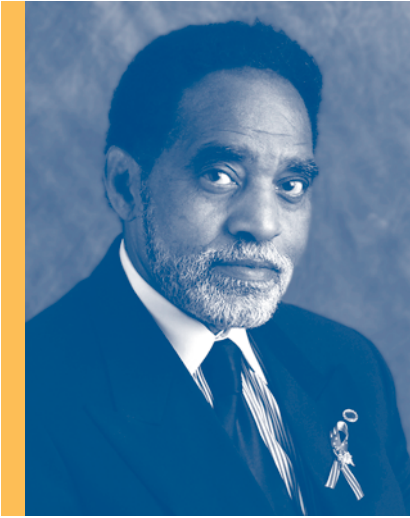


# **WHEN EXCESSING OCCURS...**

**Know Your  
Rights And  
Benefits**

**AMERICAN POSTAL WORKERS UNION, AFL-CIO**

## P R E S I D E N T ' S   M E S S A G E



The information in this booklet has been compiled to assist APWU members during a potentially difficult career experience.

Excessing is rarely easy. A change in job assignment and/or relocation to a new community can be a terrible experience for the worker and the worker's family. But being excessed is certainly preferable to being laid off or terminated.

Through the language in the contract negotiated with the Postal Service, the APWU has provided for its members the strongest protection against layoffs in American industry. Our ongoing goal is to strengthen this protection.

This pamphlet is intended to guide you during a time of unwelcome change. It not only explains your basic right to the assignment you now fill, but provides information and advice that can ensure that you receive the benefits to which you are entitled when excessing occurs. This APWU educational material is essential to members, stewards, and officers.

Please use it to help you make an informed choice about your employment future.

A handwritten signature in dark ink, reading "William Burrus". The signature is fluid and cursive.

William Burrus, President

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## EXECUTIVE VICE PRESIDENT'S MESSAGE



Excessing has been with us for many years, since the earliest days of mechanization and automation in postal installations. Without fail, the American Postal Workers Union has responded in the most effective way possible. Every National Agreement has included language that restricts excessing.

While automation has had a dramatic effect on the nation's mail-delivery system, we have been able to make a solid case for preserving our jobs because our productivity has increased along with USPS productivity. We have responded to increased automation in mail processing by enforcing the Collective Bargaining Agreement, and by making sure that the agreement in turn requires the USPS to live up to past practices and its own rules, regulations, employee manuals, and handbooks.

This handbook is a summary of your protection against excessing. It's our way of living up to our own practice of always putting our members first.



Cliff Guffey

# INTRODUCTION

**T**his booklet is intended to apprise APWU members of their rights and benefits when the Postal Service excesses employees in the name of automation. The US Postal Service's deployment of automation will cause the relocation of employees from discontinued manual and mechanized positions to newly established automated work assignments. Operators on remote video encoding equipment, operators on OCRs, BCSs and automated flat sorting machines—as well as employees on other assignments using advanced technology—will be the mail processors of the future.

These technological changes, as well as the changes caused by the consolidation of offices, will result in the reassignment of employees from sections, crafts and installations. Article 12 of the National Agreement between the American Postal Workers Union and the US Postal Service governs such reassignments, and must be adhered to in the relocation of employees.

The union contract does not prohibit management from making decisions on the employee complement, location of work, or skills needed. It does, however, address in detail the procedures to be followed when it is necessary to reassign employees. Principles protected by the contractual provisions are:

- seniority
- career employees must receive priority.

## GUARANTEED RIGHTS

Within the contractual protections of the National Agreement, postal employees enjoy specific guaranteed rights when excessing occurs. Five of these important rights are explained in this booklet. They are:

1. Rate Protection
2. Protected Rate
3. Discontinued Service Retirement Benefits and Rights
4. Severance Pay
5. Relocation Allowances

## RELY ON YOUR UNION

APWU members affected by involuntary reassignments should carefully read the sections of this booklet which pertain to them, and then consult their local APWU representative regarding the application of the National Agreement to their specific circumstances. Under no circumstances should any union member rely on information provided by management—as management's goal is to realign the workforce with the least possible disruption and cost.

