



UNITED STATES POSTAL SERVICE

Labor Relations Department

475 L'Enfant Plaza, SW

Washington, DC 20260-4100 October 11, 1988

Mr. James Connors
Assistant Director
Clerk Craft Division
American Postal Workers
Union, AFL-CIO
1300 L Street, N.W.
Washington, D.C. 20005-4107

ARTICLE	28
SECTION	
SUBJECT	DEBT COLLECTION
	SHORTAGE
	RECOVERY

Re: A. Ford
Melrose Park, IL 60160
H4C-4A-C 32193

Dear Mr. Connors:

On September 23, 1988, we met to discuss the above-captioned grievance at the fourth step of our contractual grievance procedure.

The question in this grievance is whether management violated Article 28 of the 1984 National Agreement by its method of recovering postal funds. It was determined that the grievant was financially responsible for a shortage in her accountability. Local management deducted the debt from the grievant's paycheck without her consent.

During our discussion, we agreed to resolve this matter based on our mutual understanding of the meaning and intent of Article 28, Section 4, of the National Agreement and Section 564, Fiscal Handbook, Series F-1. Specifically, an attempt must be made to collect money demands on a voluntary basis; however, absent an employee's voluntary agreement to liquidate a debt, the Postal Service shall initiate involuntary payroll deductions regardless of the amount owed through the Postal Data Center. Involuntary collections shall not exceed 20 percent of the employee's biweekly gross pay.

We further agreed that the cashing of employee payroll checks without the employee's permission is not permissible.

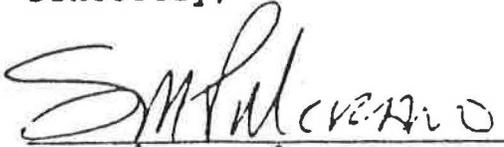
Please sign and return the enclosed copy of this decision as your acknowledgment of agreement to settle this case.

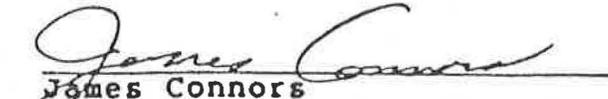
Mr. James Connors

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Time limits were extended by mutual consent.

Sincerely,


Samuel M. Pulcrano
Grievance & Arbitration
Division


James Connors
Assistant Director
Clerk Craft Division
American Postal Workers
Union, AFL-CIO

CBR: 88-06 ADDENDUM NO. 40058
88/12/14

FILE UNDER:
ARTICLE 28.04

STEP 4 SUMMARY
CASE NO: H4C-4A-C 32193
AIRS NO: 40058

IMPROPER DEBT COLLECTION

The issue in this grievance is whether management violated Article 28 of the 1984 National Agreement by its method of recovering postal funds. It was determined that the grievant was financially responsible for a shortage in her accountability. Local management deducted the debt from the grievant's paycheck without consent.

The Union contended that management has no authority to withhold and return the entire check without consent. The Union also contended that if the grievant is refused their paycheck by local management then management thereby violates Article 5, Article 19 (F-1, 455.2) and Postal Bulletin 21586 (Letter of Demand Collection and Appeal Procedures - attached). The Union contended that the information submitted by the postmaster to the Postal Data Center was fictitious and the grievant did not decline to pay the debt.

Management maintained that Letters of Demand are due when presented to the employee and the grievant did not follow through with paying funds due the Postal Service. Management also maintained that they can confiscate a check and provide the employee with a money order for the balance.