3 Employment and Placement

310 General Provisions

311 Functional Responsibilities

311.1 Basic Principles

311.11 Best Qualified Personnel

Employee Resource Management designs employment and placement processes to ensure that the recruitment, assignment, promotion, motivation, training, development, and retention procedures yield the best qualified personnel to carry out the mission of the Postal Service™ with maximum productivity and economy of operations.

311.12 Prohibition of Discrimination

It is the policy of the Postal Service that all employees and applicants for employment be afforded equal opportunities in employment without regard to race, color, sex (including gender identity and gender stereotypes), national origin, religion, disability, or service in the uniformed services. As part of its program of equal employment opportunity, the Postal Service prohibits discrimination or harassment based on any of these categories. In addition, it is also the policy of the Postal Service to prohibit discrimination or harassment based on age, genetic information, sexual orientation, marital status, political affiliation, or status as a parent. Position changes and advancement are based solely on merit, applicable experience, and knowledge, skills, and abilities.

311.13 Prohibition of Political Recommendations

The law (39 U.S.C. 1002) prohibits political and certain other recommendations for appointments, promotions, assignments, transfers, or designations of persons in the Postal Service.

311.2 Administrative Responsibilities

311.21 Vice President of Employee Resource Management

The vice president, Employee Resource Management, develops policies, methods, and procedures for recruiting, selecting, appointing, assigning, reassigning, and promoting employees.

311.22 Area Manager of Human Resources

The manager Human Resources (Area), directs the review, compliance, and continued long-term improvement of all employee and labor relations

programs, including collective bargaining, grievance processing, arbitration, contract interpretation, contract analysis, recruitment, compensation, organizational design, staffing, training, Equal Employment Opportunity (EEO), safety, and Postal Career Executive Service (PCES) administration.

311.23 Diversity and Inclusion

Diversity and Inclusion ensures that recruitment, retention, and promotion practices draw upon and support the communities served by the Postal Service. Diversity and Inclusion implements affirmative employment plans and takes the following actions:

a. Develops and implements recruitment and hiring strategies to increase the employability of underrepresented groups, including minorities, women, and people with disabilities.

b. Establishes retention initiatives to reduce turnover of a diverse workforce.

c. Establishes methods to increase participation of underrepresented groups in development and promotion activities.

d. Identifies and removes employment barriers for minorities, women, and people with disabilities.

311.24 District Manager of Human Resources

The manager, Human Resources (District), manages the human resources function district-wide, ensuring compliance with postal employment and placement policies and coordinating human resources activities to support postal operations.

320 Recruitment

321 General Provisions for Recruitment

321.1 Anticipating Recruitment Needs

Generally, nonbargaining positions are filled from within the Postal Service. When vacancies are not filled by internal placement of employees, career and noncareer vacancies may be filled externally. The appointing official must anticipate recruitment needs in time to ensure that qualified persons are available for appointment. The appointing official must consider the number of anticipated vacancies, and decide whether the needs can be met with noncompetitive recruitment sources, competitive recruitment, or a combination of competitive and noncompetitive recruitment sources. When competitive recruitment will be utilized, the appointing official determines whether additional recruitment efforts are necessary to yield a diverse pool of qualified persons for potential Postal Service employment (see Handbook EL-312, *Employment and Placement*, chapter 2).

321.2 Publicizing Job Opportunities

District human resources managers and appointing officials must ensure that job opportunities are widely publicized to recruit new employees (see Handbook EL-312, part 42).

321.3 Veterans' Preference for Eligible Applicants

The Postal Service grants veterans' preference to eligible applicants for Postal Service employment. See Handbook EL-312, 48, Veterans' Preference, for specific procedural guidelines.

321.4 Register Preference Factors

The Postal Service grants veterans' preference for Postal Service employment. See Handbook EL-312, 48, Veterans' Preference, for specific procedural guidelines.

321.5 Register Maintenance

The district maintains registers for filling positions in an installation or group of installations. Entrance examination results are used to create the registers used to fill jobs. A separate register exists for each examination. See Handbook EL-312, chapter 4, for specific procedures for establishing, maintaining, and using registers.

322 Special Employment Programs (Employment of Individuals With Disabilities)

See Handbook EL-312, 235, Employment of People With Disabilities, and Handbook EL-307, *Reasonable Accommodation, An Interactive Process,* for more information concerning the employment of people with disabilities.

330 Examinations

331 Purpose of Examinations

The Postal Service administers employment and promotion examinations to help identify the best qualified eligible candidates for filling vacant positions. See Handbook EL-312, chapter 3, for detailed provisions regarding employment and promotion examinations.

332 Conducting Examinations

332.1 General

The proper conducting of examinations plays an essential role in the employment and placement function in the Postal Service. See Handbook EL-312, chapter 3, for detailed provisions and instructions for conducting examinations.

332.2 Entrance and Inservice Examinations

Only authorized personnel and vendors may conduct entrance and inservice postal examinations.

332.3 Inservice Examinations

Installations that have regularly-assigned examiners must use these trained personnel to administer inservice examinations, provided there are no conflicts of interest such as the examiner is assigned to proctor an exam in

which he or she or a relative is enrolled. Any exceptions to this policy must be approved by the Headquarters Testing and Assessment department. See Handbook EL-312, chapter 3, for more information.

332.4 Examination Locations

The Postal Service obtains qualified employees and helps applicants seeking postal employment through a network of examination locations where persons may take the required examinations for Postal Service employment.

333 Veterans' Preference

Veterans' preference is granted to eligible applicants for Postal Service employment. The Postal Service's online application system, eCareer, adds claimed preference points to examination ratings as required by the Veterans' Preference Act of 1944, as amended, or arranges the applicants in rank order by veterans' preference claim status (see 441). The appointing official or designee adjudicates the claimed preference. See Handbook EL-312, 48, Veterans' Preference, for more information.

334 Establishing Hiring Lists

334.1 Applicants

Persons who apply to a vacancy announcement posted externally on *http://about.usps.com/careers/welcome.htm* are applicants.

334.2 Definition of Hiring List

A Hiring List consists of a listing of the names of eligible applicants who applied to the specific vacancy announcement arranged in descending order by score or veterans' preference status, as appropriate to the position being filled, for appointment consideration. See Handbook EL-312, subchapter 44.

340 Suitability, Selection, and Appointment

341 Positions Restricted to Preference Eligibles

The Postal Service restricts certain positions to preference eligible applicants under the Veterans' Preference Act of 1944, as amended. This restriction applies only to appointments made from external recruitment sources. See Handbook EL-312, 232.52, Positions Restricted to Applicants Eligible for Veterans' Preference, for more information.

342 Preemployment Suitability Determinations

To maintain public trust and confidence in the reliability and integrity of its employees, the Postal Service must evaluate the overall suitability of applicants for postal employment prior to consideration and selection.

It is the policy of the Postal Service not to discriminate in personnel decisions on the basis of

a. Race, color, sex (including gender identity and gender stereotypes), national origin, religion, disability, and uniformed service or

b. Other nonmeritorious factors such as age, genetic information, sexual orientation, marital status, political affiliation, and status as a parent.

343 Applicants Separated for Cause

Prior approval of the manager, Human Resources (District); the manager, Human Resources (Area) for Area positions; or the vice president, Employee Resource Management for Headquarters and Headquarters Field Unit positions, must be obtained before employing any former postal or federal employee who was removed from the Postal Service or other federal employment for cause or who resigned after being notified that charges proposing removal would be, or had been, issued. See Handbook EL-312, 514.11, Handling Removals From Postal Service or Other Federal Employment, for further information.

344 Hiring Worksheets

344.1 When to Issue Hiring Lists

When necessary to hire externally from a competitive recruitment source, Human Resources publishes a vacancy announcement on *http://about.usps.com/careers/welcome.htm*. If an entrance examination is required, applicants not currently qualified on the examination may be invited to take the test. A Hiring List containing the names of qualified applicants is created after expiration of the testing time limit. Each applicant listed on the Hiring List is invited to be interviewed for the position.

344.2 Interviewing Applicants

Interviewers for nonbargaining vacancies must be trained and certified on *Nonbargaining Selection Methods*, Course 10022345 and *Essentials of Interviewing and Hiring: Behavioral Interview Techniques*, Course 3623586. Interviewers for external bargaining vacancies must be trained and certified on Entry Level Interviewer Training, Course 21585-00. Interviewers become certified by completing the course, observing an interview conducted by a certified interviewer, and being observed conducting an interview by a certified interviewer. A trained, certified interviewer conducts interviews with external applicants for bargaining positions.

344.3 Appointing Official Responsibilities

The selecting official must make selections for appointment from external Hiring Lists using the *rule of three* (see 344.4). Selections must be made on the basis of merit. It is the policy of the Postal Service not to discriminate in personnel decisions on the basis of:

a. Race, color, sex (including gender identity and gender stereotypes), national origin, religion, disability, and uniformed service, or

b. Other nonmeritorious factors such as age, genetic information, sexual orientation, marital status, political affiliation, and status as a parent.

344.4 Rule of Three

Appointing officials select from among the three highest ranked and available applicants from the appropriate external Hiring List. An applicant who is performing uniformed service is not per se unavailable; consult human resources. This selection method is known as the *rule of three* (see Handbook EL-312, 624).

344.5 Nonselection of a Veterans' Preference Eligible

A veterans' preference eligible candidate may not be passed over to select a nonpreference eligible candidate that is lower on the Hiring List, unless the selecting official objects to the veteran and the objection is sustained. See Handbook EL-312, 627, *Objection to or Pass Over of Preference Eligible,* for requirements for passing over a veteran.

