



News & Views

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Do You Know the Three Components of the Federal Employees Retirement System (FERS)?

There are three components to the Federal Employees Retirement System (FERS) and they are equally important, working together to provide a strong financial foundation for retirement. Almost every new employee whose first federal career service appointment began after December 31, 1983, is automatically covered by FERS. An employee may also be covered by FERS if rehired after 1983, even if the employee has prior career or noncareer service appointments. For rehired employees, the decision as to whether the employee is covered by FERS is dependent on several factors, including the total years of prior creditable service.

The first component is the FERS Basic Benefit plan. FERS retirees receive an annual annuity amount equal to 1% of high-three average salary for each year of creditable service. For example, an employee who retired with 30 years of service would be entitled to an annual annuity equal to 30% of high-3 average salary. Employees are eligible for full, unreduced optional retirement at the Minimum Retirement Age (MRA is from age 55 to 57 depending upon the year of birth) with at least 30 years of service, or age 60 with at least 20 years, or age 62 with at least 5 years. Employees can also retire at the MRA with as few as 10 years of service but the annuity will be reduced. The annuity benefit is increased if retiring at age 62 with at least 20 years of service.

The second component is Social Security. Employees covered by FERS automatically contribute to Social Security, which provides retirement, survivor and disability coverage (subject to Social Security eligibility requirements). In most cases, FERS employees retiring earlier than the minimum Social Security eligibility age of 62 receive a supplement that fills the gap until age 62. FERS employees also contribute to Medicare and are entitled to Medicare benefits at age 65.

And the third component of FERS coverage is the Thrift Savings Plan (TSP). The TSP is a tax deferred retirement savings and investment plan that offers savings and tax benefits similar to those offered by private sector corporations under 401(k) plans. By participating in the TSP, FERS employees have the opportunity to save for retirement, receive matching contributions from the Postal Service, and reduce current taxes.

After a waiting period of approximately six months to one year after being hired, FERS employees receive an automatic contribution from the Postal Service of an amount equal to 1 percent of the employee's basic pay each pay period-this goes to the TSP account whether the employee participates in TSP or doesn't. FERS employees also receive a matching contribution from the Postal Service. To receive the maximum employer match, a FERS employee must contribute at least 5% of basic pay each pay period, and the Postal Service will then contribute matching agency contributions equal to 4 percent of the employee's basic pay.

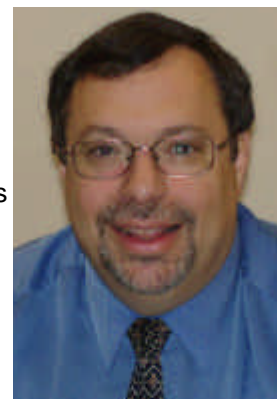
TSP requires you to make a choice. If you are a FERS employee, then your coverage under the first and second components of FERS does not require any action on your part. TSP is the part of your retirement that you control. You decide how much to put in your TSP account and whether you receive full matching contributions, how to invest your TSP funds, and, when you retire, how you want your money paid out.

There is a wealth of information available on the Internet covering all three components. For information on:

- FERS basic benefit plan, go to the Office of Personnel Management's web site at www.opm.gov.
- Social Security, go to the Social Security Administration's web site at www.ssa.gov and for Medicare, go to www.medicare.gov.
- Thrift Savings Plan, go to the TSP web site at www.tsp.gov.

The Transition Coordinators are PostalPEOPLE Change Agents

Ray Suson started working for the Postal Service in 1973 as an LSM operator in the City of Industry CA. He began his career in Human Resources at the Alhambra MSC in 1977, first as a training technician in the PEDC, then in various management positions. For over a year, Ray was detailed as the acting Manager, PEDC in the Santa Barbara MSC. He was spent time detailed as a Labor Relations Specialist for the Alhambra MSC prior to his reassignment in January 1993 to Personnel Services as a Human Resources Specialist for the Santa



Ray Suson

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Ana District. For two years, Ray was the Santa Ana District project manager on a hiring pilot program that was deployed at nine test districts around the country. He was also instrumental in consolidating the H/R functions from Long Beach District into the Santa Ana District when Long Beach District was consolidated into the Los Angeles and Santa Ana Districts. In September 2004 through February 2005, Ray was detailed to a Pacific Area complement management team working with the restructuring of facilities in the Southern California area and was involved in other staffing issues for the Pacific Area.