Nor should you refer your inquiries to your supervisors or managers, or rely upon them to interpret your rights. Because the rights of APWU members and the

# INTRODUCTION

Postal Service's goals will often conflict, it is important that your questions be directed to your union officials. In areas that may be beyond the expertise of local union officials, regional union officials are available to assist them.

**If your job is eliminated as the result of tech/mech changes the contract provides you with salary protection until you fail to bid/apply for a position in your former wage level.**

## RATE PROTECTION

Article 4 of the National Agreement specifies that an employee whose job is eliminated as the result of technological or mechanization changes shall receive rate protection. The employee continues to receive the salary they received in the previous higher grade position until such time as they fail to bid or apply for a position in their former wage level.

The salary protection provided by these provisions begins effective the date the affected employee is assigned to a residual lower level position or becomes the successful bidder to a lower level position. Any period as an unassigned employee following the elimination of a position due to technological/mechanization changes should be paid at the former level. This protected salary is augmented by any general salary increases occurring while the saved rate is in effect, including COLA and step increases.

When it is intended to reduce the number of employees because of the deployment of automated equipment, local management must initiate an "automation impact statement" identifying the "impacted positions" and the number of positions to be reduced. Automation deployment may be in the affected office or in another office; it may result in the movement of mail or the processing of mail. Under both circumstances an "impact statement" is required.

Employees receiving rate protection must bid or apply for all vacancies in their former wage level. Failure to bid or apply will result in forfeiture of the former wage level. This requirement to bid or apply includes only those posted vacancies for which the employee is eligible to bid or apply.

While receiving rate protection, employees may bid for vacancies at a level other than their former level without jeopardizing their rate protection.

**National Agreement**  
**Article 4**  
**Technological**  
**And Mechanization Changes**  
**Article 4.3**

**Section 3. New Jobs**

Any new job or jobs created by technological or mechanization changes shall be offered to present employees capable of being trained to perform the new or changed job and the Employer will provide such training. During training, the employee will maintain his/her rate. It is understood that the training herein referred to is on the job and not to exceed sixty (60) days. Certain specialized technical jobs may require additional and off-site training.

An employee whose job is eliminated, if any, and who cannot be placed in a job of equal grade shall receive rate protection until such time as that employee fails to bid or apply for a position in the employee's former wage level.

The obligation hereinabove set forth shall not be construed to, in any way, abridge the right of the Employer to make such changes.

## PROTECTED RATE

**T**he Employee and Labor Relations Manual (421.51) specifies that employees whose jobs are eliminated for reasons other than technological or mechanization changes and who are assigned to vacancies in a lower level shall receive a “protected rate.” Such employee will continue to receive the salary of the previous higher level position, augmented by any general wage increase, for a period of two years, provided that:

- a. The employee served for two consecutive years immediately preceding the effective date of reduction in a position with a salary standing higher than that to which reduced.
- b. The reduction is involuntary. Employee bids occurring after reassignment do not invalidate the protection.
- c. The employee occupied a permanent higher level position and their performance was satisfactory during the previous two years.

Clerk Craft employees assigned to lower level receive “rate protection” under all circumstances and continue to receive the salary of their former level, provided they fulfill the requirement to bid and apply for vacancies in their former level.

### RATE DETERMINATION

The basic salary of an employee entitled to a protected rate will be the lowest of the following:

- a. The employee’s basic salary at the time of reduction.
- b. An amount which is 25 percent more than the maximum basic salary for the new grade to which reduced.
- c. The basic salary in the lowest salary standing which the employee held during the two years immediately preceding reduction in salary standing, augmented by each step increase the employee would have earned in the previous level.



#### **421.51 Protected Rate**

**421.511 Explanation.** An individual employee who is assigned to a lower-grade position will have a protected rate (i.e., will continue to be paid the salary he or she received in the previous higher-grade position), as detailed in 421.512, below, augmented by any general increases granted (see also 422.13), for a specified period of 2 calendar years providing all of the following conditions are satisfied:

- a. The employee is serving under a career appointment.
- b. Reduction in salary standing is not disciplinary (for personal cause) or voluntary (at the request of the employee).
- c. The employee served for 2 continuous years immediately preceding the effective date of reduction in a position with a salary standing higher than that to which reduced.
- d. Salary in the higher salary standing was not derived from a temporary promotion, temporary appointment, or temporary assignment.
- e. Reduction in salary standing is not caused by a reduction in force due to lack of funds imposed on the Postal Service by outside authority or curtailment of work. For this purpose, curtailment of work does not include reduction in revenue unit category of any post office or reduction in route mileage on a rural route.
- f. Employee's performance of work was satisfactory at all times during such period of two calendar years.

