

QUESTIONS AND ANSWERS

ON FLSA PROVISIONS OF THE NATIONAL AGREEMENT

ROUTE CLASSIFICATIONS

1. How many types of rural routes are there?

A. Three

1.

Rural Carrier Schedule (RCS) routes-compensated on a mileage basis;

2.

Evaluated Routes-compensated on an evaluated basis;

3.

Auxiliary Routes-compensated on an evaluated basis (partial routes, generally, created from excess territory resulting from relief of overburdened routes).

2. Which carriers are eligible for Section 7(b)(2) of the FLSA?

A. Carriers serving RCS routes in excess of 30 miles in length and those serving evaluated routes evaluating to 35 hours or more are eligible to be compensated under the provisions of Section 7(b)(2) of the FLSA.

3. How will a carrier on a 38-hour evaluated route be compensated?

A. Such carrier will be compensated on the evaluated Schedule under the provisions of Section 7(b)(2) of the FLSA.

4. Will a carrier on a 33-hour evaluated route be compensated under the provisions of Section 7(a) or 7(b)(2)?

A. Such carrier will be compensated on the Evaluated Schedule under the provisions of Section 7(a) and be paid overtime for all hours in excess of 40 hours in a week.

5. How many evaluated route classifications are there?

A. There are three evaluated route classifications as follows:

1.

H Route-6 days per week (No relief days);

2.

J Route-5 1/2 days per week (Relief day every other week);
3.

K Route-S days per week (Relief day every week).

CLASSIFICATION OPTIONS

6. What options are available to a rural carrier on an evaluated route?

A. Any rural carrier whose route may be classified in more than one classification may elect the higher-route classification if certain requirements are met.

7. What exception has been made to the above provision?

A. The parties have agreed that in those instances when the evaluation of a route exceeds the maximum hours in the "H" classification, but less than 48:33 evaluated hours (46:30-48:32), the carrier may elect the 46 H route classification if the RCS salary for the route exceeds the salary for the "J" classification of the route and provided the carrier meets the requirements of Article 9.2.C.8.a.

Also, when the evaluation of a route exceeds the maximum hours in the "J" classification, but less than 52:55 evaluated hours (50:44-52:54), the carrier may elect the 46 J route classification, if the RCS salary for the route exceeds the salary for the "K" classification of the route and provided the carrier meets the requirements of Article 9.2.C.8.a.

8. What three requirements must be met for a carrier to qualify for the higher-route classification for which the carrier may be eligible?

Answer:

1.

It must be demonstrated that the rural carrier's actual hours will not exceed 2,080 hours during the guarantee period.

2.

The rural carrier must agree, in writing, that sufficient annual leave will be used to assure that the total actual hours worked will not exceed 2,080 during the guarantee period.

3.

The carrier must be in a 6- or 8-hour (20- or 26-day) leave category.

9. What action is required by the postmaster at the time of a national count, interim adjustment or special count?

A. The postmaster must arrange a meeting with each eligible carrier to discuss requirements for election of a higher classification for which the carrier may qualify.

10. What action is required of the rural carrier at such meeting?

A. If a carrier who is eligible chooses to elect the higher route classification to qualify for the greater number of hours of work and the resulting higher compensation, the carrier

must sign a Leave Agreement to use sufficient annual leave to assure that the actual work hours will not exceed 2,080 during the guarantee period. Such agreement now appears on the Form 4241X.

11. What action may be taken by the postmaster if it appears the carrier will exceed 2,080 hours during the guarantee period?

A. The postmaster shall advise the rural carrier, in writing, of his concerns and arrange a meeting with the carrier to discuss the action deemed to be necessary to assure that the actual hours do not exceed 2,080 hours. At such a meeting a carrier whose route could not be classified in more than one route classification may now choose to sign a Leave Agreement to assure that the actual hours do not exceed 2,080 hours during the guarantee period. If no satisfactory assurances can be provided by the carrier, the postmaster may provide temporary auxiliary assistance; adjust the route; or allow the carrier to work in excess of the 2,080 hours. The postmaster may not require the carrier to use LWOP to keep the hours under 2,080.

12. Are there situations when allowing a carrier to exceed 2,080 hours may be justified?

A. Yes.

1.

When there is no practical way to provide relief;

2.

