

420 Wage Administration Policy for Bargaining Unit Employees

421 General Principles and Terms

421.1 Scope

This subchapter establishes the conditions and procedures for setting the salaries for Postal Service employees who are covered by collective-bargaining agreements. Note that:

- a. *Consistency With Agreements.* It is not the intent of these instructions to in any way amend or conflict with the provisions of the collective-bargaining agreements negotiated between the USPS and officially recognized employee organizations. The applicable provisions of a collective-bargaining agreement shall control in the event of any conflict with this subchapter.
- b. *Categorization of Bargaining Units.* The reference table in 421.7 provides a categorization of bargaining unit employees.
- c. *Employee Classifications.* Employee classifications for bargaining unit employees appear in 432.111.

421.2 Objectives

The principal objectives of the wage administration policy are:

- a. To provide uniform compensation rules and practices which are consistent with the provisions of the bargaining unit agreements for the establishment of wage rates for employment, reassignment, promotion, and other changes in the pay status of bargaining unit employees.
- b. To provide for effective administration of salary expenditures.

421.3 Responsibilities

421.31 Assigning Positions to Salary Schedules

The vice president of Labor Relations in coordination with Human Resources is responsible for determining the appropriate salary schedule for each position covered by subchapter 420. Note that:

- a. A position is the aggregate of all the current duties and responsibilities contained in a work assignment made by a supervisor to an employee to be performed during an employee's full working schedule and is reflected in the authorized position description.
- b. The procedures for authorizing and ranking bargaining unit positions appear in subchapters 230 and 240.
- c. Each bargaining unit position is assigned to one of the authorized salary schedules based upon the established categories listed in the table in 421.7.

421.32 Setting Salaries

The appointing official has primary responsibility for setting the salary of an employee according to the guidelines for the appropriate salary schedule (see 422.2). Higher level approval is required when appropriate or when specified. (See 425a(3) and 427.14.)

421.4 Definitions**421.41 Appointments**

421.411 *Career Appointment* — a new hire for an appointment without time limit requiring the completion of a probationary period which confers full employee benefits and privileges. The term applies to (a) new employees, (b) former employees who are being reinstated, (c) employees transferring from federal agencies, and (d) in certain cases, from one collective-bargaining unit to another.

421.412 *Temporary/Casual Appointment* — a new hire for a time-limited appointment; does not apply to bargaining unit employees.

421.413 *Appointment to Additional Position* — applies to cases of dual employment, as described in 422.5, when an existing employee is appointed to one or two additional positions.

421.42 Assignments

421.421 *Permanent Assignment* — simply called assignment; a set of specific duties at a specified location in a specified schedule related to an employee's position description. For Postal Police Officers, an individual preferred schedule consists of a desired tour and nonscheduled days at a work facility.

421.422 *Temporary Assignment* — the assignment of an employee for a short period of time to perform duties and responsibilities other than those specifically contained in her or his position description when a formal personnel action is not required.

- a. Employees assigned to higher level duties may receive higher level pay (see 422.4).
- b. Employees assigned to lower level duties continue to receive their regular pay.
- c. For Postal Police Officers, temporary assignment is a transfer to another schedule (tour and days off) or work facility.

421.43 Change Actions

421.431 *Promotion* — the permanent assignment of an employee (a) to an established position having a higher grade than the position to which the employee was previously assigned in the same schedule or (b) to a position with a higher than equivalent grade (see 418.1) in another schedule.

421.432 *Reassignment* — the permanent assignment or relocation of an employee (a) to another established position with the same grade in the same schedule or (b) to a position with an equivalent grade (see 418.1) in another schedule,

also called lateral assignment or simply lateral. For Postal Police Officers, reassignment is a permanent transfer to another work facility.

421.433 *Demotion* — the permanent assignment due to unsatisfactory performance of an employee (a) to an established position with a lower grade in the same schedule or (b) to a position with a lower than equivalent grade (see 418.1) in another schedule, also called disciplinary reduction.

421.434 *Voluntary Reduction* — the permanent assignment at the request of the employee (a) to an established position with a lower grade in the same schedule or (b) to a position with a lower than equivalent grade (see 418.1) in another schedule.

421.435 *Management-Action Reduction* — the permanent, nondisciplinary and involuntary, assignment of an employee for reasons such as changes in job ranking criteria and job elimination (a) to an established position with a lower grade in the same schedule or (b) to a position with a lower than equivalent grade (see 418.1) in another schedule. Rate retention provisions apply in cases of this type of reduction (see 421.5).

421.44 **Salary Terms**

421.441 *Basic Salary* — the annual, daily, or hourly rate of pay provided by the applicable salary schedule for the employee's assigned position, including COLA (see 421.455) and excluding special pay.

421.442 *Compensation* — the same as basic salary except that it includes special pay.

421.443 *Special Pay* — pay and allowances, as for additional and premium hours. See 430 for special pay provisions. Specific references follow:

- a. Overtime pay (see 434.1).
- b. Night differential (see 434.2).
- c. Sunday premium (see 434.3).
- d. Holiday worked pay (see 434.5).
- e. Out-of-schedule overtime (see 434.6).
- f. Service center on-call pay (see 426.14).
- g. Territorial cost-of-living allowance — TCOLA (see 439).

421.444 *Grade* — the numerical salary standing and salary range in the salary schedule assigned to a position; also called salary grade.

421.445 *Equivalent Grade* — the grade in one salary schedule which is most similar in salary range to the grade in another salary schedule whether bargaining or nonbargaining (see 418.1). See 418 for salary adjustment rules for assignments to a different salary schedule.

421.446 *Step* — the number or letter assigned to specific salary rates within a grade of a salary schedule. Maximum step is the highest schedule step for a position.

421.447 *Salary Standing* — the step rate or percentile with respect to the appropriate salary schedule.

421.448 *Red-Circle Amount* — the dollar portion of an employee's salary which is in excess of the maximum salary of the grade and which results from the saved rate provisions described in 421.52.

421.45 **Salary Increases**

421.451 *General Increase* — a general wage increase in the step rate or salary range which applies to all employees within the specified category.

421.452 *Step Increase* — an advancement from one step to the next within a specific grade of a position and dependent on satisfying certain waiting period criteria (see 422.3); also called periodic step increase. For rural carriers, postal nurses, and postal police officers, step increases are also dependent on satisfying certain performance criteria (see 424.3, 425c, and 428.3). Most prevalent step is the most frequently occurring incremental amount between steps within a grade level's salary range. When two amounts occur the same number of times and more frequently than other amounts, the higher of the two amounts is the most prevalent step.

421.453 *Equivalent Increase* — any increase other than a general increase, a quality step increase, or an incentive award which results in a total increase equal to or greater than the most prevalent step in the salary range for the employee's position and grade. The following is applicable:

- a. When moving between salary schedules, there may be an equivalent increase if the total amount of an increase exceeds the most prevalent step in the salary range for the employee's former position.
- b. A new waiting period begins on the effective date of an equivalent increase, except as described in 422.232a for repromotions and in 422.25 for reduction in grade.

421.454 *Quality Step Increase* — an increase in addition to a periodic step increase granted on or before expiration of required waiting periods in recognition of extra competence (see 474).