In 2005, Ray was selected to a long-term detail as the H/R Shared Service Transition Coordinator for the Santa Ana District, one of three initial districts. Triboro and Northland are the other sites, blazing the trail of the HR migration process for the other 77 districts. Ray was recently selected to the new HR Generalist position, however he is continuing in the TC position until Personnel closes. Ray is often on of the subject matter experts called on to assist the eRecruitment team at headquarters. Ray lives in Claremont, California with his wife Cheryl and his son Andrew.

Thrift Savings Plan Benefits Your Future

The good news is that people are living longer and healthier lives. This means when you retire from the Postal Service, you will have more years to relax. It also means you will need to have more money saved in order to enjoy retirement without money worries. Social Security - or a lottery ticket - is not enough. Saving for your retirement - and starting as soon as possible - is the best way to prepare for your later years. An excellent way to save is taking full advantage of the Thrift Savings Plan (TSP). It is one of the most rewarding benefits offered by the Postal Service.

The TSP is a retirement savings plan that is a lot like private sector 401(k) plans. You don't have to pay taxes on what you save until you use it during your retirement. Also, the Plan is very flexible. You can invest in a number of funds depending on your savings and investment. This is a benefit you can take advantage of at any time. Enrollment is always open and employees may invest up to the maximum allowed by the Internal Revenue Service.

In addition to what you save yourself, employees under the Federal Employees Retirement System (FERS) may receive some matching contributions from the Postal Service. Not taking advantage of this valuable benefit is leaving money on the table. It's never too late to start, even if you are in the middle of your career. Employees over age 50 may invest additional money in catch-up contributions.

Spending money is fun, but having money long after your last paycheck is smart. More information on the TSP may be found at www.tsp.gov, liteblue.usps.gov or a kiosk. To learn about how to enroll in the TSP go to liteblue.usps.gov. Remember, you'll need your

Employee ID and PIN to use the system. (If you don't have or don't remember your ID and PIN, there is an article at the bottom of the page to help you out.)

Don't wait until that first gray hair or wrinkle. By saving for the future, you will be able to enjoy your retirement with

PostalPEOPLE Timeline

Phase 1: January-September 2006

Retirements & Separations
Benefits & Compensation
EAS Selection

Phase 2: September 2006-September 2007

Organization and Complement Management
Job Bid Management

Phase 3: After September 2006

eRecruitment
Safety & Injury Comp
Training & Events

Know Your Numbers

Your Employee Identification Number (EIN) and Personal Identification Number (PIN) are the key to employee self-service. Employees can complete Compensation and Benefits transactions using PostalEASE, on personnel kiosks, blue.usps.gov and Liteblue.usps.gov or by calling the PostalEASE interactive voice recognition phone system (IVR) at 1-877-477-3273.

Please have your EIN, which can be found on your earnings statement, and your PIN, available to access the system. This PIN is also used for phone and computerized bidding by eligible bargaining unit employees.

When using your EIN, enter all eight digits, even if the leading number is zero. If you wish to change your USPS PIN to a four-digit number of your choice, call the U.S. Postal Service Employee Service Line at 1-877-477-3273 and press or say "three."

The new online system is available for use 24 hours a day, 7 days a week.

Feedback on N&V

Please feel free to send us feedback on News & Views via email, at PostalPEOPLE@usps.gov, or by mail at: PostalPEOPLE News & Views, Human Capital Enterprise, 475 L'Enfant Plaza, SW, Washington, DC 20260-5411

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Changing Your Address Just Got Easier

You now have several options for completing a Change of Address:

- Personnel Computer Kiosk (Kiosk)
- Blue Page (Postal Service Internal Web Page)