When there has been route growth which is not reflected in the route evaluation, especially growth of less than 120 minutes which did not qualify for an interim salary adjustment; [Interim Adjustments may be triggered by a minimum of 60 minutes of growth as of 5/4/02]

3.

When permanent or long-standing route conditions, beyond the control of the rural carrier, cause the carrier to exceed the evaluation of the route, as provided in paragraph "t" of Article 9.2.A.1.;

4.

When the carrier has worked overtime during the Christmas period;

5.

When the carrier has worked overtime in excess of 12 hours in a day and/or 56 hours in a week;

6.

When unusual circumstances prevailed on the route for a part of the year, such as extended detours or other conditions of a temporary nature beyond the control of the rural carrier.

13. When a carrier signs a Leave Agreement, does the commitment include his entire leave balance?

A. It includes whatever amount is sufficient to remain within the 2,080 hours. It could mean less than the leave earned that year or it could mean the carrier's earned leave plus

whatever amount of the carrier's leave accumulation is necessary to confine the total hours worked to 2,080 during the guarantee period. Carriers are advised to carefully evaluate their own situation and their own capabilities before making a leave commitment for the higher-route classification.

14. May a carrier utilize LWOP, if necessary, to meet the commitments?

A. The new Agreement made no change in the LWOP provisions of the Agreement for rural carriers. The use of LWOP on other days is governed by existing regulations. Therefore, LWOP may be utilized as an alternative to assure that the actual hours worked do not exceed 2,080 hours, but a carrier cannot be required to do so.

15. May a carrier sign a Leave Agreement to use only sufficient annual leave earned during the guarantee period?

A. Yes. A carrier who does not desire to commit any of his accumulated leave balance may sign a Leave Agreement to use only sufficient leave earned during the guarantee period. This action will preserve the carrier's Saved Salary protection in the event it becomes necessary to adjust the route to assure that the actual work hours will not exceed 2,080 during the guarantee period. Such agreement by the carrier to use only sufficient earned annual leave will not qualify such carrier to elect the higher-hour classification, but it may prevent the necessity of a route adjustment and will definitely assure Saved Salary protection, if the route is adjusted.

GUARANTEES

16. What is the Guarantee Period?

A. Section 7(b)(2) of the FLSA provides that the guarantee period shall be a period of 52 consecutive weeks. The first guarantee period of the new Agreement was from November 20, 1976 through November 18, 1977.

17. Are carriers who are subject to the provisions of Section 7(b)(2) guaranteed an annual wage or annual hours?

A. Such rural carriers are guaranteed an annual wage.

18. Which rural routes are covered by the annual guarantee provisions of Section 7(b)(2) of the FLSA?

A. All RCS (mileage) routes beginning at 31 miles and up-ward and all evaluated routes between 35-48 hours qualify for Section 7(b)(2) of the FLSA. However, the annual wage guarantee based on the 2,080-hour level remains constant for all RCS routes of 42 miles and up and for all evaluated routes of 40 hours and up. Compensation for miles in excess of 42 miles on the Rural Carrier Schedule and for hours in excess of 40 on the Evaluated Schedule shall be considered additional compensation above the annual guarantee.

19. May a 43-hour evaluated route be adjusted below 40 hours during the guarantee period?

A. The Agreement does not prohibit the adjustment of such route below 40 hours, but the salary cannot be reduced below the 40-hour compensation guarantee.

20. May a route of less than 40 hours be adjusted up-ward during the guarantee period?

A. Yes. The Employer may increase the total compensation paid to rural carriers having routes evaluating to 40 hours or less by adjusting the route evaluations up-ward. This does not change the annual guaranteed wage. As an example, if a 38-hour evaluated route is increased to a 41-hour route, the compensation would increase to that of a 41-hour route, but the guarantee would remain at the 38-hour level.

21. If a 45-H route is reduced by 2 hours, will the carrier's salary be reduced or will it be guaranteed at the 45-hour level?

A. The annual salary guarantee is only at the 40-hour level. Therefore, the salary of the carrier on such route would be reduced to the 43-hour level unless the saved salary protection was higher on the Rural Carrier Schedule. Generally, this would require a route in excess of 125 miles to provide salary protection above that of a 43-hour evaluated route salary.