421.455 *Cost-of-Living Adjustment (COLA)* — an increase based on increases in the Consumer Price Index (CPI) over a base month and specified by bargaining unit agreements.

421.5 **Rate Retention Provisions**

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 percent 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 former 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.

421.52 **Saved Rate**

421.521 **Explanation**

Employees with a saved rate will continue to be paid the salary they received in the previous higher grade position, augmented by any general increases occurring while the saved rate is in effect. A saved rate differs from a protected rate in that it continues for an indefinite period, subject to the conditions explained below (see 421.522 through 421.526) and occurs in several different circumstances, as follows:

- a. An employee is given a *permanent, nondisciplinary, and involuntary* assignment to a lower grade due to a management action such as a change in job ranking criteria affecting more than one position under the same job description. In this case, saved rate means that the employee continues to receive the salary of the higher grade position.
- b. Management action effects a general increase which, when added to an employee's salary, produces a salary above the maximum rate for the grade. In this case, saved rate means that the amount of the general increase is added to the employee's salary and the employee continues to receive the new salary even though it is above the maximum for the grade.

421.522 **Red-Circle Amount**

The red-circle amount is the dollar portion of an employee's salary which is in excess of the maximum salary of the grade. An employee continues to

receive a red-circle amount as long as he or she is in saved rate status. Note the following:

- a. Red-circle amount results from saved rate only. It does *not* result from protected rate.
- b. If an employee who received a red-circle amount (under section C, Special Rule, Pay System for Employees covered by the collective-bargaining agreement of November 18, 1970) was subsequently promoted and later returned to the former position, the red-circle amount will be restored.

421.523 **Duration**

Employees retain the saved rate for as long as they hold a position in the same or higher grade for which the maximum schedule rate is below the saved rate.

421.524 **Termination**

Saved rate is terminated for any of the following reasons:

- a. A break in service of one workday or more.
- b. Demotion or voluntary reduction.
- c. Promotion resulting in a salary equal to or above the saved rate.

421.525 **Effect on Promotion**

If the employee has a saved rate due to assignment to a lower grade position and is assigned to a different position, the assignment is not a promotion for purposes of pay adjustment, unless the assignment is to a position with a grade higher than the grade on which the saved rate was established.

421.526 **Documentation**

Form 50, *Notification of Personnel Action*, is used to notify an employee of a saved rate status.

421.53 **Saved Grade**

421.531 **Explanation**

Saved grade provisions can be invoked only in accordance with the applicable collective bargaining agreement. Decisions to disapprove saved grade are subject to review through the grievance and arbitration process. Saved grade must be approved by area human resources managers or their designees. Saved grade applies to all bargaining unit employees *except* the following:

- a. Employees in Operating Services Division, at Headquarters and the Merrifield Engineering Support Center (APWU) (see 427.2).
- b. Employees under the National Postal Professional Nurses' (NPPN) Agreement (see 425).
- c. Employees under the Federation of Postal Police Officers' (FPPO) Agreement.

421.532 Duration and Termination

The saved grade will be in effect for an indefinite period of time subject to the conditions below:

- a. To continue to receive a saved grade, an employee must bid or apply for all vacant jobs in the saved grade for which she or he is qualified.
- b. If the employee fails to bid or apply, the employee will lose the saved grade status immediately.
- c. The Data Centers collective-bargaining agreement requires that, in order to retain the saved grade, employees bid or apply for reassignment to their former grade or to any position at a grade between that of their former grade and present grade.

421.533 Step Increases

An employee with a saved grade will continue to receive step increases in the saved grade. However, under no circumstances, can these step increases exceed the maximum step of the saved grade (see 421.447).

421.6 Changes in Compensation Following Review or Audit

A change in compensation required after review or audit of a position is made at the beginning of the pay period following the date of the decision to change the evaluation of the position or its identification.

421.7 Reference Table

Exhibit 421.7 outlines the categories and subcategories of bargaining unit employees, their salary schedules, and rate schedule codes and provides references to appropriate exhibits and explanations.

Exhibit 421.7
Reference Table

Category	Schedule Acronym	Range	Rate Schedule Code	Part 420 Reference
a. Postal Service (PS) Schedule	PS	Grades 1–10	P	422
b. Mail Transportation Equipment Centers Schedule	MTEC	Grades 1–10	A	422
c. Mail Equipment Shops and Area Supply Centers Schedule	MESC	Grades 1–10	C	422
d. Mail Handlers' (MH) Schedule	MH	Grades 3–6	M	423
e. Rural Carrier (RC) Schedules				
(1) Evaluated Schedules	RC	Hours 12–48	R	424
(2) Mileage Schedule	RCS	Miles 6–140	R	424
(3) Rural Auxiliary Schedule	RAUX	Grade 5	B	424
f. Data Centers Schedule	DCS	Grades 6–23	N	426
g. Postal Nurses' Schedule	PNS	Grade 1	G	425
h. Operating Services Division Schedule	OSD	Grades 1–9	K	427
i. Postal Police Officers' Schedule	PPO	Grade 6	Y	428
j. Tool & Die Shop	TDS	Grades 4–11	T	429

422 **Postal Service (PS), City Carrier (CC), Mail Transportation Equipment Centers (MTEC), and the Mail Equipment Shops and Area Supply Centers (MEDC) Salary Schedules**

422.1 **Salary System**

422.11 **Salary Schedule**

- a. The Postal Service (PS) salary schedule applies to clerks, vehicle service drivers, post office maintenance service and vehicle maintenance employees. The PS schedule consists of PS grades 1–10.
- b. The City Carrier (CC) salary schedule applies to city carriers and consists of grades 5 and 6.
- c. The Mail Transportation Equipment Centers (MTEC) salary schedule applies to all bargaining unit employees in the Mail Transport Equipment Centers and Repair Centers. The MTEC schedule consists of MTEC grades 1–10.
- d. The Mail Equipment Shops and Area Supply Centers salary schedule applies to bargaining unit employees in the Mail Equipment shops and Area Supply Centers. The MESC schedule consists of MESC grades 1–10.

422.12 **Basis of Rates**

422.121 **Annual Rates for Full-Time Employees**

The basic annual salaries for the grades and steps of the schedule are established for full-time employees on the basis of a work schedule of 2080 hours per annum.

422.122 **Hourly Rates for Part-Time Employees**

The basic hourly rates of the schedule are determined as follows:

- a. For part-time regular schedule employees, divide the appropriate annual rate by 2,080 hours.
- b. For part-time flexible schedule employees, divide the appropriate annual rate by 2,000 hours.

422.13 **Cost-of-Living Adjustment (COLA)**

Bargaining unit employees receive COLA as is provided by their applicable collective- bargaining agreement.

422.14 **Setting Salaries**

The appointing officer has primary responsibility for setting salaries of employees according to the guidelines in part 422.

422.15 Employee Classifications

The bargaining unit classifications in 432.111 which apply are:

- a. Full-time regular.
- b. Part-time regular.
- c. Part-time flexible.

