

UNITED STATES OFFICE OF PERSONNEL MANAGEMENT Washington, DC 20415

Friday, May 1, 1998 CPM 98-02

MEMORANDUM FOR: Human Resources Directors

FROM: Henry Romero Associate Director

Subject: Survey of Federal Employees on Issues Relating to Nonforeign Area Cost-

of-Living Allowances

This is to inform you of a survey of 13,000 Federal white-collar employees that will be conducted by a research firm early this summer. The survey will cover a random sample of 9,000 employees in the nonforeign area cost-of-living allowance (COLA) areas (i.e., Alaska, Hawaii, Guam, the Commonwealth of the Northern Mariana Islands, Puerto Rico, and the U.S. Virgin Islands). It will also cover 4,000 employees in the Washington, DC, area because the District of Columbia is, by law, the reference or base area for computing the allowance. The purpose of the survey is to collect information that will be used to evaluate and improve the procedures used to set nonforeign area COLAs. A copy of the draft survey is attached.

The survey will be conducted by Joel Popkin and Company for a working group composed of employee representatives from the COLA areas and representatives from the Office of Personnel Management (OPM). The COLA area representatives are officers or members of the various COLA Defense Committees that were established for the purpose of representing class members in *Alaniz v. Office of Personnel Management*, No. A81-072 (D. Alaska), and *Karamatsu v. United States*, No. 224-85C (Fed. Cl.). In 1996, the Government signed a memorandum of understanding (MOU) with the plaintiffs in these suits, and the MOU provides for use of undistributed judgment funds to pay for research relating to issues in the COLA program. The employee survey is part of this research effort.

Because this survey is being conducted under the MOU, Federal agencies will be asked to assist in the distribution of the survey. OPM will work with the agencies on this. Agencies will also be asked to grant employees time at work to complete the survey, which is estimated to take about 20 minutes. Please be advised that Federal unions with national consultation rights are being informed of this survey.

If you have any questions about the survey, please contact OPM's Salary and Wage Systems Division at (202) 606-2838, fax (202) 606-4264, or email *cola@opm.gov*.

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- To Compensation Administration Home Page

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