

POSTAL REGULATORY COMMISSION

OFFICE OF INSPECTOR GENERAL



FINAL INSPECTION REPORT

ALTERNATE WORK SCHEDULE AND TELEWORK POLICIES

**Report 09-2-A01
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Introduction

Background

This report presents the results of a self-initiated review by the Postal Regulatory Commission (PRC) Office of Inspector General (OIG) of the PRC alternate work schedule (AWS) and telework policies.

The PRC is an independent agency that has regulatory oversight over the Postal Service since its creation by the Postal Reorganization Act of 1970. The PRC consists of approximately 70 employees including five commissioners and various professional and administrative staff. The Commission is organized into four operating offices below and an independent office for its Inspector General:

- Accountability and Compliance
- General Counsel
- Public Affairs and Government Relations
- Secretary and Administration

The PRC AWS policy, dated October 25, 2008, covers only PRC full time regular employees. According to the policy, the Commissioners' confidential assistants, executive assistants, and special assistants are not eligible to participate in the AWS Program. In addition, office heads and assistant office heads are not eligible to participate in this program. The program permits employees to work eight nine-hour days and one eight-hour day in a pay period; as a result, the employee will earn a day off that period. The previous AWS policy, dated October 10, 2000, permitted Fair Labor Standards Act (FLSA) exempt employees¹ to work eight nine-hour days in each calendar month and take a one eight-hour day or two four-hour segments in the following month. FLSA non-exempt employees² who are subject to overtime pay could work four nine-hour days, five eight-hour days and one four-hour day each pay period and have an extra four hours off in that pay period.

The AWS program provides individuals with the flexibility to schedule their work time to accommodate their needs as long as it does not materially disrupt the operations of the PRC. The program also is intended to enable managers and supervisors to meet their office goals while allowing employees to be more flexible in scheduling their personal activities.

The telework policy, dated December 14, 2007, implements Section 359 of Public Law 106-346, which requires each Executive Branch agency to establish a policy under which eligible employees of the agency may participate in a telework program. The telework program covers all employees except FLSA non-exempt employees and employees with a permanent work

¹ FLSA exempt employees are not covered by the act and are not eligible for overtime. Their salary is calculated on a weekly basis.

² FLSA non-exempt employees are covered by the provisions of the Fair Labor Standards Act and are eligible for overtime. Their salary is calculated on an hourly basis.

schedule of less than 40 hours per week. The telework program provides an opportunity for employees to balance work and family demands. It is an individualized structured program with a formal written agreement between employee and supervisor. Both AWS and telework are strictly voluntary.

Objective, Scope and Methodology

The objective of our review was to evaluate the reasonableness of the PRC AWS and telework policies compared to other agencies. To accomplish our objective, we reviewed these policies and compared them to the U.S. Postal Service OIG and U.S. Postal Service policies, and with general Office of Personnel Management guidelines.

We conducted this review between July and September 2009 in accordance with the President's Council on Integrity and Efficiency's *Quality Standards for Inspections*. We believe that the documentation obtained provides a reasonable basis for our conclusion based on our objective.

We discussed our observations and conclusions with the Office of the Secretary and Administration of the PRC on September 23, 2009.

Results

We found PRC's AWS and telework policies to be generally comparable to the other agencies benchmarked. However, we identified areas for improvement to ensure the policies are clear and provide flexible work options for employees. We are offering suggestions for PRC management to consider in evaluating current AWS and telework policies.

Alternate Work Schedule (AWS)

Generally, we found the current PRC AWS policy, dated October 25, 2008, to be comparable to the other agencies benchmarked. However, the PRC could consider changing its AWS program by offering more work schedule options and consolidating its two existing policies, as well as by allowing employees to take personal absences and to work from remote locations during their extended work hours.

WORK SCHEDULE OPTIONS

The PRC offers exempt and non-exempt employees one work schedule. Employees can only work eight 9-hour days and one 8-hour day in a pay period. The eight-hour day or the day off can be scheduled in either week.

Within the Postal Service OIG, exempt and non-exempt employees are given a choice of several work schedule options. Exempt employees can select one of the following;

- (1) One week of four 10-hour days and one week of five 8-hour days;
- (2) Two weeks of four 10-hour days; or
- (3) Eight 9-hour days and one 8-hour day in a pay period.

Non-exempt employees have the same options except for the eight 9-hour days and one 8-hour day in a pay period schedule. OIG Directors, who are equivalent to the PRC office and assistant office heads, and IG executive service (IGES), are given two work schedule options: (1) One week of four 10-hour days and one week of five 8-hour days; and (2) Eight 9-hour days and one 8-hour day in a pay period.

The Postal Service does not allow its non-exempt employee to participate in its AWS program. However, all exempt employees have two options; (1) One week of five 8-hour days and one week of four 10-hour days or (2) One week of four 9-hour days and one 8-hour day and one week of four 9-hour days. All AWS schedules are subject to management approval and are subject to organizational needs.

The Office of Personnel Management handbook on AWS encourages and supports the program. Specifically it states that “an agency may establish any number of AWS programs, however no specific work schedule is suggested”. Various AWS options provide employees with flexibilities in managing their work.

OFFICE AND ASSISTANT OFFICE HEADS PARTICIPATION

The current policy states that office heads and assistant office heads are not eligible to participate in this program at this time. Office and assistant office heads participate in AWS according to the previous AWS policy, dated October 10, 2000. In order to ensure transparency in the AWS program, the PRC could revise current policy to allow office and assistant office heads to participate in the program.

PERSONAL LEAVE ABSENCES

The PRC does not allow exempt employees to use personal absence time during their nine-hour work day while working AWS. Both Postal Service and Postal Service OIG allow employees to use personal leave during their scheduled work day. The personal leave is limited to no more than half of an employee’s work day.

NO TELEWORK ON EXTENDED WORK DAY

In addition, PRC’s policy does not allow employees working AWS who have a telework agreement in place to work extended hour days at a remote location. Postal Service OIG policy allows its employees to work a nine-hour or ten-hour day while working from home or a remote location. Postal Service employees cannot concurrently participate in AWS and Telework.

We suggest that PRC management consider:

1. Allowing employees to select more than one AWS work schedule option.
2. Revising the AWS policy to allow office and assistant office heads to participate.
3. Allowing employees who participate in the AWS program to use personal leave on extended hour days.
4. Allowing employees who participate in the AWS program and have a Telework agreement to work from remote location on their extended hour days.

Telework

Generally, we found the current PRC telework policy, dated December 14, 2007, to be comparable to the other agencies benchmarked. However, we noted that the policy did not allow FLSA exempt employees to take time off under the personal absence program while teleworking. Postal Service OIG and Postal Service policies allow FLSA exempt employees to use personal leave regardless of their work location. Specifically, Postal Service OIG policy states that employees may request up to 12 hours (maximum of three or four hour increments per day) per every two pay periods. All personal leave requests are subject to management approval and oversight.

We suggest PRC management consider:

5. Allowing FLSA exempt employees to use personal absence time when participating in the telework program.

During our meeting with the Office of Secretary and Administration on September 23, 2009, management agreed to consider the above-mentioned five suggestions when the AWS and telework policies are updated.