422.2 Change Action Pay Rules**422.21 Career Appointment**

An employee new to the Postal Service hired with a career appointment is to be paid the rate for the first step of the grade of the position for which hired, except as specified below:

- a. *Reinstatement.* A former postal employee may be placed in the first step which is less than one full step above the highest former basic salary (augmented by any general increases since the date of separation) — providing the new basic salary does not exceed the maximum step of the grade.
- b. *Congressional Service.* A new employee who has 2 or more years of service in the legislative branch and was paid by either house of Congress may be placed in the first step which does not exceed the highest previous basic salary (augmented by statutory pay increases).
- c. *Transfer of Function.* If a postal installation assumes the function of a federal agency, the employee who performed the function may be transferred with the function. If so, the employee is placed in the first step which is less than one full step above the pretransfer basic salary — providing the basic salary does not exceed the maximum of the grade.
- d. *Veteran Preference Eligible.* An employee whose service seniority is established pursuant to the appropriate entrance register standing (i.e., veteran preference eligible) is placed in the step attained by the lower eligible with the same anniversary date for step increases as the lower eligible. See also subchapter 240 of Handbook EL-311, *Personnel Operations*. (EL-311 was formerly chapters 1–5 of Handbook P-11. Chapter 6 of P-11 will become Handbook EL-301 *Processing Personnel Actions* to be published in the next 6 months.)

422.22 Additional Appointment

If an employee is appointed to an additional position, the compensation for the position is determined according to the rules for career appointment in 422.21 above. See 422.5 for additional information about dual employment.

422.23 Promotion Within the PS Schedule**422.231 Basic Rules**

- a. If new grade is one or two grades above former grade, the employee receives a promotional increase equal to two times the most prevalent step in the former grade. If the total of the promotional increase plus the employee's former basic salary falls between two steps of the new

grade, the promotional increase is enhanced to the next higher step in the new grade. This promotion constitutes an equivalent increase and the employee will therefore serve the contractually specified step waiting period for the assigned step unless it is a repromotion as defined below.

- b. If new grade is more than two grades above former grade, the employee receives a promotional increase equal to three times the most prevalent step in the former grade. If the total of the promotional increase plus the employee's former basic salary falls between two steps of the new grade, the promotional increase is enhanced to the next higher step in the new grade. This promotion constitutes an equivalent increase and the employee will therefore serve the contractually specified step waiting period for the assigned step unless it is a repromotion as defined below.
- c. No employee will, as a consequence of a promotion, at any time be compensated less than that employee would have earned if the employee had not been promoted but, instead, advanced in step increments in the lower grade by fulfilling the waiting time requirements necessary for step increases. This includes employees who were promoted to a higher grade and subsequently reassigned to their former grade. If during any pay period following the promotion, the employee's basic salary is less than the employee would have received for that pay period if the employee had not been promoted, the difference is paid to the employee in a lump sum payment.

422.232 Supplemental Rules

- a. *Repromotion.* An employee repromoted to a previously held grade is assigned the step the employee would have attained with credit toward the next step date as if the employee had remained continuously in that previously held higher grade.
- b. *Maximum Step.* Employee is placed in maximum step for new grade if there is no other step below the maximum which provides the increases specified in 432.231 above.
- c. *Above Maximum Step.* The employee's existing basic salary will be retained if it exceeds the maximum step of the new grade.
- d. *Protected Rate.* In applying the rules in 422.231 to an employee whose salary is protected under the provisions of 421.51, the employee's former basic salary is the salary the employee would be receiving except for rate protection.
- e. *Saved Rate.* An employee with a saved rate, based on a grade above the new grade in accordance with 421.52, receives the increase in 422.231; and the new salary is a saved rate if it is above the maximum rate of the new grade.
- f. *Saved Grade.* An employee with a saved grade, established in accordance with 421.53, does not receive a promotional increase — unless the promotion is to a position with a grade higher than the saved grade.

- g. *Rule Choice.* The installation head may determine an employee's salary under rules for appointment in 422.21 instead of under rules for promotion increase — when more favorable to the employee.
- h. *Exclusions.* Salary received under limited appointments, temporary promotions, or as compensation for service while temporarily assigned to a higher level position cannot be used as the *highest previous salary* when determining the employee's new salary.

422.24 **Reassignment**

See 421.432 for definition of reassignment. An employee's step and salary is not changed as a result of reassignment. The following applies:

- a. A change from a *part-time position* (flexible or regular) to a *full-time position* (or reverse) in the same grade is a reassignment — not a promotion; the employee retains the step attained and the existing basic annual salary including any red-circle amount.
- b. A part-time regular employee must be converted to a part-time flexible before becoming a full-time regular unless that bargaining unit craft does not have an employee classification of part-time flexible.

422.25 **Reductions in Grade**

422.251 **General**

Reductions in grade include voluntary changes to lower level, management initiated changes to lower level, and demotions.

422.252 **Step and Step Date Assignment**

- a. *To Former Lower Grade.* The employee is assigned to the step and next step date as if service had been uninterrupted in the lower grade.
- b. *The New Lower Grade.* The employee is assigned (1) to the step and next step date in the lower grade as if all postal service had been in the lower grade or (2) to any higher step in the lower grade which is less than one full step above the basic salary the employee held in the higher grade, provided compensation does not exceed the maximum for the grade. In the latter case, partial credit toward the next step increase earned since the date of the last equivalent increase is retained.

422.253 **Rate Retention**

Rate retention provisions do *not* apply to changes to a lower grade which are voluntary or disciplinary. However, they do apply in nondisciplinary management reductions, as follows: (also see 421.511 and 421.512 for application).

- a. *Protected Rate.* The employee will continue to receive the salary she or he received in the higher grade for 2 calendar years (1) if the grade of the position is reduced due to a management action such as a change in job ranking criteria which affects the grade of *only one* position and (2) if the employee occupied the position at the higher grade for 2 consecutive years preceding the effective date of the reduction. See also 421.51.

- b. *Saved Rate.*
 - (1) An employee will have a saved rate resulting in a red-circle amount if the grade of his or her position is reduced due to a management action such as a change in job ranking criteria which affects the grade of *more than one* position under the same job description.
 - (2) If an employee who received a red-circle amount was subsequently promoted and later returned to the former position through no fault of his or her own, the red-circle amount will be restored. See also 421.52.
- c. *Saved Grade.* A bargaining unit employee is entitled to saved grade if he or she is assigned to a lower grade position because of a management action which eliminated the position (e.g., job elimination due to technological and mechanization changes). See also 421.53.

422.3 Step Increases

422.31 Eligibility Requirements

Eligibility for a *periodic* step increase is based on three conditions. An employee must have:

- a. Received and currently be serving under a career appointment;
- b. Not received an equivalent increase (see 421.453) during the waiting period; and
- c. Completed the required waiting period according to the step increase waiting period table, Exhibit 422.3.

In addition to the periodic step increase, employees may be considered for a quality step increase (see 474).