345 Auditing Hiring Lists

After the appointing official has made all selections and each action has been properly documented, the selections are audited according to provisions found in Handbook EL-312, 63, Auditing Selection Actions.

346 Conditional Offer of Appointment

When an applicant is selected, the appointing official makes a conditional offer of appointment that includes:

a. Full particulars regarding the position, including title, duties, level, salary, location of employment, nature, and duration of appointment.

b. Instructions for medical assessment and any other required conditions the appointee must fulfill after entrance on duty, e.g., serving a probationary period, obtaining a security clearance, or being subject to investigation.

347 Former Postal or Federal Employees

For applicants selected and hired for noncareer jobs after having previously served in a position in the Postal Service or other federal agency, wherein they were covered by civil service retirement, health benefits, or life insurance, such persons must have at least a 4-day break between such service and their appointment as a noncareer employee. For more information on restrictions on hiring a postal or federal employee covered by benefits into a temporary postal position, see Handbook EL-312, 233.34, Dual Employment.

348 Dual Employment

348.1 Dual Employment Within the Postal Service

348.11 General Explanation

Under certain circumstances, as described in this chapter, an employee may be appointed to more than one position in the Postal Service. This type of employment is known as a *dual appointment.* Only one of the appointments may be to a position in the career workforce. The primary purpose of dual

appointments is to improve the opportunity of career part-time employees and noncareer employees to gain additional employment and to minimize unemployment compensation expense. Dual appointments also allow the Postal Service to use experienced employees instead of hiring new employees.

Substitute rural carriers (designation/activity codes 720 and 730) may be given a dual appointment to a career part-time position or noncareer position. Postal Support Employees (PSEs), City Carrier Assistants (CCAs), Mail Handler Assistants (MHAs), Casual Mail Handlers, Rural Carrier Reliefs (RCRs), Rural Carrier Associates (RCAs), and Postmaster Relief (Remotely Managed Post Office (RMPO) (PMRs), cannot be given a dual appointment to a career position. Dual appointments of noncareer employees in other noncareer positions may also be limited. Consult the Valid Dual Combinations list on the HRSSC Personnel Administration Toolkit web page as needed.

348.12 Consideration Factors

Installation heads must ensure that all dual appointments are cost effective and in the best interest of the Postal Service. Before deciding to make dual appointments, installation heads should consider the following factors:

a. Estimated daily workload requirement (hour by hour) in each craft.

b. Workload that can be covered by increasing the hours of part-time flexible employees currently on the rolls, by the judicious use of overtime hours.

c. Workload that can be covered by using employees from another craft, in accordance with applicable provisions in collective bargaining agreements.

d. Practicality of using part-time employees from nearby Post Offices.

e. Installation flexibility to make necessary leave replacements if dual appointments are made.

f. Average weekly workhours for each employee on the rolls and dual appointment reduction in the Postal Service's liability for state unemployment compensation benefits.

g. Combined hours of the dual appointment totaling more than 8 hours a day or 40 hours a week.

348.13 Appointment Authority

The district manager or designee has authority to make dual appointments, as appropriate.

348.14 Appointment Requirements

Employees considered for dual appointments must meet all qualification requirements for both positions, including examination requirements, if any. Likewise, substitute rural carrier employees (designation/activity codes 720 and 730) may be appointed to entry level career positions noncompetitively as permitted under applicable collective bargaining agreements. All other procedures for selection and appointment are included in Handbook EL-312, *Employment and Placement.*

348.15 Compensation, Benefits, and Other Rights

An employee serving under a dual appointment is compensated for the work performed in a particular position at the appropriate rate for that position. If one of the positions of a dual appointment carries the right to benefits, the employee accrues the rights immediately upon appointment to that position and retains the rights even while working in another position that does not have such benefit rights. Other rights, which accrue to a position under the terms of a collective bargaining agreement, are accorded to the employee. Special handling is required to ensure that FLSA-overtime is properly paid where the employee works overtime at two different rates and in more than one facility.

348.16 Change to Full-time Status

An employee's change to full-time status requires termination of the dual appointment.

348.2 Between Postal Service and Other Federal Agencies

An employee, other than a Governor, may serve and receive pay concurrently as an employee of the Postal Service and as an employee of any other federal agency, except the Postal Regulatory Commission. See Handbook EL-312, 233.34 and 234.23, Dual Employment, for information on restrictions on dual employment. When a postal employee is employed concurrently in another federal agency, postal employment is primary and takes precedence when a scheduling conflict arises.

348.3 Between Postal Service and Private Industry

A Postal Service employee may be employed concurrently as an employee in the private sector unless such employment has an adverse impact on postal operations or where conflicts of interest may be generated between the private employer and/or employee and the Postal Service. When a postal employee is employed concurrently by another private employer, postal employment is primary and takes precedence when a scheduling conflict arises. See 662.1 for further information.

349 Official Personnel Folder

349.1 Purpose

The Official Personnel Folder (OPF) documents the employment history of individuals employed by the federal government. The records included in the OPF protect the legal and financial rights of the government and the employee. An OPF is established and maintained for each Postal Service employee, regardless of appointment type or duration.

349.2 Contents

The OPF contains personnel records that reflect the employee's official status, benefits, and service and includes other documents that are significant in the employee's Postal Service career. When an employee has former postal or federal civilian service, the OPF for that service must be merged into a single OPF.

349.3 Electronic Official Personnel Folder System

The official record of a document in an OPF is the hard copy until the document is scanned and accepted into the Postal Service's electronic Official Personnel Folder (eOPF) system. At that point, the scanned image contained in the eOPF system is the official record of the document, and the hard copy ceases to be the official record.

Exceptions:

a. If a PS Form 50, *Notification of Personnel Actions,* (1) has been created electronically and stored in the Postal Service's human resources information system, and (2) has not been printed out in hard copy and placed in the OPF, then the official record is the electronic version of the PS Form 50 stored in the human resources information system.

b. If a document has been created electronically and stored in the Postal Service's eOPF system, the official record is the electronic version of the document stored within the eOPF system.

350 Assignment, Reassignment, and Promotion

351 Introduction

351.1 Purpose and Scope

351.11 Employee Utilization

Postal officials in charge of installations have an overall responsibility to effectively use human resources. Supervisory employees have specific responsibilities to improve the use of human resources. Postal officials in charge of installations and supervisors must carefully plan and analyze the anticipated workload to enable the use of the minimum workforce consistent with effective operations.

351.12 Filling Postal Positions

The assignment, reassignment, or promotion of postal employees fills most postal positions, except entry-level positions.

351.13 Eligibility for Promotion

An employee serving under a career appointment is eligible for reassignment or promotion to a career position. An employee serving under a noncareer appointment is not eligible for promotion to a career position.

351.2 Positions Not to Be Filled on a Permanent Basis

The following are not to be filled on a permanent basis:

a. Any position from which an employee is absent under circumstances where he or she has a right to be restored to his or her position; for example, because of an on-the-job injury.

b. Any position from which an employee is on leave without pay to perform military service and has or may have reemployment rights under USERRA (see EL-312, section 77). ***Note:*** A position does not need to be held for an employee who (1) resigned to perform active

military duty and (2) executed a *Resignation to Enter Military Service Declaration*; however, an employee placed into a position vacated by an employee who resigned to perform military service and completed a *Resignation to Enter Military Service Declaration* may be removed from that position in order to comply with the requirements of USERRA to reemploy an employee with reemployment rights who resigned to perform military service.

c. Any position from which an employee was (a) subjected to an adverse action (e.g., removal, demotion, or reassignment) and (b) for which a grievance or appeal to the Merit Systems Protection Board is pending.

351.3 Qualification and Eligibility Requirements

351.31 Qualification

Employees selected for a position must meet the minimum qualification requirements established for the position. See Handbook EL-312, chapter 7, for explanation of nonbargaining qualification standards and bargaining qualification standards.

351.32 Eligibility for Consideration

Eligibility for consideration for some nonbargaining positions is limited to employees in specific grades, occupations, geographic areas, or organizations, especially during periods of organizational change. The limitations for bargaining positions are described in collective bargaining agreements and Handbook EL-312, 72, Bargaining Positions. Employees with restoration rights by reason of military duty may request consideration and are considered for promotion, assignment, and conversion to full-time status, if otherwise eligible. (Consult human resources if an employee absent because of military duty requests consideration, but does not submit a formal application.) Other employees on extended leave or leave without pay are considered, provided they are eligible and have submitted an application. The personnel action is effected upon return to duty and is dated retroactively to the date the change would have occurred had the employee not been absent.

Note: The employee may be entitled to benefits including back pay for leave (including military leave) and retroactive activation of Federal Employees Health Benefits coverage (see Chapter 5, Employee Benefits).

351.4 Equal Opportunity

Postal Service policy provides all qualified employees an equal opportunity for assignments and promotions. Assignments and promotions must be based on merit and the relevant experience, training, knowledge, skills, and ability required for the positions being filled. It is the policy of the Postal Service not to discriminate in personnel decisions on the basis of:

a. Race, color, sex (including gender identity and gender stereotypes), national origin, religion, disability, and uniformed service, or

b. Other nonmeritorious factors such as age, genetic information, sexual orientation, marital status, political affiliation, and status as a parent.

351.5 General Promotion Policies

351.51 Merit Promotion Program

The promotion program for positions in the Postal Service is based on the principle of promotion by merit. The program provides the means for making selections for promotions according to the relative qualifications of the employees eligible for consideration. Officials engaged in the selection process must administer the program systematically, uniformly, and equitably. Promotions to craft positions must be made in accordance with applicable collective bargaining agreements.

