

NALC'S RETIREMENT DEPARTMENT

NALC's Retirement Department is led by Director of Retirees Ernie Kirkland (c), who is supported by Assistant to the President for Retirement Ernestine Douglas (l) and the department's secretary, Vickie Bowman.



READY FOR THE BOOM

Retirement security was back in the media spotlight recently when, with network news crews looking on, the woman officially designated as the first “baby boomer” registered online to receive Social Security benefits when she turns 62 next year. While the retired New Jersey schoolteacher pointed and clicked her way through the registration process, presidential candidates and economic experts opined on how best to ensure the stability of the social insurance program.

Social Security will face an unprecedented strain over the next two decades as nearly 78 million people born in the post-World War II baby boom from 1946 through 1964 become eligible for benefits to supplement their retirement income. There are plenty of ideas and opinions about how best to protect (or fix, or “save”) Social Security. The debate is certain to intensify between now and November 2008 and, clearly, there are no easy answers.

Just as elusive for many letter carrier “boomers”—and their fellow NALC members, both older and younger—is mapping out a smooth path into and through retirement.

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ERNIE KIRKLAND

Fortunately, letter carriers have an ally: the NALC Retirement Department, whose staff stands ready to help members hack through the jungle of paper work that often lies between them and their golden years.

“The department’s primary focus is on the union’s 80,000 or so current retirees,” says Director of Retired Members Ernie Kirkland, “but I feel we do an injustice if we don’t do what we can to help all of our carriers get the most out of their retirement, whenever that day arrives.”

Roughly half the union’s membership—about 147,000 letter carriers—are baby boomers. Some of these still participate in the Civil Service Retirement System. Others, especially those born toward the end of the boom, are covered by the newer Federal Employees Retirement System. No matter which system, every NALC member, active or retired, boomer or not, eventually will come face to face with an increasingly rugged retirement landscape littered with obstacles, from concerns about Social Security’s future, to properly applying military service credits to their annuities, to unfair, yet completely legal, reductions in their earned benefits. And the Retirement Department is here to help.

The department was created in 1975 with a mission to provide a central location for retired and active members to find help with all their retirement-related issues. Under the *NALC Constitution*, the Director of Retired Members must be a retiree.

Kirkland, a member and former long-serving president of Central Kentucky Bluegrass Branch 361 in Lexington, was elected Director of Retired Members by acclamation at the 2006 National Convention in Las Vegas, succeeding Don Southern. Before his election, Kirkland had served for nearly 10 years as regional administrative assistant for K-I-M Region 6, solving problems for letter carriers in Kentucky, Indiana and Michigan.

Kirkland and the union’s retirees are also supported by Assistant to the President for Retirement Ernestine Douglas, and by Vickie Bowman, who has served as the department’s secretary from its earliest days.

FILLING A NEED

When the department was formed over three decades ago, all letter carriers belonged to a single retirement plan, CSRS. Back then, the whole process of retiring consisted of having a few one-on-one meetings with a local manager, filling out the proper paperwork, and then clocking out one final time.

Things got more complicated after Congress and the White House struck a deal in 1983—designed to shore up Social Security—to bring federal and postal workers and their payroll tax dollars into the program. The federal government froze the single-source, defined-benefit CSRS at the end of 1983 and implemented FERS for new hires.

Today, about 44,000 active carriers hired prior to 1984 are still covered by CSRS. That program gives them a larger guaranteed annuity, but they do not receive the employer-match for the Thrift Savings Plan, nor do they receive a Social Security benefit based on their postal employment. Newer federal employees under FERS, including about 180,000 active carriers, have a retirement system that relies on a “three-legged stool” approach to benefits—a modest,

WEP AND GPO

Two legislative issues are critically important to the NALC’s CSRS-covered retirees.

One is the Windfall Elimination Provision, which took effect in 1985. Under WEP, Social Security benefits are cut for federal/postal retirees who receive a CSRS pension and who are eligible for Social Security benefits through other, non-federal employment. In some cases, Social Security checks may shrink by over 50 percent.

The other double-whammy reduction that affects a large number of CSRS employees is the Government Pension Offset. For employees who retired from December 1982 onward, GPO either cuts or eliminates entirely their eligibility for Social Security spouse or survivor benefits based on their spouse’s Social Security earnings.

Repeated efforts have been made to repeal or scale back these unfair measures, but again this year the legislation has stalled.

Interested postal patrons register to participate in the program. Your local postmaster can give you more details on registration.

Your letter carrier will be authorized to place a Carrier Alert symbol in your mailbox which will alert all letter carriers to watch your mailbox for any signs of distress, such as an unusual accumulation.

If your letter carrier finds an accumulation of mail and you have not covered the sticker to signify that you will be away for a few days, he or she will notify the agency where you are registered to report your name to the postal supervisor, who will report it to the agency.

The social service agency will then try to contact you by phone. If you cannot be reached, the agency personnel will try to contact a family member or relative whom you have listed as a contact in an emergency.

If a friend or relative cannot be reached, the social service agency will send a worker to your home to check on your health and well-being.

CARRIER ALERT



Your letter carrier wants to help you



CARRIER ALERT: IN EVERY COMMUNITY

President Young has assigned Director of Retired Members Kirkland responsibility for NALC's participation in the Carrier Alert program. Carrier Alert, which recently celebrated its 25th anniversary, is a joint community service provided by letter carriers, local postal management, the United Way, and local law enforcement and care-giving agencies.