**421.512 Rate Determination.** The basic salary of an employee entitled to a protected rate will be the lowest of the following:

- a. The employee's basic salary at the time of reduction.
- b. An amount which is 25% more than the maximum basic salary for the new grade (i.e., the grade to which reduced).
- c. The basic salary in the lowest salary standing which the employee held during the 2 years immediately preceding reduction in salary standing, augmented by each step increase she or he would have earned in such salary standing. Note: For rural carriers serving evaluated routes, the existing basic salary includes additional heavy duty compensation up to 40 hours.

**421.513 Duration.** An employee who is entitled to a protected rate retains the protected rate, augmented by general increases, for 2 calendar years from the effective date of the protected rate. If, before the 2 years expires, the employee is again reduced in salary standing, the following applies:

- a. A new protected rate period of 2 calendar years begins.

b. The new protected rate is redetermined according to the rule in 421.512 in relation to the salary standing following the latest reduction.

**421.514 Termination.** Rate protection ceases at the beginning of the pay period following a determination that an employee is no longer entitled to protection for any one of the following reasons:

a. A break in service of 1 workday or more.

b. Reduction to a lower salary standing (1) for disciplinary reasons or (2) at employee's own request.

c. Promotion or other advancement of employee to a higher grade or salary range in the same schedule, or to a position with a higher than equivalent grade in another schedule, above the protected rate.

d. Compensation of the employee is changed for any reason, other than by a general increase, to a basic salary equal to or higher than the protected rate.

**421.515 Effect on Other Compensation.** Rate protection affects other compensation as follows:

a. Promotion Rules. In applying the promotion rules, the existing basic salary is the basic salary the employee would have received except for the protected rate.

b. Rural Routes. Equipment maintenance allowances on rural routes are paid in relation to the documented route to which the carrier is assigned.

**421.516 Documentation.** Form 50, Notification of Personnel Action, is used to notify an employee who is entitled to rate retention of a change to a lower grade or salary standing. It contains a reference under the remarks section to 421.5 as authority for the amount and duration of the rate retention. The Form 50 also is used to notify an employee of the expiration of a rate retention status.

**421.517 Step Increases.** An employee with a protected rate will continue to receive step increases in the grade to which the employee was reduced. However, under no circumstances can receipt of these step increases cause the employee's salary to exceed the maximum step of the lower grade.

## DISCONTINUED SERVICE RETIREMENT

**T**itle 5 USCS and the ELM (563.21) specify that any career USPS employee (CSRS or FERS) meeting retirement eligibility requirements who is involuntarily separated and who has been employed continuously by the USPS and/or other federal agency for at least 12 consecutive months (without a break in service of three or more consecutive days immediately prior to the separation) is eligible for discontinued service retirement, except in the following circumstances:

The employee is not entitled to an immediate retirement annuity if:

- a. At the time of separation the employee is offered and declines to accept a position in the USPS or in any other federal agency of like seniority, tenure, and pay within the same commuting area.

“Commuting area” means the geographic area that usually constitutes one area for employment purposes. It includes any population center (or two or more neighboring ones) and the Surrounding localities in which people live and reasonably can be expected to travel back and forth daily in their usual employment.

- b. The employee is separated because of entry in the military service.
- c. The employee is separated for cause on charges of misconduct, delinquency, or inefficiency.
- d. The employee at the time of separation is receiving compensation as a beneficiary of the Federal Employees Compensation Act, except when receiving this compensation concurrently with postal pay.

For the purpose of this regulation, “separation” means excessed or reassigned from an assignment without a comparable offer.

