



January 27, 2011

Mr. Mark Strong  
National President  
National League of Postmasters  
of the United States  
One Beltway Center  
5904 Richmond Highway, Suite 500  
Alexandria, VA 22303-1864

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Dear Mr. Strong:

The Postal Service proposes revision of the salary protection provisions in Employee and Labor Relations Manual (ELM) Section 415, *Rate Retention and Change to Lower EAS Grade*.

Salary protection related to change to a lower nonbargaining grade during a Reduction-in-Force (RIF) avoidance period, a specific RIF notice period, placement in a nonduty, nonpay status for 30 days related to RIF, or to a RIF will not extend beyond two years of saved grade unless the protected salary is below the maximum of the employee's new grade. If the employee's salary exceeds the maximum of the new grade upon expiration of the two years of protection provided in ELM 415, it will be reduced immediately to the maximum of the new grade.

When an employee accepts a lower grade nonbargaining unit position voluntarily in a management-initiated action the employee will receive saved-salary protection for two years. If the employee's salary at the end of this period is greater than the maximum salary of the lower grade position, the salary will be reduced immediately to the maximum of the lower grade position.

If a position is reclassified to a lower grade the employee is reduced immediately to the lower grade. The employee receives saved salary for a period not to exceed two years if the employee's salary is greater than the maximum salary of the lower grade. If the employee's salary exceeds the maximum of the new grade upon expiration of the two years of protection provided in ELM 415, it will be reduced immediately to the maximum of the new grade.

These proposed revisions will apply prospectively and are reflected in the enclosed copies provided for your review.

These revisions balance the interests of employees affected by organizational changes with the operating and financial challenges confronting the Postal Service. These revisions afford employees a reasonable duration to adjust to changes, and they permit the Postal Service to match compensation costs more reasonably with the work being performed.

Pursuant to Title 39, U.S. Code, Section 1004 (d), please provide your written recommendations with respect to the proposed revisions within 60 days of your receipt of this correspondence.

Please contact Lee Olohan at (202) 268-4762 if you wish to meet, or if you have questions concerning this matter.

Sincerely,



John Cavallo  
A/Manager  
Labor Relations Policy Administration

Enclosures