422.32 Creditable Service

422.321 Postal Service

Except as provided in this section, credit for advancement for step increases may be earned only by career employees in pay status on the rolls of the Postal Service. For computing creditable service, the following applies:

- a. *Service Week.* In computing the required waiting period, each full service week beginning at 12:01 a.m., Saturday and ending at 12 midnight the following Friday is creditable.
- b. *Leave Without Pay (LWOP).* Periods of LWOP of less than 13 weeks for which no step deferment is made are included with paid service in computing the waiting period of service (see 422.33).
- c. *Prior Service.* Employees reinstated or reemployed to a career position within 52 weeks of separation are allowed credit (not in excess of 52 weeks) for prior service providing:
 - (1) An equivalent increase was not received at the time of reinstatement or reemployment.
 - (2) The prior service was not under a casual or temporary appointment.

422.321

Pay Administration
Wage Administration Policy for Bargaining Unit Employees

Exhibit 422.3 (p. 1)

Bargaining Unit Step Increase Waiting Periods

(All waiting periods shown are expressed in weeks)

RSC-P	Postal Service (PS) Schedule															
Steps (From-To)	AA-A	A-B	B-C	C-D	D-E	E-F	F-G	G-H	H-I	I-J	J-K	K-L	L-M	M-N	N-O	Total Weeks
Grades 1-3	96	96	88	88	44	44	44	44	44	44	34	34	26	26	24	776
Grades 4-7	...	96	96	44	44	44	44	44	44	44	34	34	26	26	24	644
Grades 8-10	...	...	...	52	44	44	44	44	44	44	34	34	26	26	24	460

RSC-M	Mail Handlers' (MH) Schedule														
Steps (From-To)	A-B	B-C	C-D	D-E	E-F	F-G	G-H	H-I	I-J	J-K	K-L	L-M	M-N	N-O	Total Weeks
Grades 4-6	96	96	44	44	44	44	44	44	44	34	34	26	26	24	644

RSC-R & B	Rural Carrier Schedules*														
Steps (From-To)	A-B	B-C	C-1	1-2	2-3	3-4	4-5	5-6	6-7	7-8	8-9	9-10	10-11	11-12	Total Weeks
Hours/Miles	96	96	44	44	44	44	44	44	44	34	34	26	26	24	644

* **Note:** These step increase waiting periods apply to all hours on the Rural Carrier Evaluated Schedule, all miles on the Rural Mileage Schedule, and Grade 5 of the Rural Auxiliary Schedule.

RSC-Y	Postal Police Officers' (PPO) Schedule																		
Steps (From-To)	1-2	2-3	3-4	4-5	5-6	6-7	7-8	8-9	9-10	10-11	11-12	12-13	13-14	14-15	15-16	16-17	17-18	18-19	Total Weeks
Grade 6	96	52	44	44	44	44	44	44	44	44	34	34	34	34	34	34	34	34	772

RSC-G	Postal Nurses' Schedule (PNS)														
Steps (From–To)	1–2	2–3	3–4	4–5	5–6	6–7	7–8	8–9	9–10	10–11	11–12	12–13	13–14	14–15	Total Weeks
Grade 1	52	44	44	44	44	44	44	44	44	44	44	44	44	44	624

RSC-K	Headquarters Operating Services Division/Rockville Support Services Branch (OSD/RSSB)															
Steps (From-To)	AA-A	A-B	B-C	C-D	D-E	E-F	F-G	G-H	H-I	I-J	J-K	K-L	L-M	M-N	N-O	Total Weeks
Grades 1-3	96	96	88	88	44	44	44	44	44	44	34	34	26	26	24	776
Grade 4	...	96	96	88	44	44	44	44	44	44	34	34	26	26	24	688
Grades 5-7	...	96	96	44	44	44	44	44	44	44	34	34	26	26	24	644
Grades 8-9	...	...	...	52	44	44	44	44	44	44	34	34	26	26	24	460

Pay Administration
Wage Administration Policy for Bargaining Unit Employees

422.321

Exhibit 422.3 (p. 2)

Bargaining Unit Step Increase Waiting Periods

(All waiting periods shown are expressed in weeks)

RSC-N		Data Centers Schedule (DCS)														
Steps (From-To)	A-B	B-C	C-D	D-E	E-F	F-G	G-H	H-I	I-J	J-K	K-L	L-M	M-N	N-O	O-P	Total Weeks
Grades 6-10	96	96	44	52	52	52	52	52	52	52	...	...	...	...	...	600
Grade 11	...	96	44	52	52	52	52	52	52	52	...	...	...	...	...	504
Grade 12	52	52	52	52	52	52	52	52	...	...	...	...	416
Grade 13	52	52	52	52	52	52	52	52	52	...	...	...	468
Grades 14-16	52	52	52	52	52	52	52	52	52	52	...	...	520
Grades 17-23	52	52	52	52	52	52	52	52	52	52	52	52	624

RSC A (Mail Handlers)		Mail Transportation Equipment Centers (MTEC)														
Steps (From-To)	A-B	B-C	C-D	D-E	E-F	F-G	G-H	H-I	I-J	J-K	K-L	L-M	M-N	N-O	Total Weeks	
Grades 1-3	96	88	88	44	44	44	44	44	44	34	34	26	26	24	680	
Grades 4-7	96	96	44	44	44	44	44	44	44	34	34	26	26	24	644	
Grades 8-10	96	...	...	52	44	44	44	44	44	34	34	26	26	24	512

RSC C (APWU)		Mail Equipment Shops & Material Distribution Centers														
Steps (From-To)	AA-A	A-B	B-C	C-D	D-E	E-F	F-G	G-H	H-I	I-J	J-K	K-L	L-M	M-N	N-O	Total Weeks
Grades 1-3	96	96	88	88	44	44	44	44	44	44	34	34	26	26	24	776
Grades 4-7	...	96	96	44	44	44	44	44	44	44	34	34	26	26	24	644
Grades 8-10	...	...	...	52	44	44	44	44	44	44	34	34	26	26	24	460

422.322 Military Duty

An employee who returns to postal duty following a separation or leave for military duty receives credit for the period of military duty as if duty with the Postal Service had been continuous (see 517).

422.323 Injury Compensation

An employee on official absence due to an injury compensable under rules of the Office of Workers' Compensation Programs (OWCP) receives credit for the period of absence as if duty with the Postal Service had been continuous.

422.324 Union Officials

Employees on LWOP to devote full or part-time to a Union signatory to a collective-bargaining agreement with the Postal Service are to be credited with step increases as if they had been in a pay status (see 514).

422.33 Leave Without Pay (LWOP)

422.331 When an employee has been on LWOP for 13 weeks or more during the waiting period for receipt of a periodic step increase and was not on military furlough, on the rolls of the Office of Workers' Compensation Programs, or on official union business, the scheduled date for the employee's next step increase will be deferred as follows:

Total Weeks LWOP	Pay Periods Deferred
0 to less than 13	No deferment
13 to less than 26	7
26 to less than 40	13
40 to less than 52	20
52	26
More than 52	One pay period for each 2 weeks of LWOP

422.332 For periods of LWOP which encompass an entire pay period, the full charge of 80 hours is applied. For partial pay periods, absence from scheduled service on a day is counted as one calendar day. Only whole days of LWOP are counted. Fractional days on which the employee works and takes LWOP are not counted in calculating the total LWOP.

