

Overpayment of Retroactive Supplemental Pay (8127 Time)

We have been notified that 3,910 regular rural carriers were overpaid as part of their retroactive contractual payments received on May 15, 2020.

The error occurred in the calculation of retroactive increases to be applied to supplemental pay (8127 time) received by regular carriers during the retroactive back-pay period of PP19-2018 through PP17-2019. Instead of calculating the retro pay based on the difference between the old and new hourly rate, the system actually paid out the total number of minutes of 8127 time entered multiplied by the full new hourly rate. **The error does not apply if you were paid 8127 time of under 60 minutes per PP entered directly in TACS. It only occurred on those supplemental payments submitted to Eagan Accounting on Form 8127.**

For example: if you were initially paid for 120 minutes of 8127 time at your hourly rate of \$24.00 and, in calculating the retroactive rate, your new hourly rate was \$24.45, the difference paid to you retroactively should have been 90 cents. The error in programming that occurred paid the carrier the full 120 minutes at the full new rate of \$24.45, resulting in an overpayment of \$48.00. As a result, these regular carriers were overpaid ranging from a few dollars to well over a thousand dollars.

The USPS is going to recoup these overpayments. For those with an overpayment of 15% or less of their bi-weekly net pay, the overage will be adjusted and subtracted in a single pay period. It will show on your paystub as a "supplemental" adjustment or "8127" adjustment. These adjustments are tentatively scheduled to be made in PP16 or PP17. We will keep you apprised if and when further information becomes available. For those who owe more than 15% of a net check, you will receive an invoice from the USPS and normal collection procedures will apply. Your assigned District Representative has a list of all regular carriers involved and the amounts overpaid. Feel free to contact them if you believe this overpayment may apply to you.

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