### **Commuting area:**

***Any population center/surrounding localities in which people live and reasonably can be expected to travel back and forth daily in their usual employment.***

**Separated: *Excessed or reassigned from an assignment without a comparable offer.***

# DISCONTINUED SERVICE RETIREMENT

## ELIGIBILITY

The employee must be:

1. Employed a minimum of one year within the two years immediately preceding excessing. This restriction does not apply to FERS employees;
2. Age 50 with 20 years service (including five years civilian service) under CSRS or FERS; or
3. Any age with 25 years of service (including five years civilian service) under CSRS or FERS. If the employee has completed 25 years and is otherwise eligible for retirement but is under 55 years of age, their annuity is reduced 2 percent for each year under age 55. This reduction does not apply to employees under FERS.

***...APWU maintains that the offer of a level 4 mail handler position to a level 6 clerk...does not qualify as a reasonable offer.***

***A USPS notice of excessing without a reasonable offer of another position meeting the criteria is sufficient.***

## RULES

An employee who would otherwise be eligible for retirement based on involuntary separation from the USPS because of excessing is not entitled to an annuity if the employee has declined a reasonable offer of another position meeting the required criteria.

To be a reasonable offer for a comparable position, the offer must meet all of the following conditions:

1. The offer must be in writing;
2. The employee must meet established qualification requirements; and
3. The offered position must be:
  - (a) in the Postal Service;
  - (b) within the employee's commuting area unless

geographic mobility is a condition of the employee's employment;

(c) of the same tenure (full-time to full-time; part-time to part-time) and same work schedule (OPM will determine if a job offer of different hours/days constitutes the same work schedule); and

(d) not lower than the equivalent of two pay levels below the employee's current pay level.

The Office of Personnel Management (OPM) will determine what constitutes the "same work schedule."

Given the different pay schedules of the APWU and the Mail Handlers Union, APWU maintains that the offer of a level 4 mail handler position to a level 6 clerk is more than two levels below—and does not qualify as a reasonable offer.

# DISCONTINUED SERVICE RETIREMENT

## Notice

It is not necessary for the Postal Service to notify employees that they are being separated. A notice of excessing without a reasonable offer of another position meeting the criteria is sufficient.

## Application

Employees eligible for immediate retirement based on involuntary separation must request and complete Standard Form 2801 and file it with the Postal Service, along with OPM Form 1510.

## Lump-Sum Option

Employees who retire pursuant to the discontinued service regulations are entitled to the “lump-sum” option as a feature of their retirement annuity. Employees who elect the “lump-sum” option will receive in two equal payments an amount equal to their career contributions to the Civil Service Retirement System.

## Notice to USPS

Upon being notified of excessing, employees meeting the required criteria who have an interest in determining their eligibility for immediate retirement should forward a letter to their postmaster. The letter should contain the following information:

- a reference to the notice of excessing;
- notice that you do not wish to relocate outside of your commuting area or levels below your current level; and
- a request for a copy of form 2410 for estimating the amount of your retirement.

Employees should not refuse a direct order to report to a new location pending finalization of their retirement application.

***You should not refuse a direct order to report to a new location pending finalization of your retirement application.***

## DISCONTINUED SERVICE RETIREMENT

*The amount of your annuity depends on your “high 3” average pay and length of service. Night differential, Sunday premium, overtime and COLA are not figured in for “high 3.”*

### CALCULATING AN ANNUITY

The amount of an employee’s annuity depends on the employee’s “high 3” average pay and length of service. “High 3” average pay is the largest annual rate resulting from averaging an employee’s rates of basic pay in effect over any three consecutive years of creditable service.

Night differential, Sunday premium, overtime and COLA are not included in basic pay and do not affect an employee’s “high 3.” To determine “high 3” average pay, add the basic pay for three consecutive years and divide by three.

#### **For employees covered by CSRS, the annuity equals:**

1. 1\_ percent of “high 3” average pay multiplied by the amount of total service up to 5 years; plus
2. 1\_ percent of “high 3” average pay multiplied by the total service beyond 5 years and up to 10 years; plus
3. 2 percent of “high 3” average pay multiplied by the total service beyond 10 years.

**Example:** 25 years of service with a “high 3” average pay of \$30,000:

1. 1\_ % of \$30,000 x 5 = \$ 2,250
2. 1\_ % of 30,000 x 5 = 2,625
3. 2% of 30,000 x 15 = 9,000

Total basic annual annuity = \$13,875

Note: This annuity will be reduced by 2 percent for each year that the employee is under the age of 55 or 1/6 of 1 percent for each month under age 55.