351.52 Merit Promotion Program Objectives

The goal of the merit promotion program is to obtain maximum effectiveness and efficiency in postal operations by:

a. Identifying highly qualified candidates for management's consideration in a timely manner.

b. Ensuring best placement of employees according to their capabilities and potential.

c. Maximizing use of employees' special skills and abilities.

d. Providing employees an incentive to improve their performance and develop their knowledge, skills, and abilities.

e. Providing all employees the maximum possible opportunities for advancement, and ensuring that qualified employees who are eligible and available are given fair and appropriate consideration when filling higher-grade vacancies.

351.53 Policies

The following promotion policies apply:

a. First consideration is given to qualified employees within the Postal Service. The area of consideration is broad enough to provide a supply of well qualified candidates for promotion. The selecting official is provided an adequate number of well qualified candidates from which to choose, but should not be burdened with a lengthy list of candidates to consider.

b. Consideration is expanded to postal employees outside the minimum area of consideration when appropriate and necessary to ensure that an adequate number of qualified candidates are available for promotion consideration.

c. Required files are maintained; adequate procedures are developed for periodic review of promotion actions; and appropriate corrective action is taken if procedural, regulatory violations, or other deficiencies are found.

d. Employees selected for promotion are released from their current positions without undue delay. This is normally not later than 2 to 4 weeks after selection or in conformance with the provisions of any applicable labor agreement.

e. Information is made available to employees, upon request, about:
   (1) Promotion program requirements and procedures and the promotion programs affecting them;
   (2) Promotion opportunities available to them;
   (3) Their eligibility in specific promotion actions; and
   (4) The identity of the person selected.

f. Restrictions on the promotion (or recommendation for promotion) of immediate relatives are explained in Handbook EL-312, 513.3, Relatives.

351.54 Exceptions to Competitive Promotion Procedures

Promotions excepted from competitive procedures are listed in Handbook EL-312, 717.32, Exceptions to Competitive Procedures.

351.55 Temporary Promotions

See Handbook EL-312, 716.2, Temporary Promotion, for conditions when temporary promotions are appropriate.

351.6 Mutual Exchanges

351.61 General Policy

Career employees may exchange positions (subject to the provisions of the appropriate collective bargaining agreement) if the officials in charge at the installations involved approve the exchange of positions. Mutual exchanges must be made between employees in positions at the same grade levels. The following employees are not permitted to exchange positions:

a. Part-time flexible employees with full-time employees.

b. Bargaining employees with nonbargaining employees.

c. Nonsupervisory employees with supervisory employees.

351.62 Rural Letter Carrier Employees

The mutual exchange of regular rural letter carrier employees of different Post Offices is permitted in accordance with the applicable provisions of the USPS-NRLCA National Agreement. The following mutual exchanges are not permitted:

a. Between regular rural letter carrier employees in the same Post Office.

b. Between rural letter carrier employees and members of other crafts.

352 Selection for Bargaining Positions

Procedures and requirements for filling bargaining positions are found in the following publications:

a. The appropriate collective bargaining agreement contains governing policies and procedures affecting bidding, assignments, reassignments, higher grade assignments, and promotions.

b. Handbook EL-312, 72, Bargaining Positions, contains detailed procedures and administrative requirements.

c. Position descriptions online (*http://hrishq.usps.gov/jdonline*) on the Postal Service Intranet contain qualification standards for bargaining positions.

353 Selection for Nonbargaining Positions

353.1 Promotion

A promotion is the permanent assignment, with or without relocation, of an employee:

a. To a position having a higher grade than the position to which the employee is currently assigned, or

b. To a position with a higher equivalent grade.

In addition to the general promotion policies in 351.3, specific policies and procedures govern promotion to various nonbargaining positions. Selection procedures for Postal Career Executive Service (PCES) employees are described in 380 of this manual, and for other nonbargaining positions, in Handbook EL-312, 74, Nonbargaining Positions or 75, Supervisor Selection Process.

353.2 Reassignment

A reassignment is the permanent assignment, with or without relocation, of an employee:

a. To another position with the same grade, or

b. To a position with an equivalent grade.

353.21 Management Option

Authorized management officials may reassign nonbargaining employees without following regular competitive procedures (see Handbook EL-312, section 743.11).

353.22 Employee Self-Nomination

Employees who desire noncompetitive reassignment may nominate themselves by making a written request to the selecting official.

353.23 Unassigned Employees

Unassigned nonbargaining employees (i.e., employees whose positions have been abolished) are reassigned in accordance with 354.

353.3 Temporary Assignment

See Handbook EL-312, 716.1, Temporary Assignments.

353.4 Realignment or Reevaluation

In a realignment or reevaluation involving nonbargaining positions, Headquarters Employee Resource Management determines the effect on individual positions. Based on those determinations, the following general rules apply when assigning incumbents and filling affected positions:

a. The incumbent is automatically assigned to the position if there is no significant change in duties or responsibilities and no change in grade.

b. The incumbent is promoted noncompetitively if the position is upgraded with no significant change in duties or responsibilities.

c. The incumbent has no assignment or promotion right to the new position if there is a significant change in duties and responsibilities that result in the authorization of a new position at the same or higher grade and abolishment of the present position. The new position is filled in accordance with regular procedures, and the incumbent of the abolished position is assigned in accordance with 354.

d. The incumbent is treated in accordance with 354.241 in any situation where a position is evaluated at a lower grade.

354 Assignment of Unassigned Employees

354.1 Policy

354.11 Bargaining Employees

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

354.12 Nonbargaining Employees

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

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

The Postal Service may at its option apply to any individual organizational change none or one or more of the following provisions that are not required by reduction in force (RIF) statutes and Office of Personnel Management RIF regulations applicable to the Postal Service.

354.21 General

354.211 Definition of Reduction in Force

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

Note: With the exception identified above concerning the reclassification of an employee's position, a change to lower grade based on the reclassification of an employee's position due to a change in classification standards or a correction of a classification error is not a RIF.

354.212 **Legal Basis for Reduction in Force**

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

354.213 **Management Responsibility**

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

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

354.214 **Coverage of Reduction in Force Procedures**

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

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

354.215 **Veterans' Preference Status**

Entitlement to veterans' preference for RIF purposes is based on the Veterans' Preference Act of 1944, as amended, and is codified in various provisions of Title 5, U.S.C. Detailed instructions for adjudicating veterans'

preference claims are contained in chapter 7 of the *Guide to Processing Personnel Actions,* an operating manual issued by OPM. Employees who are eligible for veterans' preference for purposes of initial appointment are also eligible for veterans' preference for RIF, except for employees who are retired members of the uniformed services. Employees who retired from the military must meet one of several special conditions before they can be granted veterans' preference for RIF purposes. The conditions differ and depend on whether the employees retired below, at, or above the rank of major. Exhibit 354.215a shows the conditions that must be met by retired members of the uniformed services before veterans' preference for RIF is granted. Exhibit 354.215b shows the pay grades and titles (ranks) of officers of the uniformed services as defined by 5 U.S.C. 2101.

Exhibit 354.215a
Veterans' Preference for Retired Military

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

Exhibit 354.215b
Officer Personnel by Pay Grades and Titles (Ranks)

Pay Grade	**Army, Air Force, and Marine Corps**	**Navy, Coast Guard, and NOAA**	**Public Health Service (PHS)**
Below Major:			
W-1	Warrant officer	Warrant officer	
W-2	Chief warrant officer	Chief warrant officer	
W-3	Chief warrant officer	Chief warrant officer	
W-4	Chief warrant officer	Chief warrant officer	
O-1	Second lieutenant	Ensign	Junior assistant
O-2	First lieutenant	Lieutenant (jg)	Assistant grade
O-3	Captain	Lieutenant	Senior assistant grade
Major and Above:			
O-4	Major	Lieutenant commander	Full grade
O-5	Lieutenant colonel	Commander	Senior grade
O-6	Colonel	Captain	Director grade
O-7	Brigadier general	Rear admiral (lower half) or commodore	Assistant surgeon general
O-8	Major general	Rear admiral (upper half)	Assistant surgeon general
O-9	Lieutenant general	Vice admiral	(**Note:** PHS does not use O-9 or O-10)
O-10	General	Admiral	

354.216 **Veterans' Preference Entitlement**

Veterans' preference eligible employees are entitled to the following:

a. *Higher Retention Standing.* A preference eligible employee is entitled to a higher retention standing (seniority) on a retention register (see 354.217c) than a nonpreference eligible employee during a RIF.

b. *Assignment Rights.* A preference eligible employee in tenure group I or II with a current merit performance rating of *Met Expectations* or higher, who is released from his or her competitive level during a RIF, may displace another employee with a lower retention standing under certain circumstances. The assignment of a preference eligible employee to a position with an appropriate representative rate (see 354.217g) held by an employee with lower retention standing can occur either through bumping or retreating.

(1) *Bumping.* A preference eligible employee may replace an employee in the same competitive area who has a lower retention standing and occupies a position that is no more than three grade levels (or appropriate grade interval or equivalent) lower than the position from which the preference eligible employee is released.

