

SUBJECT: New Provision for Crediting Prior Service for Determining Annual Leave
Accrual Rate

NEW MATERIAL: This Notice provides interim policy guidance on a new provision for crediting prior service for annual leave accrual, in accordance with section 202(a) of the Federal Workforce Flexibility Act of 2004 (Public Law 108-411, October 30, 2004). This policy took effect on April 28, 2005, when the U.S. Office of Personnel Management (OPM) issued interim regulations in 5 CFR Part 630 on use of this new authority. This policy guidance may be modified when OPM issues final regulations.

EFFECTIVE DATE: 04/28/2005

POLICY

USAID/General Notice
M/HR/PPIM
06/30/2005

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This Notice provides interim policy guidance on a new provision for crediting prior service for annual leave accrual, in accordance with section 202(a) of the Federal Workforce Flexibility Act of 2004 (Public Law 108-411, October 30, 2004).

1. Effective Date

This policy took effect on April 28, 2005, when the U.S. Office of Personnel Management (OPM) issued interim regulations in 5 CFR Part 630 on use of this new authority. This policy guidance may be modified when OPM issues final regulations.

This provision applies only to employees who were appointed by the Agency on or after April 28, 2005, on initial appointment or reappointment following a break in service of at least 90 calendar days after their last period of Federal civilian service.

In accordance with the Federal Workforce Flexibility Act and OPM's interim regulations, this authority must not be retroactively applied to any employee who was appointed or reappointed to a position in the Agency prior to April 28, 2005.

2. Coverage

This new authority applies to employees, including Civil Service and Foreign Service employees, who are covered by the Federal annual and sick leave program established under chapter 63 of title 5, United States Code. This provision will also be extended to Administratively Determined (AD) employees.

Employees may receive service credit for the following:

- * prior work experience in a non-Federal appointment, or
- * a period of active duty in a uniformed service that otherwise would not be credited in determining their annual leave accrual rate, if the conditions for crediting prior service (see section no. 3) have been met.

Previously, an employee who is a retired member of a uniformed service under 5 USC 3501 could be granted credit only for periods of active duty served during a campaign or expedition for which a campaign badge was issued. Under this new authority, an employee who is a retired member of a uniformed service may be granted credit for any period of active military service, if the conditions for crediting prior service (see section no. 3) have been met.

3. Conditions for Crediting Prior Service

The Chiefs of the Personnel Operations Division (M/HR/POD) and Executive Management (M/HR/EM), or their designees, will make determinations, on a case-by-case basis, to grant service credit. An employee does not have an automatic entitlement to receive prior service credit. Determinations by M/HR to grant prior service credit are discretionary and are subject to an employee meeting the conditions specified below.

Prior to granting credit for work experience in a non-Federal position or a period of active military service that otherwise would not be credited, the Office of Human Resources (M/HR) determines that the employee meets both of the following conditions:

- a. The skills and experience that the employee possesses are essential to the new position and the employee acquired them through performance in a non-Federal position or experience in a uniformed service having duties that directly relate to the position to which the employee is being appointed; and
- b. This authority is necessary to achieve an important Agency mission or performance goal.

The amount of service credited to an employee must only be for the period of time the employee performed duties directly related to the position to which he/she is being appointed.

4. Required Documentation

M/HR staff will make prospective employees aware of this new authority before they enter on duty and ask them to provide supporting written documentation of their service in a non-Federal position or a period of active military service.

If, due to circumstances beyond the employee's control, it is not possible for an employee to provide this documentation prior to the effective date of his/her appointment, M/HR/POD or EM staff may accept the documentation when the employee enters on duty. However, M/HR must grant the service credit no later than the end of the biweekly pay period in which the employee was appointed.

In addition to a resume or an OF-612, Optional Application for Federal Employment, employees must provide supporting documentation that confirms their prior work experience and provides specific dates of employment or military service. Examples of documentation that M/HR may request include copies of earnings statements, contracts, agreements, or other written official confirmation of work experience from a previous employer. An employee must provide written documentation from the military services to receive credit for active duty honorable uniformed service.

