

MICHAEL J. ELSTON
VICE PRESIDENT, LABOR RELATIONS



October 29, 2025

Mr. Anthony D. Leonardi
National President
United Postmasters and Managers of America
8 Herbert Street
Alexandria, VA 22305-2628

Certified Mail Tracking Number:
9589 0710 5270 2076 9750 36

Dear Tony:

Pursuant to Title 39 U.S. Code § 1004(e), the Postal Service's decision for changes in pay policies, schedules, and fringe benefits for Postmasters and Managers that are members of your organization through May 22, 2026 is enclosed.

This decision is the outcome of the pay consultation process and was made following full and fair consideration of the recommendations submitted by the United Postmasters and Managers of America.

Sincerely,

A handwritten signature in black ink, appearing to read "Michael J. Elston", written in a cursive style.

Michael J. Elston

Enclosure

1. PAY-FOR-PERFORMANCE

Postmasters and Field Managers¹

Under the Pay-For-Performance (PFP) Program, Postmasters and Field Managers will have performance measured under a 10-point rating system with different pay increases established at each of the 10-point ratings. This application will be based on the matrix immediately below:

(3) 2.0%	(6) 4.0%	(9) 7.5%	
(2) 0.0%	(5) 3.5%	(8) 6.0%	
(1) 0.0%	(4) 3.0%	(7) 5.0%	(10) 9.0%

Note: All percentages are paid as salary increases if room within the salary range. If amount limited by the salary range, balance of amount will be converted to a lump sum payment.

Headquarters Managers

Eligible headquarters Managers in the Performance Pilot program are measured under a 5-cell numerical ratings system, lowest to highest. Below are the base salary increases associated with the 5-cell matrix performance ratings:

Individual Rating	1	2	3	4	5
Base Salary Increase	0.0%	2.0%	3.5%	4.0%	5.0%

Note: All percentages are paid as salary increases if room within the salary range. If amount limited by the salary range, balance of amount will be converted to a lump sum payment.

Eligible headquarters Managers in the Performance Pilot program are also measured under the numerical 10-cell National Performance Assessment (NPA) program, which determines an additional variable lump-sum payout under the PFP program:

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%

A work team will be established to discuss potential modifications to the PFP program for fiscal year 2026, paying particular attention to an employee's line of sight over NPA indicators and appropriately recognizing individual contributions as part of the PFP program.

¹Field managers include those managers aligned with the Areas and Regions.

2. SALARY RANGES

The salary range minimums and maximums for grades 17 through 21 will be increased by 3%. The salary range minimums and maximums for the remaining EAS grades and other salary schedules will be increased by 1%. These increases will be effective January 10, 2026.

3. HEALTH BENEFITS CONTRIBUTION

The employer's contribution towards the Postal Service Health Benefits (PSHB) Plan will be 72% of the weighted average as determined by the Office of Personnel Management (OPM) and will not exceed 75% for any individual plan.

4. ANNUAL LEAVE EXCHANGE PROGRAM

The current maximum of 168 hours that can be exchanged as part of the Annual Leave Exchange Program will be increased to 208 hours. Individuals that choose to participate in the program must have a minimum accumulated annual leave balance of 200 hours at the end of the corresponding leave year. This change will be effective for the 2027 leave year.

OTHER ITEMS:

5. EAS-18B FLSA-exempt Postmasters in installations designated as a Sunday hub and without an authorized supervisor position will be classified as special exempt through the duration of the pay package. EAS-20 FLSA-exempt Postmasters in delivery offices identified as not having an authorized Supervisor will be classified as Special Exempt through the duration of the pay package. Those Postmasters will be eligible for additional pay consistent with policy for special exempt employees. When an office is notified that the Supervisor is no longer authorized (due to promotion or after a review, for example) and will not be replaced, the Postmaster will be eligible for special exempt pay the next pay period.
6. Occupational Health Nurse Administrators will be eligible for reimbursement up to \$500 annually for expenses associated with relevant professional certifications.
7. The Postal Service and UPMA will continue consultation on UPMA's proposal to establish a differential for Postmasters and Managers in field operations.
8. The Postal Service and UPMA will continue consultation on evaluating the duties required by Postmasters in level 22 and above offices and potential modifications to the non-bargaining staffing models.