(2) *Retreating.* A preference eligible employee may replace an employee in the same competitive area, tenure group, and veterans' preference subgroup who has a lower retention standing and occupies a position identical to a position previously held by the preference eligible employee, that is no more than three grade levels (or appropriate grade interval or equivalent) lower than the position from which the preference eligible employee is released. A preference eligible employee with a compensable service-connected disability of 30 percent or more can retreat to a position that is up to five grade levels (or appropriate grade interval or equivalent) lower.

c. *Appeal Rights.* A preference eligible employee may file an appeal with the Merit Systems Protection Board (MSPB) under the provisions of 5 CFR 351.901.

354.217 **Definitions and Explanations**

Definitions and explanations relevant to RIF procedures are as follows:

a. *Competitive level* – one or more positions in a competitive area that are:

(1) In the same rate schedule code (e.g., EAS and PCES) and grade level.

(2) In the same job classification series and leadership code (i.e., type of contribution made to the organization as an executive, mid-level manager, initial-level supervisor, or individual contributor).

(3) Similar enough in duties, qualification standards (knowledge, skills, and abilities), and working conditions so that the incumbent of one position can successfully perform the critical elements of any other position in the level upon assignment to it,

without any loss of productivity during a 90-day orientation period beyond that normally expected of a new employee who is otherwise qualified.

b. *Competitive areas* – organizational units that have separate management authority and geographical boundaries under which employees compete during a RIF. As an example, the Center for Employee Development in Norman, Oklahoma, is a Headquarters-related field unit; however, it is a separate competitive area because it has its own management authority and geographical boundary. Generally, a competitive area should be in effect for at least 90 days before the effective date of a RIF. The manager of Selection, Evaluation, and Recognition publishes a list of competitive areas in the *Postal Bulletin* at least annually.

c. *Retention register* – a list of employees by competitive level ranked in descending order based on their retention standing within a specific competitive area. The retention standing for each competing employee is based on his or her tenure group, veterans' preference subgroup, and RIF service date. Employees are listed on the retention register in the following order:

(1) By tenure group I, group II, and group III (see 354.217d).

(2) Within each tenure group, by veterans' preference subgroup AD, subgroup A, or subgroup B (see 354.217e).

(3) Within each veterans' preference subgroup, by RIF service date (see 354.217f).

d. *Tenure groups* – the groups into which employees are separated for retention standing purposes during a RIF, based on their employment status. There are three tenure groups:

(1) *Tenure group I* – career employees who have completed their probationary period.

(2) *Tenure group II* – career employees who are serving their probationary period and who will not complete it before the RIF effective date.

(3) *Tenure group III* – noncareer employees serving under indefinite appointments, temporary appointments pending establishment of a register, status quo appointments, term appointments, and any other nonstatus nontemporary appointments that meet the definition of provisional appointments contained in 5 CFR 316.401 and 316.403.

e. *Veterans' preference subgroups* – the subgroups into which employees are placed based on veterans' preference entitlement. The three preference eligible subgroups are defined as:

(1) *Subgroup AD* – employees entitled to veterans' preference based on a compensable service-connected disability of 30 percent or more.

(2) *Subgroup A* – all other preference eligible employees not included in subgroup AD.

(3) *Subgroup B* – employees who are not preference eligibles.

f. *RIF service date* – the date used in conjunction with the tenure group (see 354.217d) and preference eligible subgroup (see 354.217e) to determine an employee's retention standing on a retention register (see 354.217c) during a RIF. The RIF service date is derived by subtracting the additional years of service credit based on performance ratings from the employee's leave computation date.

(1) *Leave computation date* – a date based on total creditable service – generally including all creditable Postal Service, federal civilian service, and active military service (see 512.2). For an employee who is a retired member of the uniformed services (see 354.215), the leave computation date is adjusted by the amount of service credit based on the rank at which an employee retires and the circumstances of the retirement. The specific methodology used to calculate the leave computation date is provided in Exhibit 210d of Handbook EL-301, *Guidelines for Processing Personnel Actions.*

(2) *Performance ratings* – the three most recent merit performance ratings of record received during the 4-year period before the issuance date of the specific RIF notices. Based on these performance ratings, nonbargaining employees are entitled to additional service credit towards their RIF service date, as follows:

(a) Merit performance ratings are used as follows:

(i) If an employee has received three merit performance ratings of record during the period, the values of the ratings are added together and divided by three (rounded in the case of a fraction to the next higher whole number) to determine the amount of additional service credit.

(ii) If an employee has received at least one but fewer than three merit performance ratings of record, the employee receives additional service credit for performance based on the amount derived when the values of the ratings received are added together and divided by the number of ratings actually received (rounded in the case of a fraction to the next higher whole number).

(iii) If an employee has received no merit performance ratings of record, the employee receives additional service credit for performance based on the modal rating. The modal rating is determined based on the most prevalent merit performance rating received postal-wide during the most recent performance evaluation period.

(b) Values are assigned to each merit performance rating of record (or the modal rating) as follows:

(i) 20 additional years of service are credited for an adjective rating of Exceptional Contributor (EC).

(ii) 16 additional years of service are credited for an adjective rating of High Contributor (HC).

(iii) 12 additional years of service are credited for an adjective rating of Contributor (C), Not Rated (NR), or No Score (NS).

(iv) No additional years of service are credited for an adjective rating of Non-Contributor (NC) or Excluded (EX).

g. *Representative rate* – the hourly pay rate of a position that is used to determine a preference eligible employee's assignment rights during a RIF. The representative rate is calculated by dividing the annual base salary for a position by 2,087 hours (number of hours in a government year). The annual base salaries used to derive the representative rates for career nonbargaining positions are based on the 25th percentile of annual base salary range for each grade level in the EAS, Structured Management Development (SMD) Schedule, A–E Postmaster (EPM) Schedule, and the Attorney Pay Schedule (APS). Level 01 positions under the PCES are subject to a market maximum that is used to cap salaries for each position. The market maximum is used to calculate the appropriate representative rate for PCES-01 positions. PCES-02 positions (corporate officers) are not covered by the RIF procedures.

354.22 Processing Requests for Organizational Change

354.221 Evaluating the Need for Change

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

a. The manager of Organizational Design and Management reviews and evaluates plan requirements; determines the appropriate categories, numbers, and grade levels of positions; and, if appropriate, develops job descriptions to support new positions and establishes reporting relationships for positions within the competitive areas impacted by the proposed change.

b. The manager of Selection, Evaluation, and Recognition evaluates how the proposed changes will affect specific competitive areas and determines whether a RIF may be necessary. If a RIF potential exists, the manager of Selection, Evaluation, and Recognition provides functional organization management with a preliminary placement plan that, if possible, outlines the strategies to minimize or avoid the need for a RIF.

354.222 Implementing the Change

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

a. The manager of Organizational Design and Management notifies the functional organization vice president and the competitive area

management of the new or modified structure and staffing changes to be implemented.

b. The manager of Selection, Evaluation, and Recognition develops qualification standards (knowledge, skills, and abilities) for any new positions and assigns the positions to the appropriate competitive levels. If placement of competitive area employees into the new organization based on competitive levels and qualification standards does not result in a potential RIF situation, the functional organization vice president and competitive area management are advised to proceed to fill any vacant positions under the normal EAS selection procedures. If the organizational change does result in a potential RIF, the manager of Selection, Evaluation, and Recognition is responsible for coordinating RIF avoidance or minimization strategies, conducting the RIF process, and, if necessary, coordinating with competitive area management other placement opportunities that may be available.

354.23 Implementing RIF Avoidance or Minimization Strategies

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

a. Freeze hiring and promotion actions.

b. Separate contract employees, temporary employees, and reemployed annuitants.

c. Reassign employees out of a competitive area for which a RIF may be required and into vacant positions in competitive areas where a RIF is not being contemplated. Reassignments may be made to positions within or outside the commuting area and may be voluntary (e.g., where an employee has responded to a vacancy announcement) or directed by management. Such assignments are not subject to RIF procedures as long as preference eligible employees are not involuntarily placed into lower grade positions.

d. Cancel all detail and temporary promotion PS Forms 50, *Notification of Personnel Action.*

e. Terminate probationary employees.

f. Approve employee requests to voluntarily change to vacant positions at lower grades within the competitive area, including bargaining positions.

g. Provide voluntary resignation incentives.

h. Obtain approval from OPM to offer a voluntary early retirement option.

i. Provide voluntary early retirement incentives.

j. When circumstances warrant, implement other RIF avoidance measures, provided such measures are in compliance with regulations and, if appropriate, the applicable collective bargaining agreements.

354.24 Providing Initial Notification and Making Preliminary Placements

354.241 Notifying Employees of a Potential RIF

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

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

b. The number of positions by title and grade level in the organization being abolished.

c. The position titles, grade levels, or organizational function that will be directly impacted by the RIF.

d. The options available to potentially impacted employees, including any RIF avoidance or minimization strategies that will be used (see 354.23).

354.242 Establishing Employee Qualifications

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

354.243 Making Preliminary Placements

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

354.25 Implementing RIF Procedures

354.251 Issuing General RIF Notices

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

a. The business reasons for the RIF.

b. The position titles, grade levels, and organizational functions that will be directly impacted by the RIF.

c. The RIF effective date is established no less than 60 days after anticipated receipt of specific RIF notices. Generally, the RIF effective date is established at the close of business on the last Friday of a pay period.