5. Crediting Service in a Non-Federal Position or Active Military Service

The Chiefs, M/HR/POD and M/HR/EM, or their designees, approve the documentation for crediting service in a non-Federal position or a period of active military service. M/HR grants credit to employees on the effective date of their initial appointment or reappointment to a position in the Agency.

The responsible HR Specialist documents service in a non-Federal appointment or active duty on an SF-144-A, Statement of Prior Federal Service. M/HR grants credit in terms of years and months, and the exact number of years and months of credit being granted is recorded in Part I, Column B, of the SF-144-A.

M/HR must include the period of service being credited in Block 31 of the SF-50, Notification of Personnel Action, which effects the appointment of the employee with the Agency.

The Agency grants credit for service in a non-Federal position or a period of active military service only for the purpose of determining an employee's annual leave accrual rate. Prior non-Federal leave balances (e.g., annual leave, sick leave, home leave) do not transfer upon appointment.

6. One-Year Service Requirement to Retain Service Credit

Service credit granted to an employee for work experience in a non-Federal position or a period of active military service remains creditable for annual leave accrual purposes,

unless the employee fails to complete one full year of continuous service with the Agency.

Once the employee completes one full year of continuous service with the Agency, the period of service for which the employee was granted service credit is permanently credited for annual leave accrual purposes for the duration of the employee's career.

An employee must not receive dual credit for the same period of service. Once an employee is permanently credited with service in a non-Federal position or a period of active military service (upon completion of one full continuous year with the Agency), that period of service may not be considered for further credit if the employee has a future break in service.

7. Separation before Completing One Year of Service

If an employee separates from the Agency or transfers to another Federal agency prior to completing one full year of continuous service with the Agency, the employee is not entitled to retain credit for the service in a non-Federal position or active military service.

Prior to the transfer or separation of the employee, M/HR/POD or EM staff will establish a new service computation date for leave, subtracting the credit that was provided for service in a non-Federal position or active military service.

Any annual leave earned by an employee remains to his/her credit, even if the employee fails to complete one full year of continuous service with the Agency. The Agency must transfer the annual leave balance to the new employing agency, or provide a lump-sum payment for unused annual leave if the employee is separating from Federal service or moving to a new position to which annual leave cannot be transferred.

If an employee loses service credit for service in a non-Federal position or a period of active military service because he/she fails to complete one continuous year of service with the Agency, an agency may elect to provide credit for that same period of time to the employee in the future, if and when the employee is reappointed to a Federal position. An agency may provide credit for the same period of service in a non-Federal position or active military service if the employee has had a break in service of at least 90 calendar days and meets all the requirements for receiving credit for such service.

8. 30-Calendar Day Window to Request Prior Service Credit

The Agency's initial implementation and phase-in of this new provision applies only to employees who were newly hired or reappointed by the Agency on or after April 28, 2005 (see section no. 1). These employees will have 30 calendar days from date of issuance of this Notice to submit documentation to M/HR/POD or EM staff to request that credit be granted for their prior service in a non-Federal position or a period of

active military service that could not be credited before the implementation of this new authority.

M/HR will base its decision to grant prior service credit on the employee providing acceptable supporting documentation within the required timeframe and the employee meeting the conditions for crediting prior service (see section no. 3).

After this initial implementation period, the Agency will expect prospective employees to submit their documentation to M/HR staff for crediting of prior service before their entry on duty.

This Notice will be posted on the Leave Administration webpage of the Office of Human Resources website located at: <http://inside.usaid.gov/M/HR/pers2.htm>. The Notice will also be available on the ADS Series 400 Interim Updates page (<http://www.usaid.gov/policy/ads/400/>).

This policy guidance will be incorporated in ADS 480, Leave, at a later date.

Employees who have specific questions about crediting their prior service should contact their servicing HR Specialist for additional information.

POINT OF CONTACT: Questions regarding this notice may be directed to Joann Jones, M/HR/PPIM, (202) 712-5048.

Notice 06109

File Name	Notice Date	Effective Date	Editorial Revision Date	ADS CD No.	Remarks
Iu4_0509_070505_cd40	06/30/2005	04/28/2005		CD 40	This IU will be cancelled once the policy in it is incorporated into ADS 480.

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