



NATIONAL ASSOCIATION OF POSTAL SUPERVISORS

National Headquarters
1727 KING STREET, SUITE 400
ALEXANDRIA, VA 22314-2753
(703) 836-9660

October 10, 2024

Board Memo 158-2024: USPS Decision on FY2024 PFP Matrices

Executive Board,

NAPS disagrees with the Postal Service's decision to renege on the proposed changes to fiscal year 2024 Pay for Performance (PFP) matrices, as agreed to by NAPS and the Postal Service during consultative discussions.

Attached is the USPS altered PFP Cell Block Matrix as reported on USPS MyHR.

Thank you and be safe.

NAPS Headquarters



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October 10, 2024

Board Memo 153-2024: USPS Decision on FY2024 PFP Matrices

Executive Board,

NAPS headquarters has received from the USPS a letter dated October 10, 2024, regarding its decision for the Pay-for-Performance (PFP) FY2024. NAPS recently proposed changes in some of the cells for the field based on the percentage of employees that have increased from 2023 to 2024. The USPS has decided not to adopt the NAPS proposals.

Attached, please see the USPS decision letter and NAPS response to the USPS proposal.

Thank you and be safe.

NAPS Headquarters



October 10, 2024

Mr. Ivan Butts
 President
 National Association of Postal Supervisors
 1727 King Street, Suite 400
 Alexandria, VA 22314-2753

Dear Ivan:

This is concerning the Postal Service’s September 2024 proposal to revise the Pay-for-Performance (PFP) matrices for fiscal year (FY) 2024 and the recommendations that you provided to that proposal. Your recommendations included applying additional increases to the proposed matrices and establishment of a percentage pay award for cell 2. In summary, your recommendations were to essentially continue with the pay percentages that were provided last year in FY2023.

The Postal Service has reviewed your recommendations and has decided not to adopt them. The reason for this decision is based on several factors. The Postal Service, following pay consultation with NAPS in 2021, established the following Pay-for-Performance (PFP) matrix for field employees and established the PFP pay matrix for headquarters employees as part of the PFP pilot. The percentages in those pay matrices were less than the matrix that is proposed for FY2024 and is provided below:

Field Employees FY2022

Cell	1	2	3	4	5	6	7	8	9	10
Base Salary Increase	0.0%	0.0%	2.0%	2.5%	3.0%	4.0%	5.0%	6.0%	7.5%	9.0%

Headquarters Employees FY2022

Individual Performance 5-Cell matrix (% Merit Increase)					
Individual Rating	1	2	3	4	5
Base Salary Increase	0.0%	2.0%	3.0%	3.5%	4.0%

NPA 10-Cell Matrix FY2022 (Lump Sum Variable Pay)

Functional Scorecard NPA Rating	1	2	3	4	5	6	7	8	9	10
Lump Sum Payout	0.0%	0.0%	0.0%	0.0%	2.0%	2.5%	3.0%	3.5%	4.0%	5.0%

The Postal Service increased the percentage payouts for FY2023 in response to record inflation in 2022 that continued into 2023. Inflation forecasts have shown a decline throughout 2024. Private sector employers have reacted to these reductions and are planning for average pay raises to be less than last year.

The Postal Service's proposed matrices are an increase to the established pay matrices for FY2022 and are consistent with the private sector. Additionally, the federal sector average pay raises for 2025 are planned at only 2.0%.

The Postal Service will establish the following pay matrices included among its September 2024 proposal and is provided immediately below:

Field Employees FY2024

Cell	1	2	3	4	5	6	7	8	9	10
Base Salary Increase	0.0%	0.0%	3.0%	3.5%	4.0%	5.0%	6.0%	7.0%	8.0%	9.0%

Headquarters employees FY2024

Individual Rating	1	2	3	4	5
Base Salary Increase	0.0%	3.0%	4.0%	5.0%	6.0%

NPA 10-Cell Matrix FY2024 (Lump Sum Variable Pay)

Functional Scorecard NPA Rating	1	2	3	4	5	6	7	8	9	10
Lump Sum Payout	0.0%	0.0%	0.0%	2.0%	3.0%	3.5%	4.0%	4.5%	5.0%	6.0%

Please contact James Timmons at extension 2324 if you have any questions concerning this matter.