22. Will a carrier on a 45-hour route receive compensation in addition to the annual guarantee?

A. Yes. The annual guarantee is only for the first 40 hours. The compensation for the 5 hours of evaluation above 40 is considered additional compensation. Actually, the compensation for those 5 hours is computed at an over-time rate, which is built into the Evaluated Schedule, although it is not considered overtime by FLSA standards.

Overtime hours actually worked during the Christmas period would be considered additional compensation above the annual guarantee.

Overtime due under Section 7(b)(2) of the FLSA for all hours worked in excess of 12 hours in a day, 56 hours in a week and 2,080 hours in a year is also considered additional compensation above the guarantee.

Compensation for temporary deviations, locked pouch allowance or seasonal route adjustments is also additional compensation above the annual guarantee.

23. How does a suspension from duty affect the guarantee of a carrier under Section 7(b)(2) of the FLSA?

A. The compensation which would otherwise have been paid, will be deducted from the Employer's guarantee obligation under Section 7(b)(2) of the FLSA.

24. If a carrier retires during the guarantee period, what is the Employer's obligation under Section 7(b)(2)?

A. There is no further obligation on the part of the Employer under such circumstance provided the Section had been complied with up to that time.

25. If a rural carrier is involuntarily transferred to the city carrier craft during the guarantee period, how is his annual guarantee affected?

A. The annual guaranteed compensation will remain in effect for the balance of the guarantee period whether in the rural or another craft. Of course, this guarantee does not

exceed the 40-hour level, at any time.

26. How is a carrier's pay computed if he exceeds 2,240 hours during the guarantee period?

A. When the carrier exceeds 2,240 hours during the guarantee period, Section 7(b)(2) is void. The carrier's compensation must then be re-computed on the basis of Section 7(a) of the FLSA with all hours in excess of 40 hours worked in a week to be paid at the FLSA over-time rate.

27. How is a newly-appointed carrier who is assigned to a rural route which qualifies for Section 7(b)(2) status compensated?

A. Such carrier may be compensated in accordance with the Evaluated Schedule under the provisions of Section 7(b)(2) of the FLSA, provided such carrier signs an Agreement to Terminate the Guarantee at the end of the guarantee period.

28. How will such carrier be paid if he chooses not to sign the Agreement to Terminate the Guarantee?

A. Such carrier will be paid on an hourly basis under the provisions of Section 7(a) of the FLSA with overtime payable for all hours in excess of 8 hours in a day or 40 hours in a week.

29. How can a carrier with retreat rights qualify to be reassigned to a route providing less compensation than the current guaranteed salary? (Example: A carrier on a 41 H route retreating to a 39 H route.)

A. The carrier may sign an Agreement to Terminate the Guarantee on the current route to which assigned and also on the new route to which reassigned at the end of the guarantee period. The carrier could then be reassigned and be compensated under Section 7(b)(2) of the FLSA. Otherwise, such carrier could not be reassigned.

30. What other carriers may find it advantageous to sign an Agreement to Terminate the Guarantee?

A. Substitute rural carriers serving vacant routes or routes where the carrier is on extended leave may be compensated on the Rural Carrier Schedule or the Evaluated Schedule, as appropriate, under Section 7(b)(2) of the FLSA, provided they sign an Agreement to Terminate the Guarantee:

1.

At the end of the guarantee period; or

2.

Upon the filling of the vacancy; or

3.

Upon the return of the regular carrier to the route; whichever comes first.

Such Agreement is irrevocable and continues indefinitely.

31. Is a route considered overburdened if the carrier is not expected to meet the requirement to stay within the 2,080 hour guarantee?

A. Routes are considered overburdened when-

1.

The evaluated hours for the route are outside the Table of Evaluated Hours.

2.

The regular carrier who is assigned to the route does not, or is not expected to, meet the requirement to stay within the annual guarantee for the route.

OVERTIME COMPENSATION

32. Under what conditions is overtime compensation payable to rural carriers under Section 7(b)(2)?

A. The rural carrier shall receive overtime compensation for all hours worked in excess of:

1.

12 hours in one day;

2.

56 hours in one week; or

3.

2,080 hours in one year (52 week guarantee period);

4.

Also, for Christmas overtime as provided in Article 9.2.J.

33. How does this differ from the requirements of Section 7(a) of the FLSA?

A. Section 7(a) of the FLSA requires payment of overtime for all hours actually worked in excess of 40 hours in one week.

