



The LEAGUE Headquarters, state officials and your legal consultant have received many inquiries about the reduction in grade being implemented for some Postmasters to reflect their change in status from exempt to non-exempt under the Fair Labor Standards Act (FLSA). Here are answers to possible questions:

What happens to my pay under FLSA?

Nothing except you are now eligible for overtime for hours worked in excess of 40 in a work week. *Note:* you do not receive OT for more than eight hours in a given day unless that puts you over 40 in the week.

Will my grade be reduced and can I appeal to MSPB? Will I win such an appeal?

Any reduction in grade or pay can be appealed to MSPB. Thus, although there is not reduction in pay proposed, the reduction in grade gives you appeal rights to MSPB. You will not likely prevail in any such appeal. That is because the action is taken to promote the efficiency of the service (non-disciplinary) and is required to comply with FLSA. The MSPB rights are conferred by law and USPS must give you those procedural rights but they only have to show that it's a non-disciplinary reduction to comply with the law (FLSA).

Am I better off being non-exempt?

Virtually all affected Postmasters will be better off. There's no reduction in pay and there's overtime for all the extra hours most of you have been working. The 1 grade reduction is not all that significant. Your retirement is based on pay not grade. You can still be promoted to higher level positions.

What about the fact that I've been incorrectly placed in exempt status when I should have been non-exempt (eligible for 40 + hours OT)? Do I have a claim for OT I've worked in the past?

Obviously, each case is different. You would have to file a FLSA claim for hours worked in excess of 40 per week during the time you were wrongly classified as exempt.

Unfortunately, because you weren't on a time clock, you would have to reconstruct your hours worked during the period of your claim. USPS is aware there is a potential liability for FLSA claims from formerly exempt Postmasters.

Will a class action case be filed for all affected Postmasters?

The LEAGUE will continue to review all options, but traditional class action litigation may not be available. Each claim may have to be pursued by the affected Postmaster. (FLSA claims are not adverse actions nor do you have any union rights, thus no right to file a back pay grievance as would a craft employee)

What should I do if I have further questions?

If it's regarding an adverse action response, contact your lead Adverse Action Counselor who will help you to get an AAC representative. If you have legal questions, consult Security Legal Services. If you have other questions regarding LEAGUE Headquarters policy positions and consultation activities with USPS, consult the LEAGUE website, call LEAGUE Headquarters, the National Officer for your area or your state president. The LEAGUE website has all the contact information for the above individuals.

Remember, in terms of pay and benefit, this is an improvement for most affected Postmasters. You will eligible for the OT pay you have been working, your retirement, promotions, benefits, etc., are unaffected and you may have a back pay OT claim for prior USPS FLSA violations. Best of all you remain a Postmaster.