




UNITED STATES DEPARTMENT OF EDUCATION

OFFICE OF THE INSPECTOR GENERAL

NOV 25 2005

INSPECTION MEMORANDUM

To: Michell Clark
Acting Assistant Secretary for Management
and Chief Information Officer

From: Cathy H. Lewis 
Assistant Inspector General
Evaluation, Inspection, and Management Services

Subject: Review of the Department's Voluntary Leave Transfer Program
(ED/OIG I13F0003)

This memorandum provides the results of our inspection of the Department of Education's (Department's) Voluntary Leave Transfer Program. Our inspection objective was to determine whether the Voluntary Leave Transfer Program was being conducted in compliance with the Department's Personnel Manual Instruction (PMI) 630-10, *Voluntary Leave Transfer Program – Administrative Procedures*.

The Federal Employees Leave Sharing Act of 1988¹ and resulting Office of Personnel Management (OPM) regulations² directed federal agencies to establish a program under which one employee's accrued annual leave could be transferred to another employee in the event of a medical emergency.³ The Department's program is operated under the auspices of the Work/Life Programs Group (WLPG) in the Office of Management (OM). In 2004, 3,727 hours of annual leave were donated through the program. The participation rates of principal offices and regions correspond closely in proportion to their number of employees (see Appendix A and B).

Inspection Objective: Determine whether the Voluntary Leave Transfer Program is being implemented in compliance with the Department's Personnel Manual Instruction (PMI) 630-10.

In reviewing the Department's implementation of the Voluntary Leave Transfer Program, we found that OM is conducting the program consistent with the requirements of the PMI except in two areas: (1) OM

¹ P.L. 100-566, 5 U.S.C. § 6332

² 5 C.F.R. § 630.903, *et seq.*

³ Under the PMI, a "medical emergency" is defined as any medical condition of an employee or a family member "that is likely to require an employee's absence from duty for a prolonged period of time and to result in a substantial loss of income to the employee because of the unavailability of paid leave." PMI 630-10, Section IV D.

does not require the Department of the Interior (DOI), Bureau of Reclamation, Payroll Operations Division to send notification of the initial amount of available donated leave, as required by the PMI, and (2) there is a minor deviation in the Leave Donation Form that OM uses from the form included in the PMI.

Guidance for the leave transfer program is provided in PMI 630-10.⁴ The PMI establishes procedures for participation in the program, including eligibility requirements, how transferred annual leave may be used, how to apply to become a leave recipient, the Department's approval process for participation in the program, how to solicit leave donations, how to make a donation, how the time period covered by the medical emergency will be determined, the process for restoring unused transferred annual leave, and the roles and responsibilities of the Work/Life Programs Group.

Generally, to enroll, prospective leave recipients complete an application that is available on the Department's connectED intranet site. With the agreement of the applicant's supervisor, the application and appropriate medical documentation are sent to WLPG for approval. Once approved, WLPG sends confirmation to the applicant, his or her supervisor, executive office, and timekeeper, along with a copy of PMI 630-10. The timekeeper is also provided with instructions on how to code leave on a recipient's timecard. The executive office then creates a solicitation for leave donations that is included in the ED Notebook and connectED. Leave donations are anonymous and are submitted to WLPG. Both Department employees and employees in other agencies can donate leave. Approved recipients can use transferred leave on a current basis, can retroactively substitute it for leave without pay, or can use it to liquidate advanced annual or sick leave.⁵ Once WLPG receives the leave donation forms, the program coordinator enters the information into the SF-52 system, which tracks payroll and leave availability. The payroll office at DOI's Bureau of Reclamation applies this available donated leave to a recipient's account based on timecard information provided by the timekeeper. WLPG monitors the status of the medical emergency through the leave recipient's immediate supervisor.⁶ When the immediate supervisor determines that the medical emergency has ended, DOI restores the remaining transferred annual leave to the accounts of the leave donors. The number of hours restored is determined on a pro-rated basis among all employees donating to a particular recipient.

Based upon interviews with OM staff, leave recipients, and executive office personnel responsible for administering the program, along with a review of PMI 630-10 and documentation received from WLPG, we determined that OM is operating the program in a manner that is consistent with the requirements of the PMI, with the two exceptions discussed below.