#### **For employees covered by FERS, the annuity equals:**

1 percent of the employee’s “high 3” average pay multiplied by the individual’s total service.

Example: 25 years of service with a “high 3” average pay of \$30,000:

Annual basic annuity = \$7,500, or 1 percent of \$30,000 x 25

In addition, an annuity supplement would be added. This supplement increases the basic annuity until such time as Social Security is payable. Employees retiring under discontinued service provisions must meet the minimum retirement age (55) to be eligible for the annuity supplement. You should ask your personnel office about your eligibility for an annuity supplement. Note: There is no reduction based on age at the time of retirement.

## SEVERANCE PAY

**T**itle 5 USCS (§5595) and ELM 435 specify that any career USPS employee (CSRS or FERS) who is involuntarily separated and who has been employed continuously by the USPS and/or other federal agency for at least 12 consecutive months (without a break in service of three or more consecutive days immediately prior to the separation) is eligible for severance pay, except in the following circumstances:

- a. The employee is entitled to an immediate retirement annuity including discontinued service retirement.
- b. At the time of separation, the employee is offered and declines to accept a position in the USPS of like seniority, tenure, and pay within the same commuting area.
- c. The employee is separated for cause on charges of misconduct, delinquency, or inefficiency.
- d. The employee, at the time of separation, is receiving compensation as a beneficiary of the Federal Employees Compensation Act, except when receiving this compensation concurrently with postal pay.

A reasonable offer is:

- presented to the employee in writing;
- a position for which the employee meets the minimum qualifications;
- within the employee's commuting area, unless geographic mobility is a condition of the employee's employment. Commuting area means the geographic area that usually constitutes one area for employment purposes. It includes any population center (or two or more neighboring ones) and the surrounding localities in which people live and reasonably can be expected to travel back and forth daily in their usual employment;
- of the same tenure (full-time to full-time, part-time to part-time) and same work schedule;
- not lower than the equivalent of two pay levels below the employee's current pay level.

If the offer of a position does not meet the required criteria for purposes of this regulation and the eligible employee rejects the offered position, the employee is considered "separated." If the employee does not meet the eligibility criteria for discontinued service retirement, but does qualify for severance pay, the employee should:

- forward a letter rejecting the written offer; and
- request a written estimate of the amount of severance pay entitlement.

***Reasonable offers must meet several required criteria. If the offers don't meet them, you'll be "separated" and may qualify for severance pay.***

# SEVERANCE PAY

Employees should not refuse direct orders to report to a new location pending finalization of application for severance pay.

## COMPUTING SEVERANCE PAY

### **Limitation**

In no case shall the severance pay exceed 52 weeks' basic compensation.

### **Creditable Service**

Creditable service means all service as a paid postal employee and all military service which interrupted a period of paid postal service.

### **Paid Allowances**

The employee is credited with 1 week's basic compensation (weekly basic rate of pay, excluding COLA) for each year of creditable service up to 10 years. The employee is credited with 2 weeks' basic compensation for each year of creditable service in excess of 10 years. Each 3-month period of service that exceeds 1 or more full years of service is computed as 25 percent of a full year.

### **Employees in a Non-pay Status**

When Separated: The basic compensation is what the employee would have received if in a pay status at the time of separation.

### **Part-Time Regular Employees:**

Determine the basic weekly compensation by multiplying the number of hours in the employee's regular schedule by the employee's hourly rate of compensation.

### **Part-Time Flexible Employees:**

Divide by 52 the total number of hours – excluding overtime hours but including paid leave hours—that the employee had used during the previous 52 weeks to determine the average of hours worked per week. Multiply the average by the employee's hourly rate of compensation to determine the basic weekly compensation.



## SEVERANCE PAY

### **Allowance for Age Over 40**

The employee's basic allowance is increased by 10 percent for each full year and by 2 \_ percent for each 3 full months in excess of a full year that the employee's age exceeds 40 years at the time of separation.

### **Amount and Interval of Payment**

Employees receive severance pay each biweekly pay period in the amount of twice their basic weekly compensation, less withholding for taxes. The pay continues until (a) the severance pay fund is exhausted, or (b) the employee is reemployed by the USPS or another federal agency.