354.252 Issuing Specific RIF Notices

The manager of Selection, Evaluation, and Recognition issues specific RIF notices to all employees within the competitive area no less than 30 days

after the issuance of the general RIF notice. Each specific RIF notice either advises an employee that he or she has been placed in the new organization, giving the position title, grade level, occupational code, and duty station location, or that he or she did not receive a placement offer and will be separated from the Postal Service. The specific RIF notice also contains the following:

a. Information used to determine an employee's assignment rights in the RIF, including the competitive area, competitive level, tenure group, veterans' preference subgroup, RIF service date, and the four most recent merit performance ratings of record.

b. A statement that all employees are entitled to review the OPM retention regulations (5 CFR 351) at their personnel services office.

c. If the employee is a preference eligible, a copy of the MSPB regulations (5 CFR 1201) and appeal form.

d. If the employee did not receive a placement offer and was notified that he or she would be separated from the Postal Service:

(1) A Postal Service document titled *Explanation of Compensation Programs* that would be sent with the letter of notification.

(2) PS Form 999, *Application for Reinstatement List.*

e. If the employee is a preference eligible who is changed to a lower grade level as a result of the RIF, information concerning Veterans' Preference Saved Grade NTE and Veterans' Preference Retained Salary under the provisions of 415.12.

354.253 **Placing Unplaced or Displaced Employees**

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

a. Preference eligible employees who are not placed based on their RIF rights and nonpreference eligible employees who are considered for any appropriate and available vacant positions remaining in their competitive area as follows:

(1) Following the issuance of the specific RIF notice, the manager of Selection, Evaluation, and Recognition provides the placement administrator with a list of employees not placed during the specific RIF action (see 354.252), and a list of vacant positions within the competitive area undergoing the RIF, if any. In the case of closure of an entire competitive area, all positions are abolished and no placement opportunities remain within the competitive area.

(2) Any vacant positions that exist in the competitive area are used as placement opportunities during a 2-week period beginning with the date of receipt of the lists. During this 2-week period, qualified employees are matched to these vacant positions. If warranted by the number of vacant positions and individuals impacted by the RIF, the placement administrator, with the help of a committee, if desired, may review PS Forms 991 and establish employee referral lists of individuals who meet the basic qualifications for available vacancies. If not, directed

reassignments may be made. PS Forms 50 for these selections bear the same effective date as the RIF effective date.

(3) Selecting officials must return the entire placement file to the placement administrator, including the referral list and PS Forms 991, with a written list of selected employees in rank order, within 1 week. Selecting officials should list more than one acceptable selection for each vacancy, if possible.

b. Career bargaining employees displaced in order to afford a preference eligible his or her RIF assignment rights are reassigned in accordance with the applicable collective bargaining agreement.

354.254 **Advising Employees of Options**

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

a. *Nonpay, Nonduty Status.* Employees who do not expect to be placed by the RIF effective date may request to be placed in a 30-day nonpay, nonduty status, an extension to the RIF effective date. The placement administrator must receive this request before the RIF effective date. During the 30-day extension, employees may continue to seek a position with the Postal Service based on the conditions specified in 354.26.

b. *Compensation Alternatives.* Generally, information provided about compensation alternatives that may be available to employees upon separation should include:

(1) An overview of the compensation programs available to separated employees and answers to any questions employees may have concerning the information previously provided in the Explanation of Compensation Programs attached to the specific RIF notice.

(2) Assistance in identifying and completing the forms necessary to apply for any compensation to which individuals may be entitled.

(3) A reminder for those individuals who have not indicated an interest in being reinstated that they are eligible to apply for placement on the reinstatement list (see 354.27).

354.255 **Separating Remaining Employees**

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

354.26 Making Post-RIF Employee Placements

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

a. *Noncompetitive Consideration.* Employees may apply noncompetitively for any vacancy at or below their current grade within the commuting area. Employees assigned to a lower grade position are entitled to grade and salary treatment in accordance with 415.4.

b. *Voluntary Bargaining Position Placement.* If employees meet the qualifications for vacant bargaining positions, they may volunteer for placement into these vacancies subject to the approval of the manager where the vacancy exists. Seniority and pay provisions governing such placements are in accordance with the applicable collective bargaining agreement.

354.27 Establishing a Reinstatement List

354.271 Providing Priority Consideration to Employees

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

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

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

354.272 Determining Employee Eligibility

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

a. They received a specific RIF notice indicating that they will be separated from the Postal Service and are subsequently separated on their RIF effective date. Employees who retire on or after their RIF effective date are eligible for placement on the RL, provided they meet all other eligibility requirements.

b. Their last merit performance rating of record before separation was above *Unacceptable.*

c. They submit their PS Form 999 no later than 30 days after their RIF effective date.

d. They are found at least *minimally qualified* by the primary placement administrator for one or more of the positions identified on their PS Form 999.

354.273 Considering Employees on a Reinstatement List

Provisions for reinstatement list consideration are as follows:

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

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

b. Positions identified by eligible RL applicants on their Form 999 for which they have been found at least *minimally qualified* by the primary placement administrator must be:

(1) Authorized positions within the RLAC.

(2) At the same or lower grade level (or representative rate for PCES employees) as the positions held before separation due to a RIF action.

c. After initial consideration, eligible RL applicants may either be given further consideration for the identified vacant position on a competitive or noncompetitive basis, or not be considered further. A decision to *not consider* an applicant further for a particular vacancy does not impact the applicant's standing on the RL. This decision does not prevent the applicant from being considered for a similar vacant position at a later date or for any other position that the applicant has been found eligible to be considered for on the RL.

354.274 **Removing Employees From a Reinstatement List**

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

a. Accept a career appointment with the Postal Service or other federal agency.

b. Voluntarily request, in writing, to have their names removed from the RL.

c. Decline or fail to reply to a written or telephone notification concerning an employment opportunity to a specific position identified on the RL.

d. Decline an interview or fail to appear for a scheduled interview, provided they are notified in advance of the interview, and do not take reasonable action to reschedule the interview.

e. Fail to provide the placement administrator with any changes in their address or telephone number and thus prevent contact concerning potential employment opportunities.

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

354.31 Background

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

354.32 Definition of Terms

District manager refers to the manager who is proposing the discontinuance or restaffing of a Post Office within his or her district.

Discontinuance of a Post Office includes the consolidation of the Post Office (i.e., the replacement of a Post Office with a Community Post Office) or the discontinuance of a Post Office without establishing another facility to replace it.

Restaffing of a Post Office occurs when the staffing of a Post Office with currently assigned career nonbargaining employees is changed following a change to its competitive area.

354.33 Planning Considerations

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

354.34 Postmaster and Supervisors

354.341 Postmasters

When the district manager proposes to recommend the discontinuance or restaffing of a Post Office where there is an incumbent postmaster, each of the following alternatives, as applicable and appropriate, are discussed with the incumbent postmaster, and the district manager prepares a memorandum stating which alternative is recommended: The alternatives listed below are available. In considering them, and determining whether an employee can perform the essential functions of an alternative position, it may be necessary to consider the requirements of Handbook EL-307, *Reasonable Accommodation, An Interactive Process,* depending upon the circumstances in each case.

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

b. *Unavailable Postmaster Vacancy.* In the event there is no postmaster vacancy to which an affected postmaster may be reassigned, the district manager notifies the postmaster in writing. If the affected postmaster accepts a non-postmaster assignment, that postmaster retains the right, for 104 weeks from the date of reassignment, to be offered a vacant postmaster position located within the district at his or her former level, when one occurs. Declination of an offer in writing, voluntary acceptance of a lower-level postmaster position, or promotion to a higher-level postmaster position terminates the right to be offered a postmaster vacancy at the postmaster's former level.

c. *Reassignment to a Supervisory Vacancy.* If there are no postmaster vacancies available for possible reassignment, or if it is determined and documented that the postmaster does not meet the requirements and

qualifications of the vacant postmaster positions available and cannot satisfactorily perform the duties, the district manager may recommend that the postmaster be reassigned to an existing supervisory vacancy within the district. The vacancy can be a station or branch manager position. The district manager documents that the postmaster meets the requirements and qualifications of the vacant supervisory position to which reassignment is recommended and can satisfactorily perform the duties of that position; and includes a signed statement from the postmaster that the reassignment recommended by the district manager, if approved, will be accepted.

d. *Reassignment to Another Position in the Postal Service.*

(1) If there are no postmaster or supervisory vacancies within the district to which the postmaster can be reassigned, because (a) either the vacancies do not exist; or (b) it is determined and documented that the postmaster does not meet the requirements and qualifications of the positions that are available for possible reassignment and cannot satisfactorily perform the duties of those positions, the district manager recommends that the postmaster be reassigned to another position in the Postal Service.

(2) As appropriate, postmasters at noncity delivery offices may be offered available full- or part-time clerk or carrier positions or other available craft positions for which qualified. In all such cases, the individual's seniority is established in accordance with the applicable provisions of the National Agreement.

(3) In recommending reassignment to another position in the Postal Service, every effort is made to recommend a position for which the annual pay that the postmaster can expect to receive is as nearly equal as possible to the pay received during the last year as a postmaster.

(4) A signed statement from the postmaster that the reassignment recommended by the district manager, if approved, will be accepted, must be obtained for the record.

e. *Voluntary Retirement.*

(1) Eligibility for voluntary retirement is established if, by the expected date of discontinuance or restaffing of the Post Office, the supervisor has been employed under the Civil Service Retirement System for at least 1 year within the 2-year period preceding the discontinuance or restaffing, and:

(a) Has at least 30 years of creditable service and is at least 55 years of age.

(b) Has at least 20 years of creditable service and is at least 60 years of age.

(c) Has at least 5 years of creditable service and is at least 62 years of age.

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

(a) Has at least 30 years of creditable service and is at least the minimum retirement age (MRA) (see 583.14).

(b) Has at least 10 but less than 30 years of creditable service and is at least the MRA. This is a reduced annuity retirement at the rate of 5/12 of 1 percent for each month (5 percent for each year) the employee is under age 62.

