

# “Earnings Statement — E & D”

## How to Read Your Form 1223

Take a look at the simple E&D statement. We've all looked at them hundreds of times. But, how many times have we **really seen** them and **really paid attention** to all of the information, or lack of information, on them? That information is really important!

Other than the obvious things that people look for — “Did I get paid my sick leave?” “Did they get all of my overtime on there?” — there's other, equally important, information that you need to check.

From time to time, people fail to review and properly interpret the information on their E&D and end up in the middle of a **real mess**. Periodically, someone somewhere makes a mistake that costs Letter Carriers money. One such mistake occurs when a Carrier is continued to be paid Level Six pay for a period of time after having bid a Level Five position. Most people would make sure that they're being paid Level Six instead of Five, but how many check for the opposite? When they don't, and a mistake has been made, the error surfaces years later and the Carrier is astounded when the Service says, “We paid you too much. Now give it back!”

Even though sometimes we manage to have the debt partially, or even totally, forgiven through the grievance procedure, it is nevertheless a genuine hardship on the employee from whom the repayment is demanded. In other instances, the Carrier fails to pay attention to the fact that no withholding was being made for his Medical Insurance. Suddenly, the Postal Service recognizes the omission and makes the demand that several years back insurance premiums be paid at once. Or even worse, coverage is denied for medical services. Unfair? Perhaps, but that doesn't make the problem, or the related stress, any less for the employee. If we are clear in our own minds how to read and understand the E&D, we will be in a better position to not only protect ourselves, but also to help and protect our members.

OK. Let's look at an E&D from top left to bottom right..

**PAYLOC** — That's your pay location code. That indicates where you're assigned to work.

**FINANCE NO** — This is the finance number for your office.

**EMPLOYEE NAME** — Hopefully, we'll find **your** name there.

**SOCIAL SECURITY NUMBER** — If there's an error here, you may have troubles later on in the event you try to draw on Social Security or Medicare benefits.

**PAY PERIOD** — This is the pay period and year of the payments (PP-YR or 01-00). We all know that according to the Postal Service, each Calendar year is broken up into twenty six (26) pay periods of two (2) weeks each. Don't confuse this with an Accounting Period (AP) which has two (2) pay periods in it. Pay Period 01-00 began Saturday, January 1, 2000, as did Accounting Period 01-00.

**SERIAL NUMBER** — This is either the serial number of the check issued to the employee **or** the sequence number of the Earnings Statement issued to the employee when the net pay has been directly deposited to a financial institution.

**What we've looked at so far is pretty straight forward and should be relatively unconfusing. A quick glance and we can tell if everything is in order. What follows is where we have to look closely.**

### DETAIL EARNINGS

This is a general heading for several columns which identify the type and number of hours being compensated for, the week in which those hours occurred, the rate schedule and level, the designation/activity code, and the gross payment amount for the period.

**WK** — This specifies the week, either 1 or 2, of the pay period in which the hours were worked. If an adjustment is being made, the week that the adjustment is made for will be on that line.

**RSC** — This is the Rate Schedule Code for the hours stated. This code will be the same as on your time card. It will either be a “E” or a “Q”. For Carriers, it will be a “Q”. This space would remain blank for all adjustments and allowances. This code, combined with LEV next, are significant and deserve special attention.

**LEV**

This is the Grade Level for the hours stated. Did you do Level 5 work, or perhaps Level 6?

**RATE**

This the Base rate (annual or hourly), including the cost-of-living allowance (COLA) for the hours stated. The base rates for the different steps and level are printed regularly in the Postal Record.

**CODE**

This is the employee's Designation/Activity code. For a Regular Carrier, the code would be **134**. For a PTF Carrier, the code would be **434**.

**TYP**

This is the Type of Hours code. Codes that might affect us would be:

- G** Guaranteed time or guaranteed overtime hours (as defined under Article 8)
- H** Holiday work hours
- L** Leave hours (either paid leave or leave without pay)
- N** Night differential hours (for hours worked between 6:00 at night and 6:00 in the morning)
- O** Overtime hours (as defined under Article 8)
- V** Penalty overtime hours (as defined under Article 8)
- P** Out-of-Schedule Premium
- S** Sunday Premium
- W** Straight work hours

This space would remain blank for all adjustments and allowances.

