1999, the upgrade policy will be changed to provide a 2 percent basic-salary increase. The upgrade increase may be adjusted higher, if necessary, to bring the salary to the minimum of the higher pay grade, or lower to keep the salary from exceeding the maximum of the higher pay grade.

10. Manager, Customer Service, Evaluations—Effective Oct. 23, 1999, the evaluation system for Manager, Customer Service (station manager), will be adjusted to provide a consistent set of criteria that reflects the level of responsibility for these positions. The offices will be measured utilizing criteria and cut-offs that identify more accurately the relative complexity of the positions across the full range of offices. Incumbents will be upgraded under the current upgrade policy, i.e., a 2 percent lump-sum payment.

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Point Ranges for Stations

Grade	Point Range
16	1,000 – 3,000
17	3,001 – 5,000
18	5,001 – 9,000
19	9,001 – 17,000
20	17,001 – 26,000
21	26,001 – 35,000
22	35,001 – 78,000
24	78,001 and up

11. Military Leaves of Absence

Effective with the FY-00 Variable Pay Program and the FY-00 Merit Pay Program, credit will be granted under both

programs for time spent in a leave without pay (LWOP) status for those on military leave (time card code 44; PSDS code 44). All other LWOP situations will result in prorated reductions under the present terms of the two programs.

12. Health Benefits Contribution

Beginning with the 2000 plan year, the employer’s contributions toward an active career employee’s Federal Employees Health Benefits Program (FEHBP) plan will be increased to a rate of 85 percent of the total weighted average premiums for all FEHBP plans as determined by the Office of Personnel Management, but not to exceed 88.75 percent for any employee. See Attachment 2.

13. Health Care Flexible Spending Account Contribution

Beginning with the 2000 plan year, the limit on an employee’s contribution to the health care Flexible Spending Account (FSA) will be raised from \$2,600 to \$5,000. ■

Attachment 1

EAS Salary Structure

EAS Grade	Effective Jan. 2, 1999			New Max Increase	Effective Jan. 1, 2000			New Max Increase	Effective Dec. 30, 2000		
	Minimum	Midpoint	Maximum		Minimum	Midpoint	Maximum		Minimum	Midpoint	Maximum
1	20,875	23,693	26,511	0.00%	20,875	23,693	26,511	0.00%	20,875	23,693	26,511
2	21,559	24,470	27,380	0.00%	21,559	24,470	27,380	0.00%	21,559	24,470	27,380
3	22,269	25,275	28,281	0.00%	22,269	25,275	28,281	0.00%	22,269	25,275	28,281
4	23,167	26,294	29,422	0.00%	23,167	26,294	29,422	0.00%	23,167	26,294	29,422
5	23,939	27,170	30,402	0.00%	23,939	27,170	30,402	0.00%	23,939	27,170	30,402
6	24,802	28,150	31,498	0.00%	24,802	28,150	31,498	0.00%	24,802	28,150	31,498
7	25,818	29,304	32,789	0.00%	25,818	29,304	32,789	0.00%	25,818	29,304	32,789
8	26,853	30,478	34,103	0.00%	26,853	30,478	34,103	0.00%	26,853	30,478	34,103
9	27,902	31,668	35,435	0.00%	27,902	31,668	35,435	0.00%	27,902	31,668	35,435
10	28,931	32,836	36,742	0.00%	28,931	32,836	36,742	0.00%	28,931	32,836	36,742
11	30,340	34,436	38,532	2.55%	30,340	34,927	39,515	2.55%	30,340	35,431	40,522
12	31,796	36,089	40,381	2.55%	31,796	36,603	41,411	2.55%	31,796	37,131	42,467
13	33,280	37,773	42,266	2.55%	33,280	38,312	43,344	2.55%	33,280	38,865	44,449
14	35,017	39,745	44,472	2.55%	35,017	40,312	45,606	2.55%	35,017	40,893	46,769
15	36,935	41,921	46,907	2.55%	36,935	42,519	48,103	2.55%	36,935	43,132	49,330
16	38,246	44,366	50,485	3.10%	38,246	45,148	52,050	3.20%	38,246	45,981	53,716
17	39,942	46,333	52,724	3.10%	39,942	47,150	54,358	3.20%	39,942	48,020	56,098
18	41,697	48,368	55,040	3.10%	41,697	49,222	56,746	3.20%	41,697	50,130	58,562
19	43,673	50,660	57,648	3.10%	43,673	51,554	59,435	3.20%	43,673	52,505	61,337
20	46,042	53,409	60,776	3.10%	46,042	54,351	62,660	3.20%	46,042	55,354	64,665
21	48,279	56,003	63,728	3.10%	48,279	56,991	65,704	3.20%	48,279	58,042	67,806
22	51,149	59,333	67,517	3.25%	51,149	60,430	69,711	3.50%	51,149	61,650	72,151
23	53,937	62,567	71,197	3.25%	53,937	63,724	73,511	3.50%	53,937	65,010	76,084
24	56,606	65,663	74,720	3.25%	56,606	66,877	77,148	3.50%	56,606	68,227	79,849
25	59,422	68,929	78,437	3.25%	59,422	70,204	80,986	3.50%	59,422	71,621	83,821
26	62,386	72,367	82,349	3.25%	62,386	73,705	85,025	3.50%	62,386	75,193	88,001

Health Benefits Contribution

The method for determining the Postal Service's biweekly contributions to the cost of employee health insurance programs under the Federal Employees Health Benefits Program (FEHBP) for career employees will be as follows:

A. The Office of Personnel Management (OPM) shall calculate the subscription charges under the FEHBP that will be in effect the following January with respect to self-only enrollments and self and family enrollments.

B. The biweekly USPS contribution for self-only and self and family plans is adjusted to an amount equal to 85 percent of the weighted average biweekly premiums under the FEHBP as determined by the OPM. The adjustment begins on the effective date of each plan year as determined by the OPM beginning in January 2000.

C. The weight to be given to a particular subscription charge for each FEHBP plan and option will be based

on the number of enrollees in each such plan and option for whom contributions have been received from employers covered by the FEHBP as determined by the OPM.

D. The amount necessary to pay the total charge for enrollment after the USPS contribution is deducted shall be withheld from the pay of each enrolled employee. To the extent permitted by law, the Postal Service shall permit employee premium contributions to the cost of each plan on a pretax basis, and shall extend eligibility to such employees for the U.S. Postal Service's flexible spending account plans for unreimbursed health care expenses and work-related dependent child care and elder care expenses as authorized under Section 125 of the Internal Revenue Code.

E. The limitation on the Postal Service's contribution towards any individual employee shall be 88.75 percent of the subscription charge under the FEHBP beginning in January 2000. ■