(c) Has at least 20 years of creditable service and is at least 60 years of age.

(d) Has at least 5 years of creditable service and is at least 62 years of age.

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

f. *Discontinued Service Annuity.*

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

(a) Has at least 25 years of creditable service regardless of age.

(b) Has at least 20 years of creditable service and is at least 50 years of age and the employee does not decline a “reasonable offer” of another position.

(2) If the employee is impacted by the discontinuance or restaffing and refuses a reasonable offer of another position, he or she will not qualify for a discontinued service annuity (DSR) annuity. For DSR annuity purposes, a job offer is considered reasonable if the following requirements are met:

(a) The offer is made in writing.

(b) The employee meets the qualifications for the position being offered.

(c) The position offered is:

(i) Within the employee’s local commuting area, unless geographic mobility is a condition of the employee’s employment;.

(ii) Another career position;

(iii) With the same work schedule, that is, part-time or full-time;

(iv) Not more than the equivalent of two grade or pay levels below the employee's current grade or pay level; and

(v) Within the employee's agency.

(3) Other requirements:

(a) The employee's creditable service must include at least 5 years of civilian service.

(b) The employee must separate from a position subject to CSRS coverage.

(c) The employee must be covered by CSRS for at least 1 year within the 2-year period immediately preceding the separation on which the annuity is based.

(d) The employee's accrued and unused annual leave or donated leave may be used to meet either the age or service requirement to qualify for a discontinued service retirement.

(e) The employee may request to be placed on approved annual leave beyond the effective date of the involuntary separation notice so that the employee may use enough leave to satisfy the age or service requirement.

(f) The employee's remaining annual leave balance, if any, will be paid in a terminal leave payment.

(g) The employee may not use sick leave to meet minimum age and service requirements.

(4) The district manager advises the postmaster of the eligibility for a discontinued service annuity and of the fact that under present law this type of annuity requires a reduction of 1/6 of 1 percent for each full month (2 percent a year), if any, the employee is under 55 years of age at the time of retirement.

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

(6) If a FERS employee has a CSRS annuity component, the CSRS portion of the annuity is reduced by 1/6 of 1 percent for each full month (2 percent a year), if any, he or she is under age 55.

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

354.342 **Supervisors**

When the district manager proposes to recommend the discontinuance or restaffing of a Post Office at which a supervisor is stationed and whose position would be abolished, and the district manager prepares a memorandum for the record stating which alternative is recommended, the alternatives listed below are available. In considering them, and determining whether an employee can perform the essential functions of an alternative position, it may be necessary to consider the requirements of Handbook EL-307, *Reasonable Accommodation, An Interactive Process,* depending upon the circumstances in each case.

a. *Reassignment to a Postmaster Vacancy.* The district manager may recommend that the established procedures for the selection of postmasters be waived, and that the supervisor be reassigned to an existing postmaster vacancy. The district manager includes (1) a statement that the supervisor meets the requirements and qualifications of the vacant postmaster position to which reassignment is recommended and can satisfactorily perform the duties of that position; and (2) endorses a signed statement from the supervisor that the reassignment as recommended by the district manager, if approved, will be accepted.

b. *Reassignment to a Supervisory Vacancy.* The district manager may recommend that the supervisor be reassigned to an existing supervisory vacancy, including that of a station or branch established as a result of a consolidation. The district manager includes (1) a statement that the supervisor meets the requirements and qualifications of the vacant supervisory position to which reassignment is recommended and can satisfactorily perform the duties of that position; and (2) endorses a signed statement from the supervisor that the reassignment as recommended by the district manager, if approved, will be accepted.

c. *Reassignment to Another Position in the Postal Service.*

(1) If there are no postmaster or supervisory vacancies to which the supervisor can be reassigned, either because: (a) the vacancies do not exist; or (b) it is determined and documented that the supervisor does not meet the requirements and qualifications of the positions that are available and cannot satisfactorily perform those duties, the district manager recommends that the supervisor be reassigned to another position in the Postal Service.

(2) Supervisors may be offered available full- or part-time clerk, carrier, or other craft positions for which they are qualified. In all such cases, the individual's seniority is established in accordance with the applicable provisions of the National Agreement.

(3) A signed statement from the supervisor that the reassignment to another position in the Postal Service as recommended by the district manager, if approved, will be accepted, must be obtained for the record.

d. Voluntary Retirement.

(1) Eligibility for voluntary retirement is established if, by the expected date of discontinuance or restaffing of the Post Office, the supervisor has been employed under the Civil Service Retirement System for at least 1 year within the 2-year period preceding the discontinuance or restaffing; and

(a) Has at least 30 years of creditable service and is at least 55 years of age.

(b) Has at least 20 years of creditable service and is at least 60 years of age.

(c) Has at least 5 years of creditable service and is at least 62 years of age.

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

(a) Has at least 30 years of creditable service and is at least the MRA (see 583.14).

(b) Has at least 10 but less than 30 years of creditable service and is at least the MRA. This is a reduced annuity retirement at the rate of 5/12 of 1 percent for each month (5 percent a year) the employee is under age 62.

(c) Has at least 20 years of creditable service and is at least 60 years of age.

(d) Has at least 5 years of creditable service and is at least 62 years of age.

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

e. Discontinued Service Annuity.

(1) Eligibility for a discontinued service annuity is established if, by the recommended date of discontinuance or restaffing of the Post Office, the supervisor has been employed under the Federal Employees Retirement System; and

(a) Has at least 25 years of creditable service regardless of age; or

(b) Has at least 20 years of creditable service and is at least 50 years of age and does not decline a “reasonable offer” of another position.

(2) There is no 1-out-of-2 requirement under FERS as there is under CSRS. Thus, an employee does not have to be under FERS for 1 year to be eligible to retire preceding the discontinuance or restaffing (see 583.21).

(3) If the employee is impacted by the discontinuance or restaffing and refuses a reasonable offer of another position, he or she will not qualify for a DSR annuity. For DSR annuity purposes, a job offer is considered reasonable if the following requirements are met:

(a) The offer is made in writing.

(b) The employee meets the qualifications for the position being offered.

(c) The position offered is:

(i) Within the employee's local commuting area, unless geographic mobility is a condition of the employee's employment;

(ii) Another career position;

(iii) With the same work schedule, that is, part-time or full-time;

(iv) Not more than the equivalent of two grade or pay levels below the employee's current grade or pay level; and

(v) Within the employee's agency.

(4) Other requirements:

(a) The employee's creditable service must include at least 5 years of civilian service.

(b) The employee must separate from a position subject to CSRS coverage.

(c) The employee must be covered by CSRS for at least 1 year within the 2-year period immediately preceding the separation on which the annuity is based.

(d) The employee's accrued and unused annual leave or donated leave may be used to meet either the age or service requirement to qualify for a discontinued service retirement.

(e) The employee may request to be placed on approved annual leave beyond the effective date of the involuntary separation notice so that the employee may use enough leave to satisfy the age or service requirement.

(f) The employee's remaining annual leave balance, if any, will be paid in a terminal leave payment.

(g) The employee may not use sick leave to meet minimum age and service requirements.

(5) The district manager advises the supervisor of the eligibility for a discontinued service annuity and that under present law this type of annuity requires a reduction of 1/6 of 1 percent for each full month (2 percent a year), if any, the employee is under 55 years of age at the time of retirement.

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

(7) If a FERS employee has a CSRS annuity component, the CSRS portion of the annuity is reduced by 1/6 of 1 percent for each full month (2 percent a year), if any, he or she is under age 55.

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

354.343 **Reassignment to a Higher-Grade Position**

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

354.344 **Salary Protection**

See 415.12 for information on salary protection.

354.345 **Relocation Expenses**

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

354.346 **Discussions With Postmasters and Supervisors**

When possible, the district manager must discuss with the affected postmasters and supervisors the alternatives available to them due to the discontinuance or restaffing of their Post Office of employment. If this is not possible, the district manager will designate another manager in the district to discuss the alternatives with the affected postmasters and supervisors.

354.347 **Subsequent Personnel Actions**

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

354.348 **Refusal of Reassignment Offer or Exhaustion of Options**

If a postmaster or supervisor is offered reassignment to a postmaster, supervisory, or any other position in the Postal Service and refuses to accept any of these alternatives, or if the applicable options listed in 354.34 have been otherwise exhausted, RIF procedures are instituted. The postmasters or supervisors must apply for any retirement benefits for which they are eligible. If the postmaster or supervisor is separated from the Postal Service and is not eligible for either voluntary retirement or a discontinued service

annuity, severance pay is paid if provided for in Postal Service rules and regulations.

355 Light Duty Assignments

355.1 Voluntary Requests

355.11 Circumstances

Any full-time regular or part-time flexible employee recuperating from a serious illness or injury and temporarily unable to perform the assigned duties may voluntarily submit a written request to the installation head for temporary assignment to a light duty assignment.

Any ill or injured full-time regular or part-time flexible employee having a minimum of 5 years of postal service, or any full-time regular or part-time flexible employee who sustained injury on duty while performing the assigned duties, regardless of years of service, can submit a voluntary request to the installation head for permanent reassignment to a light duty assignment.

355.12 Method

Voluntary requests are made in accordance with the applicable collective bargaining agreement.

355.13 Response

The light duty provisions of the various collective bargaining agreements between the Postal Service and the postal unions require that installation heads show the greatest consideration for full-time regular or part-time flexible employees requiring light duty or other assignments, giving each request careful attention, and reassign such employees to the extent possible in the employee's office.