Personnel Kiosk

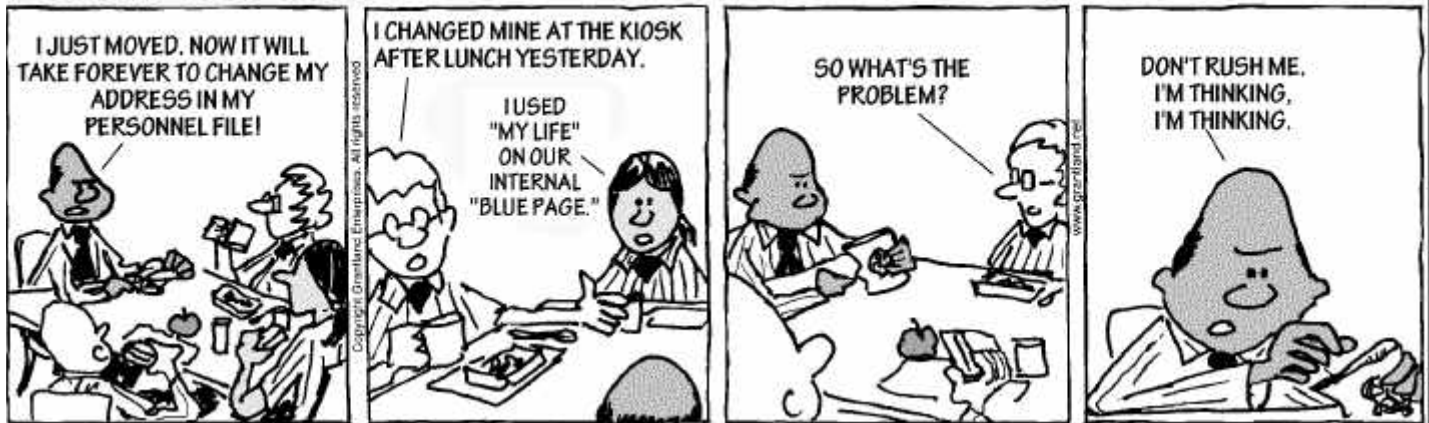
You can change your mailing and residential addresses using a Personnel Computer Kiosk if there is one where you work. A tab titled "**Present Job Info/Change of Address**" appears on the main Kiosk web page. You must have your Social Security Number (SSN) and Personal Identification Number (PIN) to access the Kiosk and make any changes.

Blue Page (Postal Service Internal Web Page)

You can Change your address through the Postal Service's internal web page, the "Blue" page. Go to the "**My Life**" tab. Under this tab you'll find a heading - "**My Profile**" - where you can select either "**Address/Phone**" or "**Emergency Contact.**" You must have your Social Security Number (SSN) and Personal Identification Number (PIN) to access the Blue Page and make any changes.

Note: All Triboro employees (except JFK) who have access to the Blue Page (the Postal Service's Internal Web Page) can change their mailing and residential address and emergency contact information by logging in with your ACE ID and Password (see Exhibits 1-2), and then select "**My Life.**" Under this tab, on the right side of the page is the heading "**My Profile**" where employees will find two links titled "**Address/Phone**" and "**Emergency Contact**".

PostalPEOPLE



Handy Employee ID Wallet Card


Always want to keep your Employee ID with you? Cut out the handy wallet card below and fold it in the middle. Write your ID in the box below the picture.

Keep your PIN number stored in a safe place and never keep the two numbers together. This will help prevent ID theft.

Know your ID and PIN. It makes things easier!

✂ Cut Along Dotted Line

Fold Here

 <p>Employee Identification Number</p>	<p>Do you know your Employee ID?</p> <p>If not, it's printed at the top of your earnings statement.</p>	<p>PostalEASE. LiteBlue. All paths lead to PostalPEOPLE.</p>
	<p>Do you know your USPS PIN?</p> <p>If not, you can request a new one on the PostalEASE login page. Use the "If you don't know your USPS PIN Click here." link Or request a PIN by calling the HR Shared Service Center (HRSSC) at 1-877-477-3273, menu option 5 and requesting "Employee Benefits."</p>	<p>PostalEASE 1-877-477-3273, option 1 HR Shared Service Center 1-877-477-3273, option 5 HRSSC (TDD/TTY) 1-866-260-7507 LiteBlue http://liteblue.usps.gov</p>
	<p>HRSSC COMPENSATION/BENEFITS PO BOX 970400 GREENSBORO NC 27497-0400</p>	<p>HRSSC RETIREMENTS/SEPARATIONS PO BOX 970500 GREENSBORO, NC 27497-0500</p>
<p>Employee Identification Number and USPS PIN required to access.</p>		