Sincerely,



for Bruce A. Nicholson
 Director
 Labor Relations Policies and Programs



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*Office of
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October 2, 2024

Mr. Bruce Nicholson
Director, Labor Relations Policy & Programs
United States Postal Service
475 L'Enfant Plaza SW
Washington, DC 20260-4101

Dear Bruce,

Working in conjunction with the NAPS Executive Board PFP committee, NAPS is offering the following response to the Postal Service's proposal for PFP FY 2024:

NAPS requests changes in some of the cells for the Field based on the percentage of employees that have increased from 2023 to 2024. There are increases in 4 of the 8 cells that EAS fell into during FY 2023. Most changes are in cell 4, 5 and 6. For example, a 12.13% decrease in EAS in cell 4 but that increase % is now in cells 5, 6 and 7. The NPA proposed by the Postal Service is less than the EAS received last year in those cells.

Further, NAPS proposes that cell 2 be a 1% increase since box 2 performance would be better than box 1 performance and should be rewarded at a commensurate level. NAPS also proposes that box 3 be increased to 2.5% from the current USPS proposed level remaining at 2%.

PFP is Pay for Performance, and the numbers for 2024 illustrate that EAS are performing better but will be getting less NPA than the year before. NAPS believes EAS want to perform better every year, and one of the ways to do this is, as well as improve EAS retention, is to continue to give reasonable NPA increases yearly.

Headquarters employees NPA should remain at FY 2023 levels since Individual goals must be met by them and approved by their manager. NAPS does not agree that those percentage payouts should be reduced to the level proposed by the Postal Service.

Sincerely,

A handwritten signature in black ink that reads "Ivan D. Butts".

Ivan D. Butts
NAPS National President

Field	FY23	%	Placement	FY24	%	Placement	% Change	HQ	FY23	%	Placement
Box											
10	0			0			0				
9	0			0			0				
8	23	0.06%	7	1	0.00	0	0.06				
7	580	1.45%	5	1242	2.93%	5	1.48				
6	5487	13.71%	3	9918	23.42%	2	9.71				
5	16721	41.77%	1	18695	44.14%	1	2.37	5	1187	12.10%	3
4	13613	34.00%	2	9263	21.87%	3	12.13	4	4428	45.12%	1
3	3015	7.53%	4	2650	6.26%	4	1.27	3	3823	38.96%	2
2	297	0.74%	6	586	1.38%	6	0.64	2	354	3.61%	4
1	1	0.00%		0				1	21	0.21%	5
0				0							
Total	39737			42354					9813		

FY 2023 PFP Matrices

PES PFP Program

NPA 10-Cell Matrix (% Merit Increase)

Cell	1	2	3	4	5	6	7	8	9	10
Base Salary Increase	0.0%	0.0%	3.0%	4.0%	5.0%	6.0%	7.0%	8.0%	8.5%	9.0%

Performance Pilot Program

Individual Performance 5-Cell matrix (% Merit Increase)

Individual Rating	1	2	3	4	5
Base Salary Increase	0.0%	3.0%	5.0%	5.5%	6.0%

NPA 10-Cell Matrix (Lump Sum Variable Pay)

Functional Scorecard NPA Rating	1	2	3	4	5	6	7	8	9	10
Lump Sum Payout	0.0%	0.0%	0.0%	2.0%	3.0%	3.5%	4.0%	4.5%	5.0%	6.0%

FY 2024

Field Employees

Cell	1	2	3	4	5	6	7	8	9	10
Current Base Salary Increase	0.0%	0.0%	2.0%	2.5%	3.0%	4.0%	5.0%	6.0%	7.5%	9.0%
Proposed Base Salary Increase	0.0%	0.0%	2.0%	3.0%	4.0%	5.0%	6.0%	7.0%	8.0%	9.0%
Proposed % Var	0.0%	0.0%	0.0%	0.5%	1.0%	1.0%	1.0%	1.0%	0.5%	0.0%

NAPS Proposal Cell	1	2	3	4	5	6	7	8	9	10
Increase	0	1%	2.50%	4%	5%	6%	7%	7.50%	8%	9%

HQ Employees

Functional Scorecard NPA Rating	1	2	3	4	5	6	7	8	9	10
Current Lump Sum Payout	0.0%	0.0%	0.0%	0.0%	2.0%	2.5%	3.0%	3.5%	4.0%	5.0%
Proposed Lump Sum Payout	0.0%	0.0%	0.0%	2.0%	3.0%	3.5%	4.0%	4.5%	5.0%	6.0%
Proposed % Var	0.0%	0.0%	0.0%	2.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%

NAPS Proposal Individual Performance Cell	1	2	3	4	5
Increase	0.00%	3.00%	5.00%	5.50%	6.00%