## RELOCATION ALLOWANCES

***If you are involuntarily excessed to an installation where your travel to work is at least 50 miles more than it was previously, you are entitled to relocation allowances. Do not volunteer to accept new assignments. If you do, you are not eligible for relocation allowances.***

**T**he F-12 Handbook specifies that employees who are involuntarily excessed and required to report to another installation are entitled to a relocation allowance, provided the new duty station is at least 50 miles greater in distance than the distance between their former duty station and their former residence.

When notified that you will be involuntarily excessed to a location more than 50 miles further than the distance between your present home and your duty station, you should request a written statement ordering your reassignment. A computer-driven notice of reassignment or PS Form 178 will suffice as official notice.

You should not volunteer to accept the new assignment.

If you volunteer for reassignment, under most circumstances you are not eligible for relocation allowances: After being notified that you are excess, you are provided choices of locations from which you make a selection, and your reassignment continues to be involuntary and is covered by the relocation expense regulations.

In those instances when a senior employee volunteers to be excessed in lieu of a junior employee, the senior employee should notify management that excessing is still occurring and should be considered “involuntary” for purposes of relocation expenses.

Where management refuses to authorize relocation expenses, the employee may elect to either refuse to volunteer or write a letter to management notifying that the relocation is not considered voluntary by the employee and that a grievance will be filed contesting the decision to refuse payment of the allowance.

To prevent any misunderstandings over your entitlement, you should insist that your reassignment order be in writing.

When provided options of different postal installations to which you may be excessed, you should always indicate-by letter-that your selection does not represent your volunteering for reassignment.

Do not accept a management offer to voluntarily transfer because excessing is imminent or the offered position is more convenient.

# RELOCATION ALLOWANCES

## RELOCATION EXPENSE REGULATIONS

The transfer must be in the interest of the USPS and not primarily for your convenience or benefit, or at your request.

### USPS Employs Several Family Members

If two or more members of an immediate family are entitled to relocation allowances under these regulations, the authorized relocation allowances will apply only to the member specified. The other member is eligible as a family member only.

### Relocation Leave

If you are eligible for relocation allowances, you are entitled to a maximum of five days of leave with pay. This is administrative leave and is not to be charged to any other leave to which you may be entitled. The granting of this leave is non-discretionary, and is in addition to any travel time.

You should take the leave immediately before and/or after physically moving your household. If you are a new employee, or have transferred from another government agency, you do not qualify for this benefit.

### Service Agreement

Before relocation allowance payments are made, you must agree to remain in the Postal Service for at least one year after the effective date of transfer or appointment. While the agreement is in effect, you may leave the newly assigned duty station only for the benefit of the

You may leave the Postal Service only for reasons beyond your control if your leaving is acceptable to the Postal Service. If you decline to accept or to complete the transfer, you will become liable to repay any relocation benefits you have received.

If you are transferred a second time within the 12 months of your service agreement, you must sign a new agreement. The obligation period from any prior agreement(s) is void.

*Do not accept a management offer to voluntarily transfer because excessing is imminent or the offered position is more convenient.*

*The transfer must be in the interest of the USPS and not primarily for your convenience or benefit, or at your request.*

## ALLOWABLE RELOCATION EXPENSES

You may be reimbursed for the following relocation allowances:

- advance round trip to new location;
- en-route travel;

## RELOCATION ALLOWANCES

- transporting and temporarily storing personal property;
- temporary quarters;
- miscellaneous expense allowances; and
- real estate transactions and unexpired leases.

### OTHER COVERED EXPENSES

#### **Advance Round Trip**

When circumstances warrant, travel and expenses may be authorized for one round trip for the purpose of seeking a permanent residence or mobile home site at the new official station. This trip may be taken with a spouse or alone before reporting to the new duty station. These round-trip expenses may only be authorized after the employee has received official notification of reassignment to the new duty assignment. Authorization must be obtained in advance.

Upon approval, payment will include:

- A reasonable amount of administrative leave for the trip, not to exceed 10 consecutive days.
- Mileage payment for the use of a personal vehicle for transportation.
- Expenses for the use of rental cars or taxis.
- Per diem, lodging and personal phone calls home, which are paid at actual expenses.