355.14 No Guarantee

The light duty provisions of the various collective bargaining agreements between the U.S. Postal Service and the postal unions do not guarantee any employee who is on a light duty assignment any number of hours of work per day or per week.

360 Other Personnel Actions

361 General Considerations

It is the policy of the Postal Service to prohibit discrimination and harassment in personnel decisions on the basis of (a) race, color, religion, sex (including gender identity and gender stereotypes), national origin, age, and disability, or (b) other factors such as genetic information, sexual orientation, marital status, political affiliation, status as a parent, and past, present, or future military service. Career advancement is based solely on merit, applicable experience, and knowledge, skills, and abilities.

362 Change to Lower Level

362.1 Purpose and Authority

Changes are initiated based on the application of the employee or at the request of the installation head. Postal officials who are not authorized to take final action provide recommendations to the higher authority.

362.2 When Change to Lower Level May Be Made

362.21 At Request of Employee

Employees may be changed to a position of lower-grade level at their own request, without regard to adverse action procedures, when their written requests establish that the changes are made solely for personal reasons in their own interests. Employees' written requests become a part of their official personnel folders. The request must contain the following facts:

a. Employee and not the postal official initiated the request for the action.

b. Postal official, or any superior, has not pressured the employee.

c. Employee fully understands the requested transaction and considers the reduction to be in his or her self-interest and benefit.

362.22 Because of Performance

When an employee's performance is unsatisfactory due to the employee's inability to do the work, a change to a lower grade may be made to a position where the employee can reasonably be expected to adequately perform. A written notice prepared in compliance with the adverse action procedure precedes the change.

362.23 Relegation of a Post Office

A change to a lower grade resulting from relegation of a Post Office must be in accordance with the adverse action procedures. See 650 for nonbargaining employees. See the appropriate collective bargaining agreement for bargaining employees.

362.24 Realignments

In organizational realignments, management may offer an employee a lower-grade position. Although the offer is management-initiated, the change, if voluntarily accepted by the employee, is not processed as an adverse action. In realignments involving a RIF, 354.2 and 354.3 govern voluntary changes to a lower grade for nonbargaining employees.

362.3 Restrictions on Change to Lower Level

To fill a position by change to lower-grade level, an employee must meet the requirements for the new position described in the applicable qualification standard.

363 Conversions

363.1 Definition

Conversion refers to the process of changing a noncareer employee's status to a career appointment in one personnel action. The selected noncareer

employee should not be separated and then given a career appointment unless the employee's appointment expires before the employee can be converted to career status. If a postmaster relief/level replacement (PMR/LR) employee is being converted to career status, the PMR/LR must be separated before being given a career appointment.

363.2 Competitive and Noncompetitive Authority

A conversion to career status based on a competitive authority occurs when a selection is made from a Hiring List and the Hiring List documents the selection. A conversion to career status based on a noncompetitive authority occurs when a selection is made due to noncompetitive eligibility such as reinstatement, transfer from another agency, or veterans recruitment appointment.

363.3 Restrictions on Conversion to Career Appointment

363.31 Vacancies

A vacancy for a permanent position must exist for an employee to be converted to a career appointment. Conversion is not possible to a temporary vacancy (for example, due to another employee's absence on active military duty).

363.32 Positions Restricted to Veterans

Except as required by a collective bargaining agreement, an employee who is not entitled to veterans' preference may not be converted to career status in a position restricted to veterans unless preference eligibles are unavailable. See Handbook EL-312, 232.52, Positions Restricted to Applicants Eligible for Veterans' Preference.

364 Changes in Duty Status

Changes in *duty status* are changes that place employees in a nonpay status or return them to active duty and pay status. These changes are defined in items a through d.

a. *Leave Without Pay (LWOP)* – A temporary nonpay status and absence from duty, granted when appropriate, as a result of an employee's request (includes time spent on active military duty).

b. *Suspension* – A temporary nonpay status and absence from duty for disciplinary or other reasons. If the suspension is for a specific period, the appropriate documentation specifies the exact number of days and dates of suspension.

c. *Absence Without Leave (AWOL)* – A temporary nonpay status and absence from duty without appropriate authorization.

d. *Return to Duty* — A return to active duty and pay status from LWOP in excess of 30 days. This includes a return to duty from active military service (refer to EL-312 773 for additional requirements on return to duty from 30 days or more of active duty military service). In the remarks section of the personnel action, Human Resources indicates the authority and reason for effecting the change in duty status.

In the remarks section of the personnel action, Human Resources indicates the authority and reason for effecting the change in duty status.

365 Separation

365.1 Administrative Considerations

365.11 Definition

Separations are personnel actions that result in taking the employee off the rolls of the Postal Service.

365.12 Effective Date of Separation

The effective date of separation is the last day the employee is carried on the rolls.

365.13 Standard Terminology

A separation from the service must be identified by the prescribed term. Care must be taken to use the term appropriate to the case, (e.g., death, removal, resignation). Standard procedures and terminology must be used in preparing personnel action forms.

365.14 Notice to Federal Employee About Unemployment Insurance

See 550.

365.2 Separations - Voluntary

365.21 Resignation

365.211 Definition of Resignation

Resignation is a separation at the employee's discretion. Resignations must be accepted and are binding once submitted. However, employees are permitted to withdraw their resignation request provided the request to withdraw is made before close of business on the effective date of the resignation.

365.212 To Avoid Separation for Cause

If an employee submits a resignation after having been notified, either orally or in writing, that an adverse action has been proposed for removal, change to lower grade, or suspension for reasons furnished him or her, the resignation must be accepted. A resignation must also be accepted if an employee receives a written notice of decision to separate the employee for reasons given in a notice of decision.

365.213 Because of Illness

The following policies apply in cases of resignation caused by illness:

a. *5 Years or More of Service.* Employees covered by the Civil Service Retirement System with 5 or more years of civilian service who resign because of illness must be advised of their eligibility to apply for a disability retirement.

b. *18 Months or More of Service.* Employees covered by the Federal Employees Retirement System with 18 months or more of creditable civilian service must be advised of their eligibility to apply for a disability retirement.

c. *Less Than 18 Months of Service.* Employees covered by the Federal Employees Retirement System who have less than 18 months of creditable civilian service must furnish medical evidence supporting their claim to the installation head at the time of separation if their seniority on reinstatement is to be restored. The existence of such evidence should be annotated on the separation PS Form 50. The evidence itself is forwarded to the appropriate Postal Service medical official for retention.

365.214 To Perform Military Service

If a career or non-career employee seeks to resign postal employment to perform military service and does not intend to return to the Postal Service, he or she must be notified of the effect this will have on his or her restoration rights and benefits. Therefore, only Human Resources can accept and authorize processing of a resignation for military service (see EL-312 772.3).

365.215 Notice and Acceptance

The following policies apply regarding notice and acceptance of resignations:

a. *Written Resignation.* Resignations should be submitted in writing. The employee specifies the reason and effective date. When possible, written notice of resignation must be given at least 2 weeks before the anticipated last day of work.

b. *Oral Resignation.* If employees decline to submit written resignations, their oral resignations must be accepted, preferably in the presence of witnesses. The supervisor or other official who receives an oral resignation records the date received, the reason given, the effective date, and the names of any witnesses. This record, signed by the supervisor, is placed in the employee's official personnel folder as a permanent record.

c. *Reason for Resignation.* The reason for a resignation should be clearly stated in either a written or oral resignation. If the employee fails to give a reason for resignation, the supervisor enters the reason she or he believes the employee resigned. See 365.214 when the reason for resignation is to perform military service.

d. *Effective Date.* When the employee sets an effective date of resignation to include a period of unapproved leave, the unauthorized absence may be charged to either earned annual leave or LWOP at the discretion of the appointing official. The employee is informed of the decision and given an opportunity to change the effective date. If the employee is resigning in lieu of an involuntary separation, he or she may not set an effective date for resignation that will occur after the effective date for the involuntary separation.

365.22 Separation-Transfer

365.221 Definition

Separation-transfer is an action by which career employees are taken off the rolls of a postal installation to permit their appointments to positions in other federal agencies without a break in service.

Contact Human Resources before processing a separation-transfer for an employee on military service. If the employee does not return to duty with the Postal Service, he or she has not been reemployed and is not eligible for transfer.

365.222 **Effective Date**

An employee who notifies the appointing officials of a pending separation-transfer may be carried in an annual leave (or nonpay, if no annual leave is available) status between the last workday in the postal installation and the entrance on duty in the other agency. No action is taken until notice of employment has been received from the gaining agency. The personnel action form is then prepared effective as of the close of business the day before the employee's entrance-on-duty date at the new activity.

365.223 **Replying to Requests for Suitability Information**

When another government agency requests information on the suitability of an employee transferring from the Postal Service, relevant information contained in Postal Service records is furnished to safeguard its confidential nature and to protect confidential sources.

365.23 Separation, Retirement

See 550 and 580.

365.3 Separations - Involuntary

365.31 Removal

365.311 **Definition**

Removal is an action involuntarily separating an employee, other than an employee serving under a temporary appointment or a career employee who has not completed the applicable probationary period, for cause.

365.312 **Effective Date**

The effective date is the date designated by the official making the decision, but is not before the expiration of the required time limit for the notice period.

365.32 Separation-Disqualification

365.321 **Applicability**

This type of *separation* applies only to employees who have not completed their probationary period.