Recipient Notification

Attachment C to the PMI includes a copy of a form entitled "Shared Leave Recipient Notification Memorandum." The PMI states that this memorandum is to be sent by the DOI, Bureau of Reclamation, Payroll Operations Division, which provides payroll services to the Department. "Upon receipt of donated leave, the Department of the Interior (DOI), Bureau of Reclamation will transmit a notification letter," the Shared Leave Recipient Notification, to the "timekeeper, the employee, and the Agency

⁴ Issued 10/2/89 and amended 9/2/94, 2/12/99, and 7/12/00.

⁵ PMI 630-10, Section VI.

⁶ PMI 630-10, Section XII.

Program Coordinator (WLPG) of the initial donated amount available.”⁷ At the time of our inspection, this memorandum was not being sent by DOI. A supervisor at the DOI payroll office indicated that DOI enters leave information that it receives from the Department into the SF-52 system, but it does not send the referenced notification form.

The WLPG program coordinator acknowledged that DOI was not sending the Shared Leave Recipient Notification. According to the program coordinator, when the PMI was written in 1989, the Department did not have an automated system for tracking leave. Since that has been in place, the Department has not asked DOI to send the form because the program coordinator now has access to DOI’s SF-52 system.⁸ With access to this system, the program coordinator can view the leave amounts available for any recipient within the Department.

The DOI notification form was intended to share donated leave information with the timekeeper and the employee, as well as the agency program coordinator. An accurate accounting for the leave initially credited to the employee is important, and without notification or access to the SF-52 system, leave recipients and timekeepers may have difficulty in tracking available leave. While WLPG has suggested that leave recipients can call the program coordinator or rely upon their Earnings and Leave statement, leave recipients in eight out of 14 principal offices, expressed confusion in tracking the amount of leave credited to their accounts.⁹

OM needs to identify in the PMI its method for notifying recipients and timekeepers of their available leave balance. OM may also want to consider providing leave balance notification to the recipient’s immediate supervisor.

Leave Donation Form

The Leave Donation Form provided on the program’s connectED site is slightly inconsistent with the form provided in Attachment B of the PMI. The form on the website was revised to make the donation process clearer for prospective donors; however, OM has not modified the PMI to reflect this change.

Recommendations

1. Section 630-10 of the PMI should be modified to reflect how OM will provide information on the available leave balance to recipients and their timekeepers.
2. The PMI should be modified to include the updated Leave Donation Form.

Other Matters

Based upon our inspection activities, we would also like to bring to the attention of OM the following observations:

⁷ PMI 630-10, Section VII A.4.

⁸ OM has amended the PMI three times since 1989 (in 1994, 1999, and 2000). This section was not modified as part those revisions.

⁹ We were unable to interview recipients in five principal offices.

- When asked how they were informed of their responsibilities under the leave transfer program, executive office personnel in 14 principal offices indicated that they primarily did their own research. Their research included consulting the PMI and accessing other information available on connectED. While WLPG staff indicated that the program is highlighted in a quarterly new supervisor orientation, OM may want to consider offering the training to all executive office personnel responsible for administering the program.
- In addition to confusion among leave recipients in the tracking of leave, executive office personnel in six out of 18 principal offices¹⁰ also expressed difficulty in accounting for leave. OM may want to consider providing informational materials to leave recipients, supervisors, and executive office personnel regarding the tracking of leave.
- During the interviews that we conducted with leave recipients and executive office personnel, an issue was raised about insufficient leave donations, particularly in smaller principal offices. Recipients who knew fewer people or were new to the Department indicated that they had greater difficulty in receiving donated leave. One possible means to address this problem would be to establish a leave bank. The Department of Justice currently uses a leave bank, in conjunction with a leave transfer program, to help provide additional leave options for employees in medical emergencies.

Scope and Methodology

This inspection was initially conducted between January and February 2005. Due to staffing changes, additional fieldwork was postponed until June and July 2005. To conduct our fieldwork, we interviewed executive office staff responsible for administering the program in each of the 19 principal offices in the Department. We also interviewed 17 voluntary leave recipients. We attempted to interview at least one recipient in each principal office; however, we were unable to contact individuals in five of the offices that had recipients on their staff.

Additionally, we interviewed staff in the Office of Management's Work/Life Programs Group, which is responsible for administering the program in the Department. We obtained a listing of 2003-04 leave recipients from the WLPG. In addition, we reviewed a sample of WLPG's recipient documentation.

