



UNITED STATES OFFICE OF PERSONNEL MANAGEMENT
Washington, DC 20415

The Director

Tuesday, June 3, 1997
CPM 97-04

MEMORANDUM FOR: Other Stakeholders

FROM: Donald J. Winstead, Assistant Director for Compensation Policy

Subject: Retention of Personnel and Payroll Records of Employees Receiving
Nonforeign Area Cost-of-Living Allowances (COLA)

Employees who receive nonforeign area cost-of-living allowances (COLA's) in Puerto Rico and the U.S. Virgin Islands recently filed lawsuits (*Ana Angelet, et al. v. United States, et al.*, and *Roberto Caraballo, et al. v. United States, et al.*) concerning these allowances. The Department of Justice anticipates that similar lawsuits will be filed in the near future in Hawaii, Guam, and perhaps Alaska. The suits cover COLA's paid in these areas from March 14, 1991, through the resolution of these cases, which may not occur until 1999 or later.

The Department of Justice requests that all Federal agencies paying nonforeign area COLA's preserve the personnel and payroll records of current and former employees who received a COLA at any time on or after March 14, 1991, and continue to preserve such records prospectively for current and future employees paid COLA's. These records should be preserved because they are documents relevant to the class members' claims. If or when this information is required, the Office of Personnel Management (OPM) will notify you at that time concerning how and where to provide it. When the information is no longer required, OPM will notify you accordingly.

If you have any questions concerning this request, please contact OPM's Salary Systems Division at (202) 606-2838, FAX: (202) 606-4264, or email at cola@opm.gov.