



IMPACT ON:

U.S. Postal Service employees who are eligible to retire.

WHY THE OIG DID THE AUDIT:

This report responds to a request from the postmaster general. The Postal Service is analyzing the options available for early retirement as it looks to reduce the size of its workforce. Our objective was to evaluate and describe information on retirement options, including those options that currently exist and those that may become available as part of new legislation or other Postal Service initiatives.

Employees have many factors to consider when retiring. We summarized several retirement options to assist employees when considering retirement opportunities.

WHAT THE OIG FOUND:

In 2012, over 189,000 Postal Service employees will meet the age and service eligibility requirements for retiring with an immediate annuity. A number of retirement options may be

available to employees in the near future as part of new legislation related to the Postal Service. There may be restrictions on how these options can be used and whether they can be combined or not. Proposed changes to health insurance benefits for employees and retirees, along with possible additional years of service credit proposed in legislation, may cause employees to evaluate retirement earlier than they otherwise might have.

The options described in this report include:

- ③ Voluntary early retirement.
- ③ Cash buyouts.
- ③ Additional years of service credit.
- ③ Re-employment for annuitants.

WHAT THE OIG RECOMMENDED:

We did not make any recommendations in this report.