422.34 Simultaneous Personnel Actions

If an employee is eligible for a step increase in the assigned position and is being reassigned or promoted to another position on the same date:

- a. The actions are effected simultaneously in a manner which provides maximum benefit to the employee.
- b. If the assignment change involves an increase in compensation which is greater than the increase an employee could obtain by a step increase in the former position, the employee is given the step increase before compensation is adjusted to the appropriate step in the new position.

422.4 Higher Level Assignments**422.41 Definitions**

A higher level assignment is a temporary assignment to a ranked higher grade position whether or not such position has been authorized at the installation. The subcategories of such an assignment are:

- a. *Short-Term Temporary Assignment.* This means that an employee has been on a temporary assignment to a higher level position for a period of 29 consecutive workdays or less at the time he or she takes any annual or sick leave. The temporary assignment must be resumed upon return to work. All short-term assignments are automatically cancelled if replacements are required for employees temporarily assigned to higher level positions.
- b. *Long-Term Temporary Assignment.* This means that an employee has been on temporary assignment to the higher level position for a period of 30 consecutive workdays or longer before he or she takes any annual or sick leave. The temporary assignment must be resumed upon return to work.

422.42 Written Management Order

Any employee, except those covered in 432.2, who is temporarily assigned to higher level work is given Form 1723, *Assignment Order*, stating beginning and approximate termination, and directing the employee to perform the duties of the higher level position. The written order is accepted as authorization for higher grade pay. The failure of management to give a written order is not grounds for denial of higher level pay if the employee was otherwise directed to perform the duties of the higher level position.

422.43 Rate of Pay**422.431 Part-Time Flexible Employees**

This type of employee remains a part-time flexible employee while temporarily assigned to a higher level position. The employee neither has nor acquires a regular work schedule and is paid at the part-time flexible hourly rate for the higher level position.

422.432 Regular Employees

Rules for pay for temporary higher level work depend on the factors below:

- a. *Assignment in PS Schedule.* A PS employee who is temporarily assigned to higher level work in the PS schedule is paid at the higher level for time actually spent on such job. The employee's higher level rate is determined as if she or he had been promoted to the position. See promotion rules in 422.23.
- b. *Assignment to Other Schedule.* The rate of pay for service in a higher grade position in other than the PS Schedule is determined in accordance with promotion rules for the salary schedule in which the higher level position is placed. See rules for assignment to a different salary schedule in subchapter 410.

- c. *Service in Several Positions.* If higher level service is performed in more than one position in a pay period, the appropriate rate for each salary level is determined and paid in accordance with the actual time worked at each level.
- d. *Annual and Sick Leave Pay.* Leave pay for employees temporarily assigned to a higher level position depends on the term of the assignment as follows:
 - (1) *Short-Term Temporary Assignments (See 422.41a).* These employees, except those covered by 428, are entitled to approved annual and sick leave paid at the higher level rate for a period *not to exceed three days* for each occurrence, provided that they are not replaced while on leave, and that they resume the assignment upon returning to work.
 - (2) *Long-Term Temporary Assignments (See 422.41b).* These employees are entitled to approved annual and sick leave paid at the higher level rate for the full period of leave provided that they resume the assignment upon returning to work.
- e. *Holiday Leave Pay.* Full-time employees are paid for the holiday at the rate of the higher level — provided that they perform higher level service both on the workday preceding and on the workday following the holiday. Otherwise, the employee is paid for the holiday at the rate appropriate for her or his regular position.
- f. *Holiday Worked Pay.* If an employee performs authorized service at the higher grade on a holiday, the employee is paid at the rate for the higher grade position, in addition to holiday leave pay.

422.44 **Adjustments and Increases**

422.441 **Step Increase Credit**

An employee temporarily assigned to a higher grade bargaining unit position is entitled to credit toward the next step increase for service in the higher grade with higher grade pay which is continuous to the date of any subsequent promotion.

422.442 **Effect on Promotion**

If subsequently promoted, the employee's salary is reviewed to ensure application of the appropriate promotion rule and credit for continuous service at the higher grade if the higher level service is continuous to the time of promotion to the higher grade. (See 422.23 for promotion rules.)

422.45 **Benefits**

422.451 **Terminal Leave Payments**

Terminal leave payments resulting from death are paid at the higher grade for any employee except those covered by 423.1, who is temporarily assigned to a higher grade position on his or her last day in a duty status.

422.452 **Retirement Deductions**

Retirement deductions are determined from the basic annual salary and any additional basic higher level pay the employee is receiving for the pay period.

422.453 **Continuation of Pay (Injury Compensation)**

An employee who is eligible for continuation of pay as a result of an injury-on-duty and who is serving in a higher level position when injured will receive such payments at the higher level rate.

422.5 **Dual (Multiple) Employment**

422.51 **Explanation**

Dual or multiple employment means that a current employee is appointed to an additional position(s) or a new employee is appointed to two or more positions at the same time. In at least one of the positions, the employee is employed at an hourly rate either (a) as a *part-time flexible* or (b) as a *part-time regular*.

422.52 **Salary Determination**

The appropriate compensation for each new position is determined under the rules relating to appointments (see 422.21).

422.53 **Documentation**

Separate personnel actions are effected for each position, with an estimate of the workhours to be spent in each position and compensation specified in advance for the employee's attention.

422.54 **Step Increases**

Periodic step increases for separate positions are earned separately:

- a. If dual employment is accomplished on the same day or if the employee does not receive an equivalent increase when appointed to an additional position, creditable service toward step increases in the first position is also creditable toward step increases in the subsequent position(s). In these cases, the anniversary dates for step increases in all positions are the same.
- b. If an employee receives an equivalent increase when appointed to an additional position, step increases are earned separately for each position on the basis of time served in each position. Receipt of the equivalent increase in one position does not start a new waiting period in the other position.

422.55 **Leave**

The appropriate rate of compensation for annual and sick leave when taken from two or more positions in different salary grades is determined from the Form 50 affecting the assignment as follows:

- a. An employee assigned for 50 percent or more of the time to the higher grade work is paid for leave at the higher grade rate of pay.
- b. An employee assigned to the lower grade work for more than 50 percent of the time is paid for leave at the lower grade rate of pay.

- c. If less than 50 percent of the time is spent in any one grade, the employee is paid for leave at the rate for the intermediate grade. The annual rate of compensation for annual or sick leave taken in one position is determined from the salary grade for that position.

422.56 **Reassignment**

When an employee serving in two or more part-time positions is changed to a full-time annual rate position in the same grade as one of the occupied positions, the step is determined according to 422.24. Compensation received in unaffected additional position(s) may not be used as highest previous compensation in calculating the new salary.

422.57 **Promotion**

When an employee is promoted to a position in a grade above the highest grade to which appointed, compensation of the highest grade is used in establishing the step according to 422.23.

422.6 **Change From Rural Carrier Schedules**

422.61 **General**

The rules in this section apply to rural carriers who change to the PS schedule from the RC schedules. Salary rules are based on a comparison of the RC salary or compensation with steps in the PS Schedule. Relevant definitions follow:

- a. *New Grade* — the grade for the new position (i.e., the position in the PS Schedule).
- b. *RC Salary* — the salary the employee received in the RC Schedule as a rural carrier, converted to the salary for a 40-hour evaluated route, attained step.
- c. *RC Compensation* — the compensation the employee received in the RC Schedule: (1) This may consist of the salary only. (2) When appropriate, it consists of the salary *plus* heavy-duty compensation up to the amount provided for 40 hours.

