

MEMORANDUM OF UNDERSTANDING
BETWEEN THE
U.S. DEPARTMENT OF LABOR
AND THE
NATIONAL COUNCIL OF FIELD LABOR LOCALS
(NCFLL)

INTRODUCTION

This Memorandum of Understanding (MOU) is entered into between the U.S. Department of Labor (DOL or Department) and the National Council of Field Labor Locals (NCFLL) in accordance with the applicable provisions of the DOL-NCFLL Agreement.

SUBJECT

This MOU concerns the Department's implementation of the Salary Offset Program as authorized by the Travel and Transportation Reform Act of 1998.

TERMS OF AGREEMENT

1. For the purposes of Salary Offset, disposable income is defined as bi-weekly pay less deductions required by law (such as normal retirement contributions; Thrift Savings payments; federal, state and local taxes; Medicare; disability insurances; regular life insurance; health insurance premiums; and any debt owed to the government which is in default).

2. In accordance with OMB Circular A-129, Policies for Federal Credit Programs and Non-Tax Receivables, agencies have the authority to administratively garnish the wages of delinquent debtors in order to recover delinquent debt. The maximum salary offset for any delinquent travel debt will be 10% of disposable income. Multiple administrative garnishments from all sources against one debtor's wages may not exceed 25% of the disposable income of an individual.
 - There will be no salary offset from an individual's bi-weekly disposable income if it is less than sixty (60) times the federal minimum hourly wage.

- Individuals whose disposable income for the bi-weekly pay period falls between sixty (60) and eighty (80) times the federal minimum wage, only the amount in excess of sixty (60) times the federal minimum hourly wage is subject to a salary offset of 10%.
 - Individuals whose disposable income for the bi-weekly pay period is in excess of eighty (80) times the federal minimum hourly wage, 10% of the disposable pay will be subject to salary offset.
3. The parties recognize that affected employees may request assistance from their union representatives. Any official time/travel requests will be granted in accordance with laws, rules, and regulations as appropriate, as well as pertinent provisions of the DOL-NCFLL Agreement.
 4. Information regarding an employee's salary offset will not be shared with anyone outside of the offset process unless required by rule, law or regulation, or at the request of the employee.
 5. Salary Offset will only be initiated for those delinquent amounts, inclusive of unauthorized charges, owed for the travel card for which travel voucher payments have been made by DOL.
 6. Bargaining Unit employees will be notified of any salary offset that is initiated to their paycheck. This notification will specify the pay date that this offset will begin.
 7. Employees maintain the right in the review and appeals process to provide the Regional Finance Officer information pertaining to newly discovered disputed amounts, any travel for which the employee has not received payment, and any additional information they believe relevant. The employee may discuss information related to salary offset by telephone with the Regional Finance Officer and/or present the information in writing. Should further discussion be warranted, the employee and the RFO may mutually agree to meet.
 8. Information will be provided regarding the Employee Assistance Program (EAP) in all letters from DOL to employees who are experiencing debt management problems

and may have their salary offset as a result. Assistance from EAP may include referral for consumer credit counseling services.

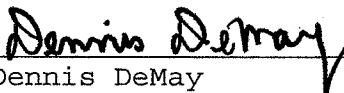
9. The parties agree that split disbursement may facilitate employees handling of their travel card responsibilities. Accordingly, the parties commit to pursuing this option for all field employees as soon as possible.

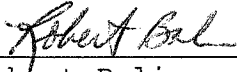
10. The program will be implemented nationally.


11. This MOU will be distributed to all bargaining unit employees.

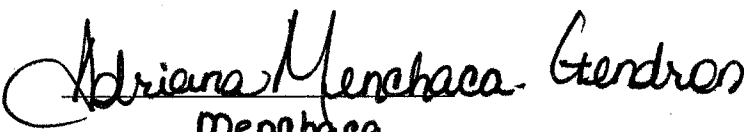
FOR NCFLLL:

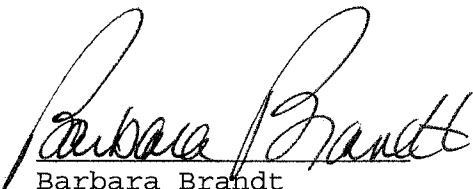
FOR THE DEPARTMENT:

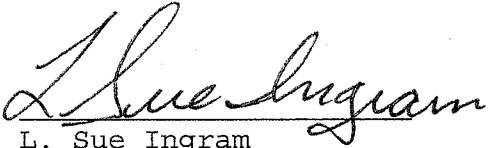

Dennis DeMay
NCFLLL, Vice President

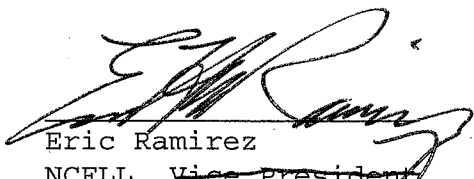

Robert Balin
Administrative Officer,
OCFO

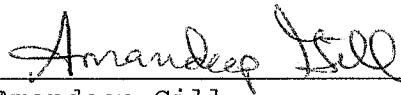

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Date