



February 5, 1998

Mr. William Burrus
Executive Vice President
American Postal Workers
Union, AFL-CIO
1300 L Street, NW
Washington, DC 20005-4128

Dear Mr. Burrus:

This letter is in further response to your January 6, 1998 correspondence and our teleconference with Ms. Cheryl Hubbard of Corporate Payroll/Accounting regarding what you termed "management instructions" (a copy of which you enclosed with your letter) for an adjustment process to determine employee eligibility for Penalty Pay.

As discussed, the Family Medical Leave Act (FMLA) required payroll to capture the family and medical leave absences. The hours codes developed for FMLA in the Electronic Time Clock (ETC) system is tied to hours codes already in the system today. As clearly stated during our teleconference, there is no change on how penalty overtime is calculated because of the addition of FMLA hours codes in ETC.

I hope this fully satisfies your inquiry. If you have any further questions, please do not hesitate to contact me at (202) 268-3811.

Sincerely,

A handwritten signature in black ink, appearing to read "Samuel M. Pulcrano".

Samuel M. Pulcrano
Manager
Contract Administration (APWU/NPMHU)