**HOURS**

This space will show the actual hours and hundredths worked for every hours type listed. If you keep track of your hours worked in a record of your own, you will be able to immediately take steps to correct any errors that the timekeeper may have made.

**PAY**

This space will show the total gross pay for each type of hours worked.

**GROSS TO NET**

This is a general heading for two columns which show the total gross pay, all deductions, and the resulting net pay for the current pay period and the pay year-to-date.

**GROSS PAY**

This is the gross pay for this pay period and the year-to-date, including COLA.

**FED TAX**

This is the amount deducted for federal tax this period and year-to-date. Your claimed marital status and number of exemptions will appear right next to FED TAX. M2 would mean married with two exemptions. S0 would mean single with no exemptions.

**ST TAX**

This is the amount deducted for state tax this period and year-to-date. Again, your claimed marital status and number of exemptions for the state will appear to ST TAX. ORM01 would indicate the taxes were withheld to the State of Oregon for a person married claiming one exemption.

## **RETIRE**

This is the amount deducted to your retirement account for this pay period and year-to-date. You will see one of the following codes next to RETIRE:

- 1 CSRS** - Civil Service Retirement System
- 2 FICA** - Federal Insurance Contribution Act
- 5 CSRS Offset** - A combination of Civil Service Retirement and Federal Insurance Contribution

## **FICA/MED**

This is the amount of FICA or Medicare deductions for this period and year-to date. If you were hired after 1984, your retirement contribution will be smaller and FICA/MED will be higher.

## **FERS**

The Federal Employees Retirement System covers **all** career employees first hired on or after January 1, 1984, and those CSRS employees who chose to convert to FERS. If you are covered by FERS, you will see one of the following codes next to FERS:

- 8 FERS**
- A FERS (elected)**

Anything in the following area will be the miscellaneous deductions that have the greatest potential for causing us problems. Anything identified will show the dollar amount both for the pay period and year-to-date.

**ALOT** would indicate an authorized payroll deduction from your salary that is deducted each pay period for deposit to a financial institution.

**C** followed by a four (4) digit number would indicate a local charity campaign and where the money is sent.

**C SUP** indicates child support or alimony payments.

**GARN** would appear if you had a commercial garnishment levied against you.

**HP** followed by three (3) letters or numbers would show your health benefit plan enrollment code. **HP322** shows that you are paying for NALC Health Benefits for yourself and your family.

**IN** indicates your life insurance choice.

**LEVY** would show a deduction had been made for some sort of outstanding taxes.

**MBA** indicates that you participate in the NALC's Mutual Benefit Association insurance plan.

**NT BK** shows that after all deductions and allotments have been taken out, the net pay has been directly deposited to a financial institution.

**OTHER** would appear if an indebtedness to another Federal agency other than the Postal Service had been taken out. A collection for a loan from the VA for schooling might be an example.

**PO DB** means that a deduction has been made for some sort of indebtedness to the Postal Service. It might be for a previous overpayment, a shortage, a loss of or damage to the mails, loss of or damage to USPS property or vehicles, or perhaps outstanding travel or salary advances.

**TSP** indicates a withholding for the Thrift Savings Plan. If you do participate in the Plan, you will see two (2) or more lines regarding the Plan. The first line would indicate either the percentage of withholdings **or** the dollar amount.

**TSP02** indicates a two (2) percent withholding

**TSP \$ followed by a dollar amount** indicates a regular dollar amount participation.

The following line(s) indicate the percentage of your withholding that is applied to the different "Investment Options."

**G080** would indicate that 80% of your total withholding would be distributed into the **Government Securities Investment Fund**,

**F015** would indicate that 15% of your total withholding would be distributed into the **Fixed Income Index Investment Fund**, and

**C005** would show that 5% of your total withholding would be distributed into the **Common Stock Index Investment Fund**.

**UN L** would indicate that your Union dues to the NALC have been withheld.

## **NET PAY**

This is what you have left!

## **LEAVE STATUS**

This general area identifies the employee's use and balances of Annual and Sick leave, and Leave Without Pay for the pay period and year.

### **ANNUAL LEAVE FROM PREV YR**

This is the number of hours carried over from the previous year. The amount could differ from the balance on the last pay period in the preceding leave year if you tried to carry over more than the maximum limit. The most that we Carriers can carry over is 240 hours. Hopefully, nobody that we know will ever lose leave hours in this manner.

