

MARCH 20, 2009

LINK EXTRA

USPS ANNOUNCES ADMINISTRATIVE OFFICE CLOSINGS, EARLY RETIREMENT OFFER AND STAFFING REDUCTIONS

Today the Postal Service has announced it will close six of its 80 district offices. USPS is also eliminating positions across the country and offering another round of voluntary early retirements. These actions are expected to save the Postal Service more than \$100 million annually.

The six offices closing — located in Florida, Massachusetts, New Hampshire, New Jersey, Pennsylvania and Washington State — house administrative functions and will not adversely affect customer service, mail delivery, Post Office operations or ZIP Codes. The functions of these offices will be assumed by 10 surrounding districts.

The Postal Service's districts are being re-aligned as follows:

- The Boston and Connecticut districts will assume the operations of the Massachusetts District.
- The Northern New England (formerly Maine) District will assume the operations of the New Hampshire/Vermont District.
- The Western Pennsylvania (formerly Pittsburgh) District will assume the operations of the Erie District.
- The South Florida and Suncoast districts will assume the operations of the Central Florida District.
- The Seattle and Salt Lake City districts will assume the operations of the Spokane District.
- The Northern New Jersey and Southern New Jersey districts will assume the operations of the Central Jersey District.

USPS will reduce administrative staff positions at the district level nationwide by 15 percent. In addition, more than 1,400 mail processing supervisor and management positions at nearly 400 facilities around the country will be eliminated, and nearly 150,000 employees nationwide are being given the

opportunity to take an early retirement as part of a voluntary early retirement (VER) program. Managers are notifying employees who are impacted by these decisions. The Postal Service will send letters notifying VER-eligible employees starting April 6, 2009.

In the past year, the Postal Service has taken very aggressive cost-cutting actions, including:

- Cutting 50 million workhours;
- Halting construction of new postal facilities;
- Negotiating an agreement with the National Association of Letter Carriers that adjusts letter carrier routes to reflect diminished volume;
- Freezing salaries of all Postal Service officers and executives;
- Instituting a nationwide hiring freeze;
- Reducing authorized staffing levels at postal headquarters and area offices by at least 15 percent;
- Selling unused and under-utilized postal facilities;
- Adjusting Post Office hours to better reflect customer use; and,
- Consolidating mail processing operations.

Additional information — and questions and answers — about all of these new changes can be found under the *Hot Topics* section on *Blue*. VER information can be found under the *Hot Topics* section on *LiteBlue*.

Note: Postmasters and managers, click this [link](#) to print a stand-up talk that should be read to all employees.

Mandatory Stand-Up Talk

District Closings, Staffing Reductions and VER Announced

With the economic recession resulting in the Postal Service ending fiscal year 2008 with a loss of nearly \$3 billion, we are facing an extremely difficult financial challenge.

Streamlining operations and improving efficiency throughout the Postal Service is a constant, ongoing process. Over the past year, we have refined this process by modifying networks, consolidating functions, adjusting delivery routes and restructuring administrative and processing operations. Today, Postmaster General Jack Potter announced new steps to further our efforts. These actions are expected to save the Postal Service more than \$100 million annually.

First, the Postal Service is closing six district offices.

These six administrative district offices were chosen based on their proximity to other districts that could absorb the additional workload without compromising the delivery, retail and mail processing functions of the Postal Service.

Today, more than 500 employees were notified by their area vice president and/or district manager that their district offices were closing.

An opportunity for voluntary early retirement (VER) also is being offered.

This nationwide offer is open to nearly 150,000 employees who meet the Office of Personnel Management (OPM) conditions, and who are at least 50 years of age with 20 years of creditable federal service, or any age with 25 years of creditable federal service. An annuity estimate will be mailed to all VER-eligible employees starting April 6, 2009.

Another step being taken is **instituting a 15% administrative staffing reduction of positions in all remaining 74 district offices.**

Postal headquarters already has reduced its employee complement by approximately 15% and the area offices are in the process of a similar staffing reduction.

At nearly 400 of our mail processing facilities around the country, more than 1,400 supervisor and management positions are being eliminated.

Reduction in force (RIF) avoidance strategies will be in place for employees impacted by district closings and staffing reductions.

There are no signs of an early economic recovery. Financial projections call for a continued decline in mail volume and revenue.

Now, more than ever, we all must look for ways to do our jobs more efficiently and help to continue the service performance and customer satisfaction improvements we have gained in recent years.

By doing so, we can help ensure that the Postal Service will continue to deliver for America now and in the future.

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