We reviewed the Federal Employees Leave Sharing Act (5 U.S.C. § 6332), OPM regulations 5 C.F.R. § 630.903, and the Department's PMI 630-10.

This inspection was performed in accordance with the President's Council on Integrity and Efficiency (PCIE) Quality Standards for Inspectors (2005).

¹⁰ The Office of Management (OM) and the Office of the Chief Information Officer (OCIO) share the same executive office.

Department Response

We provided OM with a draft report. OM's comments and our responses are presented below. The complete OM response is included as an addendum to this report.

1. Section 630-10 of the PMI should be modified to reflect how OM will provide information on the available leave balance to recipients and their timekeepers.

OM Comments: Section 630-10 of the PMI will be updated to reflect the current procedures for providing information on the available leave balance to recipients and their timekeepers. A copy of the updated PMI will be placed in the inspection corrective action file as documentation supporting the completion of this corrective action.

OIG Response: No change has been made to the recommendation.

2. The PMI should be modified to include the updated Leave Donation Form.

OM Comments: The PMI will be updated to include the current Leave Donation Form. A copy of the updated PMI will be placed in the inspection corrective action file as documentation supporting the completion of this corrective action.

OIG Response: No change has been made to the recommendation.

Voluntary Leave Transfer Program Participation, 2003-04
Six out of the 100 recipients participated in the program twice.

Appendix A. Participation by Principal Office

Principal Office	Number of Participants	Pct. of Participants	Pct. of ED Staff*
OS	1	1%	2%
ODS/OUS	3	3%	3%
OCFO	5	5%	7%
OCIO	4	4%	25%
OCR	16	15%	15%
OESE	8	8%	4%
OELA	1	1%	1%
OGC	1	1%	2%
OII	1	1%	2%
OIG	6	6%	7%
IES	8	8%	4%
OIIA	6	6%	2%
OLCA	1	1%	0%
OM	7	7%	4%
OPE	4	4%	5%
OSDFS	1	1%	4%
OSERS	9	8%	1%
OVAE	1	1%	3%
FSA	23	22%	25%
Total	106		

* Percentage of Full Time Permanent (FTP) staff, December 2004

Appendix B. Participation by Region

Region	Number of Participants	Pct. of Participants	Pct. of ED Staff*
Headquarters	80	75%	72%
Region I	0	0%	2%
Region II	2	2%	2%
Region III	5	5%	2%
Region IV	3	3%	5%
Region V	5	5%	5%
Region VI	3	3%	3%
Region VII	3	3%	2%
Region VIII	0	0%	1%
Region IX	5	5%	4%
Region X	0	0%	1%
Total	106		

* Percentage of Full Time Permanent (FTP) staff, December 2004



UNITED STATES DEPARTMENT OF EDUCATION

OFFICE OF MANAGEMENT

November 17, 2005

TO: Cathy H. Lewis
Assistant Inspector General
Evaluation, Inspection, and Management Services

FROM: Michell Clark *Michell Clark*
Acting Assistant Secretary for Management and Chief Information Officer

SUBJECT: DRAFT INSPECTION REPORT: *Review of the Department's Voluntary Leave Transfer Program*, Control Number ED-OIG/A19F0003

Thank you for your draft inspection report, *Review of the Department's Voluntary Leave Transfer Program*, ED-OIG/I13F0003, dated October 10, 2005. The Office of the Chief Information Officer (OCIO) concurs with the two recommendations. The following is our proposed corrective action to address these recommendations.

Recommendation 1: Section 630-10 of the PMI should be modified to reflect how OM will provide information on the available leave balance to recipients and their timekeepers.

Proposed Corrective Action: Section 630-10 of the PMI will be updated to reflect the current procedures for providing information on the available leave balance to recipients and their timekeepers. A copy of the updated PMI will be placed in the inspection corrective action file as documentation supporting the completion of this corrective action.

Proposed Completion Date: 3/30/2006

Contact: LuJuan Darby

Recommendation 2: The PMI should be modified to include the updated Leave Donation Form.

Proposed Corrective Action: The PMI will be updated to include the current Leave Donation Form. A copy of the updated PMI will be placed in the inspection corrective action file as documentation supporting the completion of this corrective action.

Proposed Completion Date: 3/30/2006

Contact: LuJuan Darby

If you have questions, please contact Nina Aten of my staff on (202) 401-5846.