SPECIAL PROVISIONS FOR THE END OF THE 2017 LEAVE YEAR

I. PURPOSE

This notice informs employees of the annual leave credit for pay period 25, which includes the special leave credit for full-time employees in the 6-hour leave category. It also provides the order of precedence when using compensatory time, religious compensatory time, and travel compensatory time.

II. BACKGROUND

A leave year begins on the first day of the first full biweekly pay period in a calendar year. It ends the day immediately before the first day of the first full biweekly pay period in the following calendar year. Therefore, the 2017 leave year ends in pay period 26 on Saturday, January 6, 2018, and the 2018 leave year begins in pay period 1, on Sunday, January 7, 2018.

III. ANNUAL LEAVE CREDIT

A. In accordance with 5 U.S.C. 6303, most full-time employees who earn 6 hours of annual leave per pay period will also accrue a special credit of 4 extra hours during pay period 25 (December 10 through 23, 2017), for a total of 10 hours of annual leave for this pay period only. The regular 6-hour leave accruals resume in pay period 26.

B. The special leave credit does not apply to:

1. Full-time employee earning either 4 or 8 hours of annual leave per pay period. They earn the regular 4 or 8 hours of annual leave for pay period 25;

2. Full-time employees changing from the 6-hour to the 8-hour leave category in pay period 25;

3. Full-time employees in a nonpay status (e.g., leave without pay) for the entire leave year; or

4. Part-time employees in a 6-hour annual leave category. They earn the amount of leave that their biweekly tour of duty permits and will not accrue the special credit of 4 extra hours during pay period 25.
C. Leave credit is not earned by full-time employees in a 6-hour leave category who reach 80 hours (or a multiple of 80 hours) of nonpay status in pay period 25. They will not earn any annual or sick leave that pay period.

IV. COMPENSATORY TIME OFF

A. Employees receive pay either monetarily or with compensatory time off for irregular or occasional overtime work. For more information on compensation for overtime work, see FSIS Directive 4550.4, Premium Pay under Title 5; FSIS Directive 4551.1, Provisions of the Fair Labor Standards Act (FLSA); or Title 5 U.S.C., Section 5543. For information on compensatory time earned or advanced for religious observances, see paragraph V, below.

B. Employees are to record compensatory time off for overtime work performed during the pay period on the time and attendance (T&A) report as transaction code (TC) 32, compensatory leave earned. Employees are to record compensatory leave used on the T&A as TC 64, compensatory leave used.

C. As a general rule, USDA employees are to use compensatory time before using annual leave. If the use of earned compensatory time off that is about to expire results in the forfeiture of excess annual leave, the forfeited leave cannot be restored. Employees may request to use annual leave before using compensatory time if they would otherwise forfeit annual leave.

D. Employees are to regularly monitor any compensatory time balances that they have, maintain awareness of the date upon which the comp time will expire, and schedule use of the time in advance of expiration. Supervisors are also accountable for monitoring their employees’ compensatory time balances and ensuring that the time is taken prior to expiration.

E. Employees will have 26 pay periods (approximately 1 year) after the pay period in which it was earned to use their compensatory time.

F. Employees receive pay for unused compensatory time off at the overtime pay rate in effect at the time it was earned.

G. If the time limitation is reached for using compensatory time off, the Financial Services Center (FSC) pays the employee at the hourly overtime rate in effect at the time it was earned and adjusts the compensatory leave balance. For employees separating from Federal service, FSC will:

1. Complete AD-581, Lump-Sum Annual Leave and Compensatory Time Payments and AD-717, Audit for Leave; and

2. Submit the forms AD-581 and AD-717 to Human Resources Operations Division (HROD):

   USDA FSIS HROD
   BUTLER SQUARE WEST
   SUITE 420C 100 NORTH
   SIXTH STREET
   MINNEAPOLIS, MN 55403-1564

H. Supervisors are to notify employees of the provisions in this notice and encourage employees to use compensatory time off as soon as possible after earning it.
I. Supervisors are to ensure that employees use compensatory time off before granting annual leave, unless the employees have a “use or lose” annual leave balance.

J. With few exceptions, an FLSA-exempt employee’s (see paragraph IV A) gross pay, including the dollar value of compensatory time off earned, cannot exceed the biweekly rate of pay of the maximum rate of GS-15, step 10 or Executive Level V, whichever is higher in the locality pay area of the employee’s official duty station. Inplant inspection program personnel (e.g., veterinary medical officers, consumer safety inspectors, and food inspectors), and Wage Grade (e.g., Lab Support Workers) are not subject to limitations on premium pay.

K. The payroll system automatically caps gross pay for employees entitled to premium pay for overtime. Although WebTA will accept overtime and compensatory time off hours for employees who have exceeded the pay cap, the NFC payroll system will not accept the excess hours, nor pay the employee for the excess hours. The system will generate a leave error report.

L. If payment for compensatory time causes the employee’s earnings to exceed the biweekly salary limitation, the compensatory time hours are forfeited, unless a waiver is granted by the United States Department of Agriculture’s Office of Human Resources Management.

M. In any pay period in which the Agency determines that an employee is needed to perform work that is critical to the Agency’s mission or an emergency situation is declared, the biweekly pay limitation may be waived by the Department, and the employee may be paid under the rules for the annual pay limitation. Contact the Employment, Classification & Compensation Branch for further instructions to request a waiver.