"Letter carriers touch every home in America six days a week," Kirkland said. "They usually know right away when something's not right. Carrier Alert simply helps carriers help their customers in a very personal way."

Once a community establishes a Carrier Alert program, elderly or disabled patrons can sign up with their local post office to receive a special sticker to place in their mailboxes. Letter carriers then know to watch for an accumulation of mail and to alert the proper authorities if it appears something is wrong.

A new brochure describing Carrier Alert is available to branch presidents by contacting Director Kirkland.

guaranteed FERS payment; money saved in the 401(k)-style Thrift Savings Plan, part of it matched by their agency; and the same level of Social Security benefits as earned by private-sector workers.

LOSING THE PERSONAL TOUCH

And gone are the days of those personal retirement meetings. Over the past few years, the Postal Service has been consolidating retirement processing with its other human resources components into a single location at the Human Resources Shared Services Center in Greensboro, North Carolina. As a consequence, postal employees who have questions about retirement issues no longer have the benefit of a face-to-face conversation with a local HR representative. Instead, they must "press this key" through the PostalEase system's telephone menus, with no guarantee that they will press with the same service representative twice.

"This is where the NALC really shines," Kirkland said. "Members know that if they call their union with problems, they'll either talk to Vickie, Ernestine or me, and that we can help them cut through all that Shared Services red tape."

Members can call the Retirement Department anytime through the Headquarters main number, and the office has a special toll-free number—800-424-5186—that is answered on Mondays, Wednesdays and Thursdays from 10 a.m. to noon and again from 2 p.m. to 4 p.m.

"From Headquarters, we can also interact directly with the Office of Personnel Management here in Washington on letter carriers' behalf," Kirkland said. "It's a lot easier for an individual carrier to get an answer out of this department than to get one from OPM."

No one understands that better than Ernestine Douglas, hired by NALC President William H. Young as his assistant for retirement. Douglas retired from OPM after spending 34 years there as a senior-level legal administrative specialist and trainer. In addition to processing retirement claims, she also served as a retirement counselor on special projects for several different agencies.

"Ernestine knows the OPM retirement process inside and out," Kirkland said.

The Retirement Department also can assist NALC members and families when a carrier or his or her spouse dies. In that stressful situation, the office can help the retiree or survivor handle the paperwork involved with federal life insurance, survivor annuities, or necessary changes in health insurance coverage.

"One of the first things carriers or their families should do in that terrible time is call this office," Kirkland advised. "We'll walk them through what they need to do."

START PLANNING NOW

"Retirement planning should start the minute you walk through the door on your first day of work," Kirkland said, adding that he worries whether the approximately 2,000 carriers who retire each year will truly be ready for the moment when it finally arrives.

"We work hard to keep members informed about their options and the ramifications of their investment choices," he said. "To start off, carriers can do their

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—PRESIDENT BILL YOUNG

part by following the common-sense rules for retirement planning. Max out your contributions to the TSP or other retirement funds. Keep an eye on your investments. And talk over your goals and resources with a professional financial planner.”

Kirkland recommends that carriers really focus in about three years away from their planned retirement date and develop a detailed analysis of their financial situation.

“Try to estimate what your annuity will look like,” he said. “Just getting the process started is a good way to see if your retirement schedule is realistic, to see what it will take to get you there.”

Carriers are not left on their own when it comes to making those plans. “The NALC and this department make retirement planning training available to all members, and we keep members informed about the latest TSP investment opportunities,” Kirkland said.

It can be a challenge, though, to provide large-group training, taking into consideration the mix of members who are active, close to retirement and already retired—not to mention the differing situations of carriers under either FERS or CSRS.

To help simplify things, the department has produced a retirement manual on compact disc that puts as much information as possible into a convenient and searchable digital format. The manual-on-CD is provided to each branch office to share with local members.

A POLITICAL FORCE

In his position as director of retired members, Kirkland also oversees the collection and disbursement of money raised by the union's political action fund, the Committee on Letter Carrier Political Education (COLCPE). At the time the Retirement Department was created in 1975, active letter carriers—indeed, all federal employees—were forbidden by the 1939 Hatch Act from taking part in partisan political activity. However, spouses, families and retirees were exempt from that law.

The NALC is one of only a handful of labor organizations in which retired members retain full voting privileges and may participate in day-to-day operations, and retirees have long been a mainstay of the union's political program. So, it was not only a legal choice but also a logical option to place COLCPE under the direction of the one department certain to be headed by a retiree.

Although the Hatch Act was amended in 1993 to lift the most onerous restrictions, retired carriers remain a powerful force. For example, many of the members who took part in this summer's nationwide pickets against Contract Delivery Services were retirees.

“Just because they collect an annuity instead of a paycheck doesn't mean our retired members stop caring about other letter carriers and the NALC,” said President Young. “The union continues to recognize, value and rely on their experience in so many ways.”

“I believe the Retirement Department provides vital services to every letter carrier in this union, active and retired,” he added. “With Ernie, Ernestine and Vickie on the job, our members can rest assured that their interests are being protected by the highest levels of dedication and professionalism.” ✉