### **EARNED-THIS YR**

This is the number of hours earned to date this leave year. Between three (3) and fifteen (15) years, we earn one hundred sixty (160) hours per year or six (6) hours per pay period. From fifteen years on, we earn two hundred eight (208) hours per year or eight (8) hours per pay period.

### **EARNED-BAL**

This is the number of hours carried over from last year plus the hours earned this year.

### **USED THIS YR**

This is the total hours of annual leave used this year to date.

### **USED THIS PP**

This is the total hours of annual leave used in this pay period **(including adjustments)**.

### **BALANCE**

This is the total annual leave available to you now.

## **SICK LEAVE**

### **FROM PREV YR**

This is the number of hours carried over from last year.

### **EARNED THIS YR**

This is the number of hours of sick leave accumulated this year. Full time employees earn one hundred four (104) hours per year or four (4) hours each full pay period. Part time employees earn one (1) hour for each twenty (20) hours in a pay period up to a total of one hundred four (104) hours per year.

### **USED THIS YR**

This is the total sick leave used to date this year.

### **USED THIS PP**

This is the total sick leave used this pay period **(including adjustments)**.

**BALANCE**

This is the total sick leave available to you now.

**LEAVE WITHOUT PAY**

**THIS PP**

This is the total hours of LWOP used this pay period.

**CUMULATIVE**

This is the total LWOP hours accumulated this year. If you accumulate eighty (80) hours of LWOP within a year, your leave credits will be reduced by the amount of leave earned in one (1) pay period.

**BOND DATA**

This identifies an employee's current bond(s), unapplied bond balance, and the bonds issued this pay period.

**UNAPPL BAL**

This is the amount applied towards the purchase of the next bond.

**NO ISSUED**

This is the number of bonds issued this pay period.

**USPS RETIREMENT**

This is the total amount contributed to the retirement fund as of the close of the **prior calendar year**.

Other important codes are:

**FLSA**

The Fair Labor Standards Act is a Federal Statute of general application that establishes requirements for child labor, minimum wages, equal pay, and overtime pay. FLSA work hours and FLSA overtime pay is printed on the E&D whenever work hours for one or both weeks of the pay period exceeds forty (40) hours for nonexempt employees — that's us. It seldom, if ever, affects us, **even if noted on the E&D**. The rare occasion is related to Night differential or Sunday Premiums.]

**ADJ FOR PP-YR PROCESSED**

Shows that an adjustment for a specific pay period and year was processed.

**GARNISHMENT PAYMENTS COMPL**

Shows the garnishment balance as zero (0).

**GRIEVANCE OR EEO SETTLEMENT**

Simple.

**INCLUDES BOND REFUND**

Simple.

**MERIT INCREASE**

Simple.

**MERIT LUMP SUM INCLUDED**

Simple.

**MULTI PP ADJS PROCESSED**

Shows that adjustments for multiple pay periods were processed.

**PERIODIC STEP INCREASE**

Simple.

**PO INDEBT-PAID-OFF**

Shows the indebtedness balance as zero (0).

**RETROACTIVE PAYMENT**

Shows this is a special check and Earnings Statement for retroactive payment.

**RETRO PAY IN YTD AMTS**

Shows that retroactive payment amounts have been added to the year-to-date totals.

**SCHEDULED COLA INCREASE**

Shows that a cost-of-living increase has been added to the base salary **effective with the pay period shown at the top of the E&D.**

**SCHEDULED CONTRACTUAL INCREASE**

Shows that it is now reflected in the base salary.

**UPDT YTD BAL CANCEL CHK**

An adjustment for a cancelled check was processed that updated the year-to-date earnings balance, affecting only the year-to-date fields.

**UPDT YTD BK PAY AWD**

An adjustment for a back pay award was processed, affecting only the year-to-date fields.

Most of the things that have been discussed here will seldom, if ever, affect you. Of importance to you, however, is that you pay attention to your E&D. You should get paid for the hours that you actually worked, at the rate that you should be paid, and your money should go where you intend it to go. Make sure that the premiums that you intend to be paid are actually paid. Hopefully, this has given you a better understanding of this simple document. If you need more detailed information on the terminology used on your E&D, refer to Postal Bulletin 21673, 5-19-88 or the Finance Office.