34. How is FLSA overtime computed?

A. It is computed at 150% of the employee's regular rate of pay. The regular rate of pay is the total amount of compensation earned for the hours actually worked (not including leave or holiday pay) divided by the number of hours the employee worked since the beginning of the guarantee period.

35. If a carrier works over 12 hours in a day or over 56 hours in a week, when will the overtime be paid?

A. Such overtime will be payable at the end of the pay period in which the overtime was earned, at the FLSA overtime rate.

36. If a carrier actually works in excess of 2,080 hours during the guarantee period, when will the overtime be paid?

A. Such overtime would be payable at the end of the pay period in which the rural carrier exceeds 2,080 actual work hours.

37. If a carrier on a 34-hour evaluated route under Section 7(a) actually works 38 hours during a week, is such carrier entitled to any additional compensation?

A. No. Overtime is payable under Section 7(a) only after 40 hours in a week. Such evaluated route is compensated on an evaluated basis whether the hours actually worked are more or less than the route evaluation.

38. On the same route, if the carrier actually worked 43 hours during the week, would additional compensation be payable?

A. Yes. The carrier would be compensated for 3 hours at the FLSA overtime rate.

39. Can a carrier compensated under the provisions of Section 7(b)(2) earn overtime during the Christmas period?

A. Yes, in virtually the same manner as before.

40. Are there any circumstances that a carrier would not receive compensation for overtime hours actually worked during the Christmas period?

A. No. The carrier will be paid overtime compensation for all hours deemed to be overtime as determined by Article 9.2.J, Christmas Allowances and Procedures.

41. At what rate will such overtime be payable?

A. It will be payable at the FLSA rate

42. When will a carrier compensated under Section 7(b)(2) be paid Christmas overtime?

A. In the check following the pay period worked

43. Can a carrier be required to use additional annual leave or have the route declared overburdened because the Christmas overtime would cause the carrier's hours to exceed 2,080 hours during the guarantee period?

A. Absolutely not. Payment for the Christmas overtime hours must be made anyway. No harm is done if the Christmas overtime causes the actual hours worked during the guarantee period to exceed 2,080 hours. Actually, the Christmas overtime has the effect of establishing a new "benchmark" for the route. Example: A carrier who has 30 hours of Christmas overtime has actually established 2,110 hours as the new "benchmark" for the route before additional overtime would be payable beyond that already paid. Such carrier can only be required to use sufficient annual leave to keep the actual hours below the new 2,110 level.

44. How do the overtime hours paid in excess of 12 hours in a day and 56 in a week affect the 2,080-hour limit?

A. Those hours should also be deducted from the total hours worked, the same as Christmas overtime hours, when considering the requirement to keep within the 2,080 hours.

SUBSTITUTE COMPENSATION

45. Under what Section of the FLSA are substitute rural carriers paid?

A. Basically, they are under the provisions of Section 7(a), except under certain conditions.

46. What are the exceptions to this general rule?

A. (1) When substitute rural carriers are not required to actually work in excess of 40 hours in a week, compensation should be based on the evaluation or mileage of the route in accordance with past policies and practices.

(2) Substitute rural carriers serving full time on routes eligible for coverage under Section 7(b)(2) of the FLSA shall be compensated on the RCS or Evaluated Schedule, whichever is appropriate, provided the carrier agrees in writing, to terminate the guarantee at the end of the guarantee period or upon the filling of the vacancy or the return of the regular carrier.

47. How will such substitute rural carrier be paid who does not sign such an agreement, as described above?

A. Such substitute would be compensated on an hourly basis, attained step, with overtime payable for all hours in excess of 8 hours in a day and 40 hours in a week under the provision of Section 7(a) of the FLSA.

48. What is the basis for compensating a substitute rural carrier on a relief day?

A. The substitute rural carrier will be compensated at the daily rate for the route on the Rural Carrier Schedule or the Evaluated Schedule, whichever is appropriate.

49. If a substitute rural carrier serving as a leave replacement for a 43-hour evaluated route works 41 hours during the week, what will be the rate of compensation?

A. Such substitute will be paid on an hourly basis, attained step, at straight time for the first 40 hours and an overtime rate for the additional 1 hour.

50. If the substitute rural carrier works the same 43-hour evaluated route in 40 hours, what will be the rate of compensation?

A. Such substitute will be compensated at the appropriate rate for a 43-hour evaluated route, because the actual hours did not exceed 40 hours in the week.