V. COMPENSATORY TIME FOR RELIGIOUS OBSERVANCES

A. Religious compensatory time is an authorized adjustment in employees’ work schedules to permit employees to fulfill religious obligations such as prayer and worship. The adjustment allows employees, with supervisory approval, to work extra time outside of the normal tour of duty. Employees may work the extra time either before or after the period of religious observance to offset the period of absence. The provisions in this section apply to all employees, including those in Senior Executive Service (SES) and Senior Level positions.

B. Modifications in work scheduling cannot interfere with the efficient accomplishment of work or create an undue burden on other employees in the work unit. Employees whose personal religious beliefs require absence from work may need to adjust work schedules to meet religious requirements. Supervisors may grant employees who elect to make such adjustments to the work schedule an equal amount of religious compensatory time off from the scheduled tour of duty for such religious purposes. Employees may work compensatory time to offset the absence for religious obligations either before or after the leave is granted. The hours worked in lieu of the normal work schedule do not create any entitlement to premium pay, including overtime pay or differentials.

C. Employees are to schedule religious compensatory time and receive supervisory approval. For planning purposes, the supervisor and employee are to discuss how much time off from work the employees need for religious observances for each 6 to 12 month period. Employees can only accrue an amount of religious compensatory time that is needed for religious obligations. Supervisors are to avoid allowing excess balances being carried forward from year to year indefinitely.

D. Employees are to record hours worked to offset hours for religious observances on the T&A using TC 77/32, compensatory time worked - religious. Employees are to also record the hours in the “Remarks” section of the T&A as follows: “[number of hours] of religious compensatory time worked for religious observance.”
time worked on [date] for use at a later date.”

E. Employees are to record hours advanced for religious observances in the “Remarks” section of the T&A. Employees are to enter the following note: “[number of hours] advanced for religious observance on [date] will be offset by [working an extra hour on Mondays and Wednesdays from 4:30p.m. to 5:30p.m. until the balance is liquidated].”

F. Employees are to record hours used (including advanced hours used) as TC 60, religious compensatory time used, on the T&A. Using TC-60 will create a negative balance that is eliminated when the employee works the extra hours i.e., TC 77/32.

G. Employees are to work the appropriate amount of time to repay advanced religious compensatory leave by the end of the current leave year or early in the next leave year.

H. When employees transfer to another USDA Agency or depart USDA, the employees are paid for the religious compensatory time balance at the rate of basic pay in effect when the extra hours of work were performed. The FSC:

1. Completes Forms AD-343, Payroll Action Request, and AD-717; and
2. Submits the forms for payment to HROD at the address listed in paragraph IV. F. 2. b.

I. The supervisor is to ensure that the amount of religious compensatory time advanced to the employee is repaid by the employee working the time or offsetting it using other leave balances by the end of the current leave year or early in the next leave year, and that employees do not accumulate a greater amount of religious compensatory time than they can use within the timeframe appropriate to the employee’s need.

J. Compensatory time off for religious observances is not an increase in pay and involves only a substitution of hours worked rather than accrual of premium pay. Therefore, it is not subject to aggregate salary limitations imposed by statute. (See 5 CFR 550.1002.)

VI. COMPENSATORY TIME OFF FOR TRAVEL

A. Compensatory time for travel is time off earned by an employee for time spent in a travel status away from the employee’s official duty station only when such time is not otherwise compensable. For information on compensatory time off for travel, see FSIS Directive 4610.9, Travel Compensatory Time (TCT).

B. Employees are to use the earned time off by the end of the 26th pay period following the pay period in which it was earned. (Example: If an employee earned 4 hours of travel compensatory time on September 30, 2017, in pay period 19, the employee has until the end of pay period 19 of 2018 to use the leave.)

C. Employees are to regularly monitor any compensatory time balances that they have, maintain awareness of the date upon which the comp time will expire, and schedule use of the time in advance of expiration. If the use of earned compensatory time off that is about to expire results in the forfeiture of excess annual leave, the forfeited leave cannot be restored.

D. Employees forfeit compensatory time off for travel when it is not used within 26 pay periods after the pay period in which it was earned. Under normal circumstances, there are no provisions for restoration of compensatory time off for travel, except when the 26 pay period timeframe is recalculated upon employees’ return to duty, the employees leave their Federal position to
provide military service, or the employees are in a nonpay status in connection with a worker’s compensation injury. In these situations, upon return to duty, employees are entitled to up to an additional 26 pay periods from the pay period they return to duty to use the compensatory time off for travel. The hours are then subject to normal forfeiture rules.

E. If employees do not use travel compensatory time by the end of the 26th pay period following the pay period in which it was earned because of work circumstances beyond the employee’s control, the supervisor may extend the forfeiture date up to 26 pay periods in accordance with FSIS Directive 4610.9.

F. Employees forfeit compensatory time off for travel when the employee voluntarily transfers to another agency outside of USDA, moves to a non-covered position (e.g., Senior Executive Service), or separates from the Government, including by retirement.

G. Title 5 U.S.C. prohibits paying employees for unused compensatory time off for travel. Unused hours cannot be converted to monetary compensation and are forfeited if not used within the prescribed time limit.

VII. QUESTIONS

Refer questions on the provisions in this notice to the Employment, Classification & Compensation Branch.

[Signature]

Assistant Administrator
Office of Policy and Program Development