



NATIONAL RURAL LETTER CARRIERS' ASSOCIATION

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February 24, 2020

Ms. Cathy Perron
Manager, Contract Administration (NRLCA)
United States Postal Service
475 L'Enfant Plaza, SW, Room 9126
Washington, DC 20260-4101

Certified Mail Number: 7018 1830 0000 6199 6203

Return Receipt Requested

Dear Ms. Perron,

Pursuant to Article 15, Section 4(D), of the parties' National Agreement, the Association submits this National-Level Grievance.

In dispute is the Postal Service's failure to timely implement the 2018 and 2019 salary increases owed to rural letter carriers under Article 9, Section 1 of the May 21, 2018 - May 20, 2021 National Agreement ("National Agreement"). Those provisions require the Postal Service to implement pay increases effective retroactively to May 21, 2018 and to apply further increases effective November 23, 2019 and November 21, 2020.

The National Agreement was ratified on August 6, 2019. Subsequent to ratification, the Postal Service informed the Union that the retroactive portion of the 2018 general wage increase and the July 2018 Cost of Living Adjustment would be calculated after pay period 19 of 2019 and paid as soon as administratively practicable after that pay period. On or about October 6, 2019, the Postal Service then notified the Union that it would apply retroactive pay adjustments during pay period 3 of 2020. The delays continued. On or about November 13, 2019, the Postal Service informed the Union that it unilaterally decided to move back the date of implementation to pay period 6. Most recently, on February 20, 2020, the Postal Service informed the Union that due to unspecified defects in "Rural Retro programs resulting in development work not being completed" a unilateral "decision was made to delay implementation to PP 10/2020" and that, therefore, the payments would not be processed until May 15, 2020 – some forty (40) weeks after ratification. This delay is excessive, unreasonable and unprecedented and it has harmed rural carriers who have been deprived of these retroactive payments.

Ms. Cathy Perron
February 24, 2020
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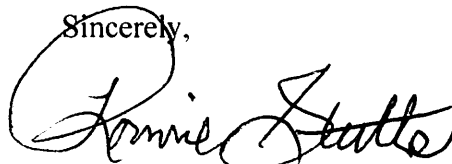
The Postal Service's failure to timely make these contractually-required payments and its repeated unilateral decisions to delay them are unreasonable and violate the Postal Service's contractual obligations, including but not limited to Articles 5 and 9 of the National Agreement. These actions and violations have caused financial harm to all rural letter carriers. The Postal Service has unjustly enjoyed the benefit and windfall of interest earned from its delay in making these payments while rural carriers must wait indefinitely and forgo or delay financial decisions and lose out on the opportunity to accrue interest and realize other gains through their TSP contributions or other investment opportunities.

Therefore, the NRLCA's remedial request includes, but is not limited to:

- a. Immediate implementation of the retroactive pay adjustments.
- b. Payment of interest from pay period 19 of 2019 until the date the payments are made ("Delay Period").
- c. Payment of additional aggregate investment damages to be calculated by determining the average percentage increase in Postal Service retiree benefit plans (FERS, CSRS) during the Delay Period multiplied by the average rural carrier participant's retiree benefit plan contribution.
- d. An agreement that the Postal Service will implement any future retroactive pay adjustments within two pay periods from when any future obligation for such payment arises.

Please contact my office to determine the earliest date for us to discuss this very important issue.

Sincerely,

A handwritten signature in black ink, appearing to read "Ronnie Stutts", written over the word "Sincerely,".

Ronnie W. Stutts
President
National Rural Letter Carriers' Association

RWS/sws

cc: NRLCA National Officers
NRLCA Legal Counsel
File