365.322 **Reasons for Action**

Separation-disqualification is an action that results from the failure to meet conditions specified at the time of appointment (such as failure to qualify by conduct or capacity during the probationary period). It may also result from information that, if known at the time of appointment, would have disqualified the employee for the appointment.

365.323 **Probationary Period**

Separation-disqualification must be effected during the probationary period. Action is initiated at any time in the probationary period when it becomes apparent that the employee lacks capacity for efficient service.

365.324 **Who Initiates Action**

Supervisors may recommend separation-disqualification, but such recommendations must be referred for decision to the official having authority to take the action.

365.325 **Procedure in Separating**

If an appointing official decides to terminate an employee who is serving a probationary period due to conditions arising prior to appointment, or because work performance or conduct during this period fails to demonstrate qualification for continued postal employment, the employee's services are terminated by notifying the employee in writing as to why he or she is being terminated and the effective date of the action. The written notice of termination must at a minimum consist of the appointing official's conclusions about the inadequacies of performance or conduct.

365.326 **Effective Date**

The *effective date* of separation must be before the end of the probationary period and must not be retroactive.

365.33 Termination or Separation of Non-Career Employees

An employee serving under a temporary appointment may be separated at any time after notice in writing. In determining the proper action for a particular case, the following criteria are used:

a. *Termination, expiration of appointment,* is the term used to separate an employee who has reached the end of his or her term or whose services are no longer required.

b. *Separation* is the term used when describing the discontinuance of the service of a non-career employee because of unsatisfactory performance that warrants termination from the Postal Service.

365.34 Separation-Disability

365.341 **Definition**

Separation-disability is a term used to indicate the separation of an employee other than a non-career or a probationary employee whose medical condition renders the employee unable to perform the duties of the position and who is ineligible for disability retirement.

365.342 **Applicability**

a. At the expiration of 1 year of continuous absence without pay, an employee who has been absent because of illness may be separated for disability. This action is not mandatory, however, and if there is reason to believe the employee will recover within a reasonable length of time beyond the 1-year period, the employee may be granted additional leave in 30-day periods, not to exceed 90 days. If the employee's condition indicates that LWOP beyond that period is necessary incident to full recovery, the postal official must submit a comprehensive report to the area manager of Human Resources with appropriate recommendation and retain the employee on the rolls pending a decision.

b. An employee covered under USERRA who is hospitalized or convalescing due to a service-connected disability is required to return

to work once recovered. The recovery period may not exceed 2 years (see EL-312 773(d)). Before any employee covered under USERRA can be separated for disability, the requesting postal official must submit a comprehensive report through the proper channels to the manager of Human Resources (Area), with appropriate recommendations. The employee must be retained on the rolls of the Postal Service pending a decision.

c. If an employee on the rolls of the Office of Workers' Compensation Programs (OWCP) is unable to return to work at the end of the initial 1-year period of LWOP, the LWOP may be extended for successive additional periods of up to 6 months each. Extensions are granted only if it appears likely that the employee will be able to return to work within the period of the extension. If it does not appear likely that the employee will be able to return to work during the period, the employee, upon approval of the area manager of Human Resources (Area), is separated subject to reemployment rights.

d. Before any employee on the rolls of the OWCP can be separated, the requesting postal official must submit a comprehensive report through channels to the manager of Human Resources (Area), with appropriate recommendations. The employee must be retained on the rolls of the Postal Service pending a decision.

e. If the manager of Human Resources (Area) approves the request, and if the employee has sufficient service for entitlement to retirement, the employee is not separated until given an opportunity to retire. For involuntary separation, the notice and appeal procedures outlined in 650 or the applicable collective bargaining agreement, whichever is appropriate, is followed.

f. An employee who is eligible for disability retirement but chooses not to apply is not separated for disability until a complete medical report has been received and the employee has received retirement counseling.

g. An employee who is eligible for disability retirement is not separated for mental disability. Rather, the appointing official files an application for disability retirement on the employee's behalf provided the requirements are met (see 568 and 588).

365.343 Notice to Employee

No employees who have completed their probationary period are separated for disability until given a notice in writing of the proposed action and an opportunity to reply in accordance with appropriate adverse action procedures. Employees eligible for disability retirement are advised and notified that unless they file application for disability retirement within 1 year of separation their rights will lapse.

365.344 Effective Date

Separation-disability is effective on the date determined by the Human Resources official or on the date authoritative notice is received in the case of legal incompetence. If unused sick leave remains to the employee's credit, the effective date may be extended to permit payment for the unused sick leave. If an annuity is involved, an employee may wish to evaluate an earlier annuity payment against the unused sick leave. Separations for disability

may not be effected retroactively or before the date of expiration of the time specified in the notice.

365.35 Separation, Reduction in Force

The Postal Service procedure for effecting reductions in force parallels the OPM procedure. The Postal Service attempts to make personnel adjustments by various administrative actions other than RIF. If these actions are not adequate, however, and RIF appears to be appropriate, prior approval for such action must be obtained, through channels of communication, from the vice president of Employee Resource Management.

365.36 Death

365.361 Proof of Death

No action is taken to process the separation until credible evidence of death is received. Evidence of death is filed in the deceased employee's official personnel folder. The time and date of a postmaster's death should be reported immediately to the vice president of Area Operations and the vice president of Employee Resource Management.

365.362 Effective Date

The effective date of separation is the date of the employee's death. Personnel action forms also show the last day that the employee was in a pay status.

365.363 Expression of Condolence

The appropriate postal official should express condolences to the survivors, including a sincere expression of sympathy, and an offer to assist in filing claims for any funds to the deceased employee's credit.

365.37 Separation — Ineligibility for Reemployment Under USERRA

365.371 Definition

Separation due to ineligibility for reemployment under USERRA is an action involuntarily separating an employee denied reemployment following military service. This is an administrative action, not a disciplinary action, in compliance with USERRA (see EL-312 774(b)).

365.372 Effective Date

The effective date is the date designated by the official making the decision.

370 Performance Evaluation

371 Introduction

Postal Service employees are expected to conduct themselves in a manner that reflects favorably upon the organization and perform their duties in the most efficient manner. Both the supervisor and employee have a mutual responsibility to achieve these goals. When properly used, performance evaluation strengthens the daily supervisor-employee relationship in working toward this end.

372 Sound Supervision

The principles of sound supervision require that supervisors evaluate employee performance daily. Supervisors should counsel and instruct their employees as necessary, giving attention to evidence of good performance, as well as to areas where the employees need improvement.

373 Performance Evaluation Systems

373.1 Formal Evaluation

Postal Service Headquarters prescribes formal evaluation systems for a variety of purposes. A formal evaluation consists of defined standards of performance, instructions for establishing a measure of where an employee fits within the standards, and a form to record information.

373.2 Informal Evaluation

Informal evaluation is based on the supervisor's day-to-day observations and is characterized by the absence of forms and instructions. The supervisor should make use of available human resources and give personal encouragement and guidance as a part of his or her daily practice. These practices must be part of a continuous formal and informal process.

374 Discussing Performance With Employees

The supervisor must discuss job performance with each employee. If the employee's performance is unsatisfactory, the supervisor suggests constructive measures for an employee to follow to improve his or her performance to a satisfactory level.

375 Outstanding and Unsatisfactory Performance

375.1 Outstanding Performance

Outstanding performance is a level of performance that far exceeds that which is normally expected of an individual in a particular position and is far above the performance and achievement of most satisfactory employees in terms of productive effort, proficiency, and significant contributions to the Postal Service. If a supervisor determines that a bargaining employee's performance is outstanding, the supervisor considers recommending the employee for a special achievement award or quality step increase. For EAS employees, such performance is recognized in their annual merit review and recognition programs. See 416 and 490 for more information.

375.2 Unsatisfactory Performance

Unsatisfactory performance is a level of performance that is repeatedly or consistently below the minimum requirements expected of an employee in the position, based on an evaluation of job-related factors such as reliability, willingness to work with fellow employees, quantity or quality of work production, and attendance. If a supervisor determines that an employee's performance is unsatisfactory and reasonable efforts toward improving performance to a satisfactory level have not been successful, effort is made

to reassign the employee to a job that the employee can be expected to perform satisfactorily. If there is no such job available and if disciplinary action must be taken, the appropriate adverse action procedure is followed.

376 Performance Evaluation During Probation

See Handbook EL-312, 584, Employee Evaluation.

380 Postal Career Executive Service

381 Purpose

The Postal Career Executive Service (PCES) was established in 1979 to develop and maintain a highly motivated, competent group of individuals capable of filling the key management positions and providing the leadership needed for the continued success of the Postal Service. PCES comprises Officers (PCES II) and Executives (PCES I).

382 Equal Opportunity

The principles of equal opportunity apply to all aspects of the PCES, including executive reassignment, training and development, evaluation, compensation, and awards. The Postal Service considers individuals seeking entry into the PCES without regard to race, color, sex, religion, age, national origin, political affiliation, marital status, disability, or any other nonmeritorious factor or consideration.

383 Positions in the PCES

383.1 Officer Positions

The postmaster general establishes officer positions, subject to approval by the Board of Governors.

383.2 Other Executive Positions

The vice president, Employee Resource Management, establishes executive positions (PCES I), subject to approval of the Postmaster General.

384 Filling PCES Vacancies

384.1 PCES II Vacancies

The postmaster general fills PCES II vacancies through appointment (except for the positions of postmaster general and deputy postmaster general, which are filled pursuant to 39 U.S.C. 202).

384.2 PCES I Vacancies

An officer, subject to approval of the next officer level, fills PCES I vacancies through selection from the Succession Planning List or from outside the Postal Service.

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