#### **Shipping of Household Goods, Personal Effects**

The USPS has a contract with a “relocation management firm” to provide relocation moving services to postal employees. The RMF will coordinate activities associated with the shipment of household goods, such as:

- Appointing a coordinator to review procedures with the transferee and establishing a moving date.
- Selecting a qualified van line and/or agent.
- Monitoring packing, loading and arrival schedules.
- Resolving and processing any damage claims.
- Providing \$50,000 (maximum) current replacement value insurance on household goods.
- Transporting or arranging for the transport of a second automobile owned by the transferee or the transferee’s immediate family.
- Storing household goods up to 60 days, if necessary.

# RELOCATION ALLOWANCES

## **Transporting Personal Vehicle(s)**

- The transportation of personal vehicles may only be authorized if the vehicle was bought before the employee became aware of the reassignment.
- Authorization may be obtained for the transportation of more than one personal vehicle. If the employee or a family member drives the additional authorized vehicle to the new duty station, mileage allowances will be at the listed rate. If it is impractical to drive the additional vehicle to the new duty station (because of weather conditions, distance, etc.), the USPS will assign the “relocation management firm” to provide services for shipping.
- If it is planned to use a mobile home for housing at the new installation, the employee may choose to take an allowance for transporting a mobile home.

## **Temporary Quarters**

Temporary quarters are defined as lodging obtained from commercial sources. It is not considered temporary if the time period exceeds 60 days, or if household goods are moved into the quarters. In addition:

- lodging with friends or relatives is not reimbursed;
- temporary quarters may be authorized for a period not to exceed 30 consecutive days;
- authorized temporary quarters will be reimbursed at actual expenses as applied to an approved standard rate.

## **Real Estate Transactions/Unexpired Leases**

Employees will be reimbursed for allowable settlement and related expenses after official notification of reassignment for:

- selling one residence at your old official station, including broker’s fees and real estate commissions
- buying or constructing on residence at your new official station
- selling an unexpired lease at your old official station, either for the house in which you lived or for a lot on which you had a mobile home used as a residence
- the cost of advertising services to sell your old residence
- legal cost of selling or buying a home with a limit of five or fewer acres of land.

## **Other Entitlements Requiring USPS Approval**

- title search
- notary and recording fees
- preparing an abstract
- surveys
- title opinion

## RELOCATION ALLOWANCES

- drawings or plats required
- lender's title insurance policy
- customary appraisal costs
- preparing conveyances and contracts
- attorney's fees
- title insurance
- inspection fees.

### Constructing a House

You may be reimbursed those expenses to construct a house that would be reimbursable if you were buying a house.

### MISCELLANEOUS EXPENSES

You are eligible for miscellaneous Expense allowances if you have been authorized a permanent change of station, regardless of where the old or new official stations are located.

They include:

- disconnecting and connecting appliances and utilities
- cutting and fitting rugs, draperies, and curtains moved from one residence to another
- utility fees or deposits that are non-refundable
- forfeiture losses on medical, dental and food locker contracts that are not transferable
- automobile registration, driver's license, use taxes imposed when bringing automobiles into some jurisdictions, emission controls, and state inspection requirements
- non-refundable or non-transferable contract costs incurred for private institutional care for handicapped dependents
- telephone calls in connection with relocation.

If you do not choose to itemize miscellaneous expenses, you may claim the following flat allowance:

- \$150 for an employee without immediate family; or
- \$300 for an employee with immediate family.

The Postal Service may authorize or approve an amount for miscellaneous expenses which is greater than that specified, if you can support your request with an acceptable statement of facts and paid bills or other acceptable evidence justifying that amount.

The total amount of your allowance for miscellaneous expenses may not be more

# RELOCATION ALLOWANCES

than your basic salary for one week at the time you report for duty if you have no immediate family, or your basic salary for two weeks if you have an immediate family.

