



Title: I, Payroll/Personnel Manual
Chapter: 7, Time and Attendance Procedures, Section 1, Time and Attendance Instructions
Bulletin: TNAINST 07-1, Office of Personnel Management (OPM) Changes
Date: May 29, 2007
To: Holders of the Payroll/Personnel Manual
Agency Personnel Offices
Personnel Officers
Personnel Users Groups
T&A Contact Points

Based upon final rules issued by OPM, several changes are being made to the National Finance Center (NFC) Payroll/Personnel System. The changes being made are listed below and are effective in Pay Period 10.

Time Limits For Using Earned Compensatory Time Off

In an effort to consolidate policies government wide, time limits for using earned compensatory time off in lieu of overtime pay will be standardized for both employees covered by the Fair Labor Standards Act (FLSA) under Title 5 and employees not covered by FLSA.

Compensatory Time Earned In Pay Period 10 or Later

- Compensatory time earned in Pay Period 10 of 2007 or later will expire 26 pay periods after the pay period in which it was earned (i.e., if earned in Pay Period 10 of the current year, the leave will expire at the end of Pay Period 10 of the following year. In the event that there are 27 pay periods in a leave year, the leave will expire at the end of Pay Period 9).
- FLSA covered employees will continue to be paid for any compensatory time that expires.
- Agencies will continue to retain the discretion to pay/forfeit expired compensatory time for non-FLSA covered employees in accordance with agency policy.
- When paid via a lump sum payout, compensatory time will be paid at the rate at which it was earned.

Compensatory Time Earned Prior to Pay Period 10 (Grandfather Clause)

- Any employee with compensatory time earned prior to Pay Period 10 of 2007 will have 3 years (grandfather period) to use that compensatory time.

Note: However, if there is an agency negotiated union agreement that differs from the OPM regulation, the union agreement will remain in effect until expiration, even if it allows more than 3 years for using compensatory time. At the time of expiration, the OPM regulations will then become effective.

- At the end of the grandfather period, any grandfathered compensatory time will continue to be paid for FLSA covered employees.
- At the end of the grandfather period, any grandfathered compensatory time for non-FLSA covered employees will continue to be paid/forfeited in accordance with that agency's policy.
- When paid via a lump sum payout, compensatory time will continue to be paid at the rate at which it was earned.

It is important to note that any compensatory time being used in Pay Period 10 or later will be subtracted from the oldest balance recorded on the database. Due to the reduction in the amount of time in which compensatory time must be used, careful monitoring by the agency of both old and new balances is extremely important to avoid the forfeiture of compensatory time.

In Pay Period 1 of 2008, any compensatory time that is earned in Pay Periods 1 through 9 of 2007, will be placed in the *Prior Yr Balance* field in the Information/Research Inquiry System (IRIS) Program IR139 and will expire 3 years after the effective date. Compensatory time that is earned in Pay Periods 10 through 26 of 2007, will be placed in *Total Current Bal* field and will expire 26 pay periods after the effective date.

Note: Agencies that are exempt from following these new guidelines have provided this information to the NFC and NFC has taken the necessary measures for processing their compensatory time. These agencies should follow their own agency policies concerning this matter.

Compensatory Time For Travel/Holidays

Compensatory time off for travel may be earned by an employee only for time spent in a travel status away from the employee's official duty station when such time is not otherwise compensable. Therefore, Federal employees traveling on federal holidays as part of their jobs are not entitled to compensatory time off for travel.

Compensatory Time/Travel While Performing Uniformed Service

Employees performing uniformed service are now allowed to use earned compensatory time off for travel. This should be recorded on the employee's time and attendance report using TC 64, Prefix 78, Compensatory Travel. TC 64, Compensatory Leave, should not be used for this purpose. For entry instructions, see Title I, Chapter 7, Section 1, Time and Attendance Instructions (TNAINST).

The TNAINST procedure, which is available online at the NFC Web site, has been updated to include the information in this bulletin. The Latest Update Information section at the beginning of the procedure will provide a summary of the update. To view and/or print this procedure, go to the NFC Home Page (www.nfc.usda.gov) and click the **Pubs & Forms** icon. At the Pubs & Forms page left-hand menu, click *List by Title/Chapter* or *List by System Acronym* and search for TNAINST on the list provided.

Please refer questions about time and attendance to the Payroll/Personnel Call Center at 504-426-4630.



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