

LABOR RELATIONS



May 18, 1999

Mr. William Burrus  
Executive Vice President  
American Postal Workers Union, AFL-CIO  
1300 L Street NW  
Washington DC 20005-4128



Dear Mr. Burrus:

This is in response to your letter of March 1, requesting our position on retroactive contributions to the Thrift Savings Plan when an employee receives back pay.

The Thrift Savings Plan was established through Public Law and is controlled by the regulations in 5 CFR 1600. Any make whole remedy concerning the Thrift Savings Plan will be accomplished in accordance with those regulations.

U.S. Postal Service regulations concerning back pay awards, with respect to Thrift Savings contributions, can be found in the Employee & Labor Relations Manual Section 594.6 (copy enclosed).

If you have additional questions concerning this matter please contact Lisa Hambalek of my staff at 202/268-3824.

Sincerely,

A handwritten signature in black ink, appearing to read "Peter A. Sgro".

Peter A. Sgro  
Acting Manager  
Contract Administration (APWU/NPMHU)

Enclosure



# American Postal Workers Union, AFL-CIO

1300 L Street, NW, Washington, DC 20005

**William Burrus**  
Executive Vice President  
(202) 842-4246

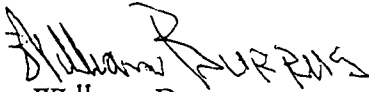
May 13, 1999

Dear Mr. Sgro:

By letter of March 1, 1999, I raised an issue regarding the rights of an employee who is covered by the Thrift Savings Plan for reimbursement through the grievance-arbitration procedure. To date, I have not received a response and I await your reply.

Thank you for your attention to this matter.

Sincerely,

  
William Burrus  
Executive Vice President

**National Executive Board**

Moe Biller  
President

William Burrus  
Executive Vice President

Robert L. Tunstall  
Secretary-Treasurer

Greg Bell  
Industrial Relations Director

C. J. "Cliff" Guffey  
Director, Clerk Division

James W. Lingberg  
Director, Maintenance Division

Robert C. Pritchard  
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**Regional Coordinators**

Leo F. Persails  
Central Region

Jim Burke  
Eastern Region

Elizabeth "Liz" Powell  
Northeast Region

Terry Stapleton  
Southern Region

Raydell R. Moore  
Western Region

Mr. Peter Sgro  
Acting Director  
Labor Relations  
475 L'Enfant Plaza, SW  
Washington, DC 20260

WB:rb  
opeiu#2  
afl-cio



**American Postal Workers Union, AFL-CIO**

1300 L Street, NW, Washington, DC 20005

William Burrus  
Executive Vice President  
(202) 842-4246


March 1, 1999

Dear Mr. Sgro:

This is to inquire about the application of the National Agreement, Articles 15 and 16 when an employee who is enrolled in the Thrift Savings Plan is made whole pursuant to the grievance/arbitration process. Through the actions of the employer, administrative or discipline, an employee is denied compensation and full retirement benefits during the period of such action. If the employee is made whole, it is the position of the union that the employee's account should be reimbursed for the lost USPS contribution and provided the opportunity to make a retroactive employee contribution.

This is to inquire of the employer a restatement of the employer's policy under the above cited circumstances.

Sincerely,

  
William Burrus  
Executive Vice President

Mr. Peter Sgro  
Labor Relations  
475 L'Enfant Plaza, SW  
Washington, DC 20260

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594.6 **Back Pay Awards**

594.61 **General Rule**

An employee receiving a back pay award must be made whole with respect to participating in the TSP. The procedures in 594.62 and 594.63 must be followed when processing back pay awards.

594.62 **Erroneous Separation**

The employee may elect participation or termination of elections in the same manner as though the separation did not occur. The most current election form must be processed at the DDE/DR site to begin or terminate withholdings when the employee is returned to the rolls. When the back pay claim is sent to the Minneapolis ASC, a copy of the election form(s) must be included. The Minneapolis ASC computes the TSP amount and withholds it from the back pay award. The USPS contributions are computed as appropriate.

594.63 **Continuous Service**

Employees who receive a back pay adjustment and who are not separated from service receive an adjustment for contributions only if they previously elected coverage. The adjustment is processed automatically.

594.7 **Claim Procedure**

594.71 **General Rule**

If there is a dispute between the findings of the Postal Service relating to an employee's entitlement to make-up contributions, or the amount refunded as a result of an administrative error was less than the amount previously withheld, the employee may file a claim for correction with the personnel services office.

594.72 **Review of Claim**

All employee claims must be reviewed to determine whether the claim relates to an error made by the Postal Service or by the Federal Retirement Thrift Investment Board. If the claim relates to Board errors, the claim must be sent within 10 days of receipt to:

THRIFT SAVINGS PLAN SERVICE OFFICE  
NATIONAL FINANCE CENTER  
PO BOX 61500  
NEW ORLEANS LA 70161-1500.

The employee must be advised of the referral.

594.73 **Postal Service Decision**

When the claim relates to the Postal Service, the personnel services office must provide the employee with a decision within 30 days. If the decision is to deny the claim, the denial must be in writing and must contain the following information:

- a. The reason for the denial, with references.