422.62 **Regular Rural Carrier Changed to PS-5 or Below**

Employee is placed (a) in the lowest step of the PS grade which equals the *RC salary* or (b) in the first step which exceeds the *RC salary* by less than one full step.

Note: If the *RC salary* is above the maximum of the new grade, the employee is placed in the maximum step of the new grade.

422.63 Regular Rural Carrier Changed to PS-6 or Above

Employee is placed in the lowest step of the PS grade which exceeds the *RC salary*. However:

- a. The increase cannot be less than the minimum amount an employee in PS-5 would receive if promoted to the same position.
- b. If the increase would place the rural carrier in a step above the step than an employee in the maximum step of PS-5 would receive on promotion to the same position, the rural carrier is placed in (1) the step which the PS employee would receive or (2) the lowest step which exceeds the *RC salary* — whichever is higher.

422.64 Substitute Rural Carrier Changed to PS Position

A substitute rural carrier changed to a position in the PS Schedule is placed in the first step of the grade of the PS position.

422.65 Return to PS Position

Employee is placed in the PS step she or he would have attained if PS service had been continuous — provided the *RC salary* is higher than one step below the PS step the employee would have attained. When so placed, the employee retains any partial credit earned toward the next step.

Note: If the *RC salary* is at or below the PS step the employee would have attained, the employee's salary is based on the promotion rules in 422.23.

423 Mail Handler's (MH) Schedule

The provisions of 422 cited below are made applicable to this salary schedule by reference:

- a. Salary System:
 - (1) The Mail Handlers' (MH) Schedule consists of Grades 4 through 6.
 - (2) Basis of Rates (see 422.12).
 - (3) Cost-of-Living Adjustments (see 422.13).
 - (4) Setting Salaries (see 422.14).
 - (5) Employee Classifications (see 422.15).
- b. Change Action Pay Rules:
 - (1) Career Appointment (see 422.21).
 - (2) Additional Appointment (see 422.22).
 - (3) Promotion (see 422.23).
 - (4) Reassignment (see 422.24).
 - (5) Reduction in Grade (see 422.25).
- c. Step Increases (see 422.3 and Exhibit 422.3).
- d. Higher Level Assignments (see 422.4).
- e. Dual (Multiple) Employment (see 422.5).

424 Rural Carrier Schedules

The provisions of 422 cited are made applicable to this salary schedule by reference.

424.1 Salary System**424.11 Salary Schedules**

There are five types of rural carrier salary schedules, as follows:

- a. *Evaluated Schedule*. Applies to routes evaluated at 12 to 48 hours per week.
- b. *Rural Carrier Mileage Schedule (RCS)*. Applies to routes evaluated at 6 to 140 miles per day.
- c. *Substitute Rural Carrier Schedules — Daily Rates*. The 5-Day Evaluated Schedule is 40 to 48 hours per week. The 5 1/2-Day Evaluated Schedule is 41 to 46 hours per week. The 6-Day Evaluated Schedule is 12 to 48 hours per week.
- d. *Rural Auxiliary Pay Schedule*. This pay schedule includes Grade 5 — Annual Rates and Grade 5 — Hourly Rates.
- e. *Rural Carrier Associate (RCA) and Rural Carrier Relief (RCR) — Hourly rate*

424.12 Basis of Rates

See the USPS-NRLCA National Agreement, Article 9, Section 2 (A, B, and C).

424.13 Cost-of-Living Adjustment

Regular and substitute rural carriers covered by the collective-bargaining agreement receive the cost-of-living adjustments provided by the USPS-NRLCA National Agreement.

424.14 Setting Salaries

The appointing officer has primary responsibility for setting salaries of rural carrier according to the guidelines in part 424.

424.15 Employee Classifications

The employee classifications in 432 which apply to rural carriers are:

- a. Regular rural carrier.
- b. Substitute rural carrier.
- c. Auxiliary rural carrier.
- d. Rural Carrier Associate.
- e. Rural Carrier Relief.

424.2 Change Action Pay Rules**424.21 Appointment****424.211 Regular Rural Carrier**

- a. *New Hire.* All new regular rural carrier appointees begin at Step A, except that:
 - (1) A rural carrier serving *one triweekly route* is paid on the basis of a route one-half the length of the triweekly route.
 - (2) A rural carrier serving *two triweekly routes* will be paid on the basis of a route one-half the combined length of the two triweekly routes.
- b. *Conversion From Substitute.* Substitute rural carriers who convert to regular rural carrier status will be converted at Step 8, or their existing step, whichever is lower, provided, however, that substitutes serving in excess of 90 days on a vacant route at the time of conversion will convert at their existing step.

424.212 Auxiliary Rural Carrier

- a. An Auxiliary rural carrier is paid at the attained step of the 40-hour evaluated rate.
- b. A Rural Carrier Associate and a Rural Carrier Relief are paid at the hourly rate of pay they regularly receive.

424.213 Rural Carrier Associate (RCA) and Rural Carrier Relief (RCR)

RCA and RCR employees are paid an hourly rate derived by using the annual salary at Step 1 (not Step A) of the 40-hour evaluated route divided by 2,080 hours.

424.22 Promotion

See 422.6(a), 422.6(b), 422.6(c), and 411.

424.23 Transfer to Rural Carrier

A postal employee on the rolls since before August 7, 1991, who is transferred from a position not under the RC schedule to a regular rural carrier position will begin at Step C.

424.24 Waiting Period for Step Increase

All new regular rural carriers, including substitutes converting to regular carrier, regardless of the amount of time already served toward advancement to the next step in the former position, will begin a new waiting period for advancement to the next step upon appointment to a regular rural carrier position.

424.25 Adjusting Pay for Route Change**424.251 Change in Length of Route**

Compensation of a rural carrier whose route evaluation is adjusted is placed in the same alpha or numeric step for the adjusted route which corresponds to the alpha or numeric step held prior to the evaluation adjustment.

424.252 Reassignment to Another Route

Compensation of a rural carrier who is reassigned to another rural route is placed in the same alpha or numeric step of the new route which corresponds to the alpha or numeric step of the old route.

424.3 Step Increase**424.31 Eligibility and Procedure**

Regular rural carriers and substitute rural carriers with an indefinite appointment are granted step increases in accordance with the provisions of 422.3, provided they performed in a satisfactory or outstanding manner during the waiting period.

424.32 Performance Determinations**424.321 Responsibility**

Installation heads and their subordinate supervisors have joint responsibility for understanding the kind of work performance expected of employees. Supervisors must (a) keep informed of the deficiencies and proficiencies of employees, and (b) provide appropriate commendation, counseling, or assistance on a continual basis — rather than only at the time of a step increase rating.

424.322 Criteria

Performance ratings are based on such job-related factors as reliability, work habits, quantity and quality of work performed, cooperation with other employees, and attendance. Criteria for the three categories of performance ratings follow:

- a. *Outstanding (O)*. Performance and achievement in terms of productive effort, proficiency, and significant contributions to the Postal Service which are well above the established norm.

