

# Final Decision on Postmaster EAS Compensation

## 1. Salary Ranges

The salary structure for EAS pay grades will be adjusted as indicated below. The effective dates for these structure changes are January 22, 2005, and January 21, 2006. The resulting salary structure is shown in Attachment B on the next page.

EAS Grouping	Effective Jan. 22, 2005		Effective Jan. 21, 2006	
	Minimum	Maximum	Minimum	Maximum
Grades A-E	0	\$0.25	0	\$0.50
EAS Grades 1-10	0.0%	1.50%	0.0%	1.50%
EAS Grades 11-15	0.0%	3.00%	0.0%	3.00%
EAS Grades 16-21	0.0%	3.25%	0.0%	3.50%
EAS Grades 22-26	0.0%	3.50%	0.0%	3.75%

The adjustments to the salary structure will not automatically change employee salaries. Employee salaries will be adjusted within their respective salary ranges based on individual performance determinations in accordance with the Performance Evaluation pay program as discussed in number 2 below.

## 2. Performance Evaluation/Pay Program

The FY2003 EAS Merit Pay Program effective December 27, 2003, remains the same as announced in July 2002 following pay consultations. For FY2004 and FY2005, a new performance evaluation/pay program will be implemented with payments effective January 22, 2005, and January 21, 2006, respectively.

The January payment effective dates have become necessary due to (a) the conversion to a new monthly accounting system, (b) a greater reliance on objective performance measures under the new performance evaluation/pay program, and (c) new processing requirements for capturing performance ratings. The Postal Service will make every effort to return the effective dates to a December effective date without sacrificing the quality of the performance evaluation process.

For Fiscal Year 2004 performance evaluation, new line-of-sight measures will be established to help EAS employees at all levels see how their individual performance contributes to organizational success. Different indicators, weights and core requirements are established for different EAS positions based on their different potential contribution. Indicators, weights and core requirements will be established and communicated to all employees near the beginning of each fiscal year. Performance ratings will be calculated on these factors based on results measured at the end of the fiscal year.

**Overall Performance Ratings:** Indicators may have different weight values assigned to them as they are aggregated into an overall performance rating. Once the results are known at the end of the fiscal year, indicator ratings from 1 to 15 are applied against the weights of each indicator to determine an overall performance rating.

Overall Performance Rating	
Number Rating	Adjective Rating
13, 14, 15	Exceptional Contributor (EC)
10, 11, 12	High Contributor (HC)
4 to 9	Contributor (C)
1, 2, 3	Non-Contributor (NC)

Another way of displaying these numeric and adjective performance ratings is shown here:

NC	C		HC	EC
3	6	9	12	15
2	5	8	11	14
1	4	7	10	13

- There is no arbitrary limit on the number of employees in a given performance rating.

**Performance Pay Program:** Since employee performance will be measured under a 15-point rating system, different pay increases will be established at each of the 15-point ratings. This is designed to encourage employees to continue their efforts at improving performance.

The pay increases associated with the fifteen (15) performance ratings are shown here:

NC	C		HC	EC
(3) 0%	(6) 3.50%	(9) 6.50%	(12) 9.50%	(15) 12.00%
(2) 0%	(5) 3.00%	(8) 5.75%	(11) 8.75%	(14) 11.00%
(1) 0%	(4) 2.50%	(7) 5.00%	(10) 8.00%	(13) 10.25%

- All percentages are paid as salary increases, if room within the salary structure.
- If award amount limited by the salary structure, awards will be converted to lump sum payments.

## 3. Supervisory Differential Adjustment

While the eligibility criteria for the Supervisory

Differential Adjustment (SDA) remains the same, i.e., EAS exempt employees in Grades 15 to 18 who directly supervise two or more full-time equivalent bargaining unit employees, the fixed SDA rate has been adjusted as illustrated in the following table for the life of this package. These new rates will become effective on January 13, 2004.

Position Group	Salary
All eligible Postmasters	\$47,000

#### 4. Position Upgrade

The following positions will be upgraded, but will not receive the normal upgrade pay. Processing for these upgrades will be accomplished by HRIS. No local processing is required.

Position Title	From Occ Code	Grade	To Occ Code	Grade
Postmaster (Exempt)	2301-6115	15	TBD	16

#### 5. Higher Level Pay

The waiting period for all EAS employees on higher-level pay will be five (5) days (excluding a break for normal days off).

#### 6. Policy Clarification

In cooperation with the management associations, the Postal Service will study the current EAS pay rules regarding Change-to-Lower-Level as set forth in Chapter 415 of the *Employee and Labor Relations Manual*. The purpose of this study will be to ensure that these policies are best designed for achieving the strategic objectives of the Postal Service.

#### 7. Annual Leave Exchange

Effective with the 2004 leave year, the maximum amount of annual leave exchange will be increased from 120 hours to 128 hours.

#### 8. Workload Service Credit System

The ongoing joint review with the Postmaster management associations of the Workload Service Credit System will be used as a basis to finalize recommendations to simplify, streamline and improve the current procedure. The existing task force consisting of NAPUS, League and Postal Service representatives will complete necessary field visits, data gathering and review the existing system. The group will have their final recommendations to be reviewed by the vice president, Labor Relations, and the presidents of the Postmaster management associations by March 1, 2004.

After a two-week review and consideration period, the approved changes will be implemented expeditiously.

#### Attachment B

EAS Salary Structure					
EAS	Effective Jan. 22, 2005		EAS	Effective Jan. 21, 2006	
Grade	Minimum	Maximum	Grade	Minimum	Maximum
A-E	11.31	15.97	A-E	11.31	16.22
1	20,875	26,909	1	20,875	27,312
2	21,559	27,791	2	21,559	28,208
3	22,269	28,705	3	22,269	29,136
4	23,167	29,863	4	23,167	30,311
5	23,939	30,858	5	23,939	31,321
6	24,802	31,970	6	24,802	32,450
7	25,818	33,281	7	25,818	33,780
8	26,853	34,615	8	26,853	35,134
9	27,902	35,967	9	27,902	36,506
10	28,931	37,293	10	28,931	37,853
11	30,492	45,210	11	30,492	46,566
12	31,955	47,381	12	31,955	48,802
13	33,446	49,590	13	33,446	51,078
14	35,192	52,181	14	35,192	53,746
15	37,120	55,037	15	37,120	56,688
16	38,437	61,254	16	38,437	63,398
17	40,142	63,970	17	40,142	66,209
18	41,905	66,780	18	41,905	69,117
19	43,891	69,945	19	43,891	72,393
20	46,272	73,739	20	46,272	76,320
21	48,520	77,321	21	48,520	80,027
22	51,405	83,598	22	51,405	86,733
23	54,207	88,154	23	54,207	91,460
24	56,889	92,517	24	56,889	95,986
25	59,719	97,118	25	59,719	100,760
26	62,698	101,962	26	62,698	105,786