## EXPENSES NOT COVERED

- Losses in selling or buying real and personal property and the cost of items related to those transactions.
- Cost of additional insurance on household goods and personal effects while they are being moved to your new official station, or the cost of loss or damage to that property.
- Additional cost of moving household goods and personal effects caused by exceeding allowable weight limits.
- Costs of newly acquired items, such as the purchase price or installation cost of new rugs or draperies.
- Higher real estate, income, sales, or other taxes as a result of relocating.
- Fines for traffic infractions while you or your family are en route to the new official station.
- Accident insurance premiums or liability costs in connection with traveling to your new station, or any other liability you incur for uninsured damages from accidents for which you or a member of your immediate family is responsible.
- Losses resulting from selling or disposing of personal property which you do not consider convenient or practical to move.
- Damage or loss of clothing, luggage, or personal effects while traveling to the new station.
- Subsistence, transportation or mileage expenses greater than amounts reimbursed as per diem or other allowances.
- Medical expenses resulting from illness or injuries to you or a member of your immediate family while en route to your new station, or while living in temporary quarters at USPS expense.
- Costs connected with structural alterations, remodeling or modernizing living quarters, garages, or other buildings to accommodate automobiles, appliances, or equipment, or the cost of replacing or repairing worn out or defective appliances or equipment shipped to the new location.
- Expenses relating to animals.

## LIMITATIONS FOR MOVING

You should complete your move as soon as possible. You must complete all allowable travel and transportation within three years from the effective date you report to the new duty station.

# RELOCATION ALLOWANCES

The time limit for real estate transactions is one year, which may be extended for up to two additional years.

## ADVANCES FOR RELOCATION

You may be authorized an advance of funds for the following allowances:

- advance round trip to new location;
- en-route travel;
- transportation of personal vehicles (POVs);
- temporary quarters;
- transportation and temporary storage of household goods; and
- transportation of mobile homes.

### Obtaining Advances

When you have determined the amount that you need for your relocation, you may submit an approved Form 1011 not more than two weeks before you need the funds.

### Repaying Advances

As you complete each phase of your relocation, you should file a travel/relocation voucher accounting for your expenses. If your allowable claimed expenses are less than the amount advanced, you should include a check or money order for the balance due with the travel voucher.

## WITHHOLDING TAX ON RELOCATION EXPENSES

- Transactions related to relocation, including payments made by the Postal Service to the relocation management firm or the transportation of your household goods, will be reported as income on Internal Revenue Service Form W-2.

Other reimbursements that are reported are:

- advance round-trip expenses to seek housing;
- expenses for temporary quarters;
- en-route travel expenses;
- real estate expenses involving the purchase of your new residence (and sale of your old residence); and
- miscellaneous expense allowance payment.



# RELOCATION ALLOWANCES

## DEFINITIONS

### Household Goods

Your household goods include personal property which may be transported legally in interstate commerce and which belong to you and/or your immediate family at the time shipment or storage begins. It does not include items such as motorcycles and similar motor vehicles, airplanes, camper trailers, boats, birds, pets, livestock, building materials, or any property intended for use in conducting a business or other commercial enterprise.

### Immediate Family

Your immediate family is defined as any of the following members of your household at the time you report for duty at your new duty station:

- Spouse
- Children (includes natural offspring, stepchildren, adopted children, grandchildren, legal minor wards, or other dependent children who are under legal guardianship of you or your spouse). Each of these children must be either:
  - unmarried and under 21 years of age; or
  - physically or mentally incapable of supporting himself/herself regardless of age; or
  - an unmarried full-time student under 23 years of age.

A child born after your effective date of transfer is considered apart of your immediate family if you or your spouse's travel to the new official station is prevented at the time of the transfer because of advanced stage of pregnancy.

- Dependent parents (you or your spouse's dependent parents also are considered part of your immediate family). Individuals also may be considered dependents if they receive 51 percent of their support from you or your spouse.

*This chapter represents a summary of allowable expenses for employees involuntarily relocated due to excessing. If your relocation meets the established criteria, refer to USPS Handbook F-12 for further details.*

## SUMMARY

The information in this booklet is provided for your benefit and use whether or not you have the need to apply its provisions. If at some future time you are subjected to excessing, we hope that it will help you to understand your rights.

If you still have questions related to specific issues, you should seek clarification from your local union representative. This cannot be stressed too often. If a local postal manager disputes your rights as explained in this book, be sure to refer the matter to your local APWU officials.





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