Note: An outstanding employee may be considered for a quality step increase or Special Achievement Award.

- b. *Satisfactory (S)*. Performance at an acceptable level involving such qualities as reliability, cooperation, and competence in meeting the normal requirements of a position.

Note: This rating applies to the majority of employees whose performance may range from minimum to very good to above average in several respects of their work.

- c. *Unsatisfactory (U)*. Employees who repeatedly and/or continually fail to meet the essential requirements of their position involving such characteristics as lack of cooperation, poor attendance, and failure to produce acceptable work even after they have been counseled on deficiencies.

Note: When an advance written notice of charges has been given to an employee on account of unsatisfactory service, any step increase otherwise normally due shall be withheld pending a final decision on the merits of the charges.

424.33 Processing a Step Increase**424.331 Notification of Increase**

At least 45 days prior to the effective date, the Minneapolis Accounting Service Center provides installations with two copies of a report listing those employees who have completed the required waiting period for advancement to the next step. LWOP hours, when sufficient to require withholding of a step increase (see 422.33), are printed on the listing.

424.332 Supervisor's Appraisal

When supervisors receive the step increase notice, they must:

- a. Evaluate the employee against performance criteria (see 424.322) and make a judgment about the employee's service during the waiting period.
- b. Check the appropriate performance code — O, S, or U, write the effective date, and sign each line.
- c. Annotate the listing so that, upon receipt at the Minneapolis Accounting Service Center, any required adjustments in the effective date of deferred step increases may be entered in the file.
- d. Forward both copies of the listing to the installation head.
- e. Advise the employee of the evaluation.

424.333 Disposition

Upon approval by the installation head, the first copy of the listing is forwarded to the Minneapolis Accounting Service Center for processing, and the second copy retained by the installation.

- a. The Form 50 is generated automatically by the Minneapolis Accounting Service Center which distributes the copies to the installation maintaining the employee's official personnel folder.
- b. On receipt by the installation the original is issued to the employee.

424.334 Approved Increase

Employees whose step increase is approved receive a copy of a Form 50 and a notification on Form 1223, *Statement of Earnings and Deductions*, for the pay period in which the increase is effective. The effective date of the increase is the beginning of the first pay period following completion of the waiting period.

424.335 Withheld Increase

Employees whose step increase is withheld will receive a written advance notice from the installation head or her or his designee. Employees will receive a copy of a Form 50 at a later date, confirming that the step increase was withheld.

Notes: Withholding of a step increase should not be used as punishment for overt acts which should be handled under the disciplinary procedures.

- a. In cases of *excessive LWOP*, the revised effective date depends on the amount of LWOP. See 422.33 for deferral periods.

- b. In cases of *unsatisfactory performance*, a 7-pay period redetermination period follows the date of withholding. During this period, the supervisor should encourage and assist the employee to overcome the deficiencies, provide needed training, consider reassignment to more suitable work, and/or other appropriate personnel action. The Minneapolis PDC includes the employee's name on a listing 45 days in advance of the revised effective date.
 - (1) If the employee's service is satisfactory at the end of the additional waiting period, the step increase is approved (see 424.334).
 - (2) If the employee's service is not satisfactory at the end of the additional waiting period, the step increase may be withheld for another redetermination period, or disciplinary measures under the collective-bargaining agreement may be taken.

424.34 **Adjustment in Length of Route**

An increase in basic salary because of an increase in the length of route is not an equivalent increase. Therefore, a step increase is not withheld because of the increase in length of route.

424.4 **Higher Level Pay**

- 424.41 A rural carrier who is temporarily assigned to a ranked position, under a different salary schedule, is (a) first converted to the equivalent 40-hour evaluated (heavy-duty) schedule rate in the attained rural carrier step and (b) then paid for higher level service at the same attained step under the PS Schedule, as provided in 422.4.
- 424.42 A rural carrier who normally serves a route six days a week or six days every other week, temporarily assigned to a position under a different salary schedule for five 8-hour days in a service week, is paid for the full work week without carrying the route on Saturday.

425 **Postal Nurses' Schedule (PNS)**

The provisions of 422 cited below are made applicable to this salary schedule by reference:

- a. Salary System:
 - (1) The Postal Nurses' Schedule consists of Grade 1.
 - (2) Basis of Rates:
 - (a) *Annual Rate*. The basic annual salaries for full-time nurses, augmented by general increases provided by the bargaining-unit agreement are established on a full-time basis of 2,080 hours per year.
 - (b) *Hourly Rate*. Basic hourly rates for part-time flexible schedule nurses are determined by dividing the annual basic rate by 2,000 hours.
 - (3) *Setting Salaries*. The appointing officer has primary responsibility for setting salaries of employees according to the guidelines in

- 425b. Salaries are subject to the approval of the appointing official's superior.
- (4) *Employee Classifications (see 422.15)*. The bargaining unit classifications in 432.111 which apply to bargaining unit nurses are full-time regular and part-time flexible. The bargaining unit classification of part-time regular does not apply.
- b. Change Action Pay Rules:
- (1) *Career Appointment*. Newly appointed nurses are to be paid the rate for the first step in the position's salary range, except as specified below:
- (a) For situations involving reinstatement, prior congressional service, transfer of a function from a federal agency, or veteran preference eligibility, see 422.21.
- (b) If local conditions for hiring a nurse require a higher starting salary than that of step 1, the approving official may authorize a salary at step 2 or 3 of the salary schedule. If this is done, any current bargaining unit nurse at the same facility paid at a lower step than the newly hired nurse must be placed at the same step as the newly hired nurse with an effective date no later than that of the new hire. The current employee begins a new step waiting period when placed in the higher step.
- (2) *Additional Appointment (see 422.22)*.
- (3) *Promotion (see 422.23)*.
- (4) *Reassignment (see 422.24)*.
- (5) *Reduction in Grade (see 422.25)*.
- c. Step Increases (see 422.3 and 424.3 through 424.34). In addition to the conditions listed in 422.31, the employee must have performed in a satisfactory or outstanding manner during the waiting period. The waiting periods appear in Exhibit 422.3.
- d. Higher Level Assignments (see 422.4).
- e. Dual (Multiple Employment (see 422.5)).

426 Data Centers Schedule (DCS)

426.1 Salary System

426.11 Schedule

The basic annual salary schedule for employees covered by the Information Service Centers (ISC) collective-bargaining agreement is the Data Centers Schedule, consisting of Grades 6 through 23. The basic annual salaries are augmented by general increases provided by the collective-bargaining agreement.

426.12 Part-Time Employees

Part-time flexible and part-time regular schedule employees are paid according to 422.122 based on the schedule for ISC bargaining unit employees.

426.13 Cost-of-Living Adjustment (COLA)

In addition to their basic annual or hourly rate, all bargaining unit employees also receive such COLA as is provided by their applicable collective-bargaining agreement.

426.14 Employee Classifications

The bargaining unit classifications in 432.111 which apply to DC employees are *full-time regular, part-time flexible, and part-time regular*.

Note: Casual (see 432.12a) is a nonbargaining unit employee classification. Therefore, casuals at the ISC are not in the bargaining unit.

426.2 Change Action Pay Rules**426.21 Career Appointment**

A new employee to the Postal Service hired into the DCS schedule with a career appointment is paid the minimum rate for the grade (see 422.21).

426.22 Promotion

See 421.431 for definition of promotion. Rules for promotion *to or within* the DCS schedule appear below.

- a. *Promotion Increase.* A promoted employee will receive an increase in basic salary in accordance with promotion rules in 422.23.
- b. *Effect of Saved Rate.* The new salary may not exceed the maximum of the new grade unless, on the day immediately preceding the effective date of the promotion, the employee has a saved rate including a red-circle amount (see 421.52). In such case, the new salary may exceed the maximum of the new grade by an amount not greater than the dollar amount of the red circle, subject to termination of rate retention. See 421.514.

426.23 Reassignment

See 421.432 for definition of reassignment. An employee's salary is not changed as a result of reassignment within the DCS schedule. For reassignment to nonbargaining unit salary schedules, see 414.

426.24 Demotion

See 421.433 for definition and general regulation for demotion. See 422.25 for demotion to and within the DCS Schedule. For demotion to a nonbargaining unit salary schedule, see 415.

426.25 Voluntary Reduction

See 421.434 for definition. See 422.25 for voluntary reduction to and within the DCS schedule. See 415 for voluntary reduction to a nonbargaining unit schedule.

426.26 Management Action Reduction

In this case of a nondisciplinary and involuntary reduction, the rate retention provisions below apply.

- a. *Saved Rate.* Employees will retain their salary and remain eligible for any in-grade salary increases for which they otherwise would have been eligible. They will continue in this status until such time as they fail to bid or apply for assignment to a vacant, established position (a) in the former grade or (b) in a grade between that of the former grade and the new grade within the same facility — providing acceptance of the vacant position does not result in any loss in salary. The facility notifies employees of any vacant position for which they are or may be qualified. Failure to qualify for the position does not result in the loss of saved rate. (See also 421.521.)
- b. *Saved Grade.* For saved grade rules due to technological or mechanization changes, see 421.53.

426.3 Step Increases

The rules for granting step increases in 422.3 apply to ISC bargaining unit employees except that the waiting period between steps is as shown in Exhibit 422.3.

426.4 Higher Level Assignments

See the ISC collective-bargaining agreement.

427 Operating Services Division Headquarters & Facilities Service Section, Merrifield, VA**427.1 Salary System****427.11 Salary Schedule**

An Operating Services Division salary schedule exists for the grades and steps of employees in the Headquarters Facilities Service at USPS Headquarters and Facilities Service Section, Merrifield (APWU) in accordance with the OSD collective-bargaining agreement.

427.12 Basis of Rates (see 422.12)**427.13 Cost-of-Living Adjustment (see 422.13)****427.14 Determination of Salaries**

The salary set by the appointing officer is subject to the approval of the vice president of Facilities.

427.15 Employee Classifications (see 422.15)**427.2 Change Action Pay Rules****427.21 Career Appointment**

An employee new to the Postal Service, hired into the OSD schedule, is paid the rate for the first step of the grade except as specified below:

- a. *Exceptional Qualifications.* If the appointing official (with approval of superior) determines that the person has exceptional qualifications, the rate of pay may be set at a higher step, not to exceed the fourth step of that grade — except as provided in item b below.
- b. *Reemployment and Transfer.* The appointing officer may set the salary of a former or current federal civilian or Postal Service employee who is being given a career appointment:
 - (1) Either at the first step of the grade of the position.
 - (2) Or at any step of the grade which is less than one full step above the highest basic compensation the employee previously received — but not in excess of the maximum step of the grade for the assigned position.

427.22 Additional Appointment (see 422.22)**427.23 Promotion**

See 421.431 for definition. See 422.23 for promotion rules *to and within* the OSD/RSSB schedule. For promotion *from* the OSD schedule to a nonbargaining schedule, see 413.

427.24 Reassignment

See 421.432 for definition. An employee's salary is *not* changed as a result of reassignment.

427.25 Demotion

See 421.433 for definition. Rules for demotion *to and within* the OSD schedule appear in 422.25.

427.26 Voluntary Reduction

See 421.434 for definition. See 422.25 for voluntary reduction *to and within* the OSD Schedule. See 415 for voluntary reduction *from* the OSD to a nonbargaining schedule.

427.27 Management-Action Reduction

See 421.435 for definition for reduction *from* the OSD schedule to a nonbargaining schedule. Rules in 422.25 for management-action reductions *to and within* the PS schedule apply to OSD employees — except as qualified below:

- a. If an OSD employee whose job is eliminated cannot be placed in a job of equal grade, the saved grade provision in 422.252 does *not* apply.

- b. Instead, the employee (1) is assigned to any available lower level position for which she or he qualifies and (2) is entitled to protected rate for a period of 2 calendar years.

427.3 **Step Increases**

All of the step increase rules in 422.3 apply to OSD employees. See Exhibit 422.3 for step increase waiting periods.

427.4 **Higher Level Assignments**

The rules in 422.4 apply to OSD employees — except for the provision stated in 422.42.

427.5 **Multiple Employment (see 422.5)**

427.6 **Change From RC Schedules (see 422.6)**

428 **Postal Police Officers' (PPO) Schedule**

The provisions of 422 cited below are made applicable to this salary schedule by reference.

428.1 **Salary System**

- a. The Postal Police Officers' (PPO) Schedule consists of Grade 6.
- b. Basis of Rates (see 422.12).
- c. Setting Salaries (see 422.14).
- d. Employee Classifications. There are two categories of employees in the Postal Police Officers' bargaining unit:
 - (1) Full-time.
 - (2) Part-time.

428.2 **Change Action Pay Rules**

- a. Career Appointment (see 422.21).
- b. Additional Appointment (see 422.22).
- c. Promotion (see 422.23).
- d. Reassignment (see 422.24).
- e. Reduction in Grade (see 422.25).

428.3 **Step Increases (see 422.3 and 424.32 through 424.34)**

- a. The rules in 424.32 also apply to Postal Police Officers, except that where the text in 424.32 reads "Installation Head(s)," substitute "Inspector(s)-In-Charge" for "Postal Police Officers."
- b. Where the text reads "Installation(s)," substitute "Inspection Service Division(s)" for "Postal Police Officers."

- c. In addition to the conditions listed in 422.31, the employee must have performed in a satisfactory or outstanding manner during the waiting period. The waiting periods appear in Exhibit 422.3.

428.4 **Higher Level Assignments (see 422.4)**

- a. The rules in 422.4 also apply to Postal Police Officers, except that where the text in 422.4 reads "Installation Head(s)," substitute "Inspector(s)-In-Charge" for "Postal Police Officers."
- b. Where the text reads "Installation(s)," substitute "Inspection Service Division(s)" for Postal Police Officers.

428.5 **Dual (Multiple) Employment (see 422.5)**

428.6 **Change From Rural Carrier Schedules (see 422.6)**

429 **(Reserved for Tool and Die Shop)**