

For: FFAS Employees

**Guidance for Using Compensatory Time Before Annual Leave (AL)**

Approved by: Associate Administrator for Operations and Management



**1 Overview**

**A Background**

Compensatory time off is time off with pay in lieu of overtime pay for occasional overtime work, or when it is permitted under a flexible work schedule. For Fair Labor Standards Act nonexempt employees, compensatory time off may be approved (not required) in lieu of regularly scheduled overtime pay. When an employee fails to use accrued compensatory time off within 26 pay periods, the employee must be paid for the earned compensatory time off at the overtime rate in effect when the compensatory time was earned. (See 5 CFR 550.114(d)(f) and 5 CFR 551.531(d)(f)).

Because of employees not using compensatory time that has been earned within 26 pay periods, FSA has experienced an increase in the amount of compensatory time that had to be paid to employees. When the use of compensatory time off is not managed properly, this has a major impact on FSA's budget execution.

**B Purpose**

This notice reminds and/or informs employees and supervisors about the following compensatory leave requirements:

- compensatory time must be used before AL or credit time, except when the usage causes forfeiture of AL
- compensatory time expires 26 pay periods from the pay period in which it was earned
- supervisors shall monitor their employees' compensatory time to ensure its use complies with policy guidance
- supervisors **must** require employees to use their compensatory time before their AL, unless doing so would cause the employee to forfeit AL
- supervisors shall not approve AL when compensatory time exists, unless doing so would cause the employee to forfeit AL.

<b>Disposal Date</b>	<b>Distribution</b>
August 1, 2014	All FAS, FSA, and RMA employees; State Offices relay to County Offices

## Notice PM-2890

### 1 Overview (Continued)

#### C Labor Management Obligations

This notice covers both bargaining and nonbargaining unit employees. Where exclusive representation exists, bargaining may be requested to the extent allowed by applicable statutes. Where contract language already addresses these policies and procedures for bargaining unit employees, contract language prevails.

### 2 Using Compensatory Leave Before AL

#### A Agency Policy

According to 17-PM, compensatory time may be used for any reason, but **must** be used before AL.

**Exception:** If using compensatory leave will result in the forfeiture of AL at the end of the current leave year, the employee may use AL before compensatory leave. If the restored AL is scheduled for forfeiture at the end of LY 2013, the employee should request this AL before November 30, 2013, and use this AL before January 12, 2014.

#### B Using Compensatory Leave With Credit Hours

Employees with both compensatory leave and credit hours **must** use the compensatory leave **first**.

#### C Approving Compensatory Leave

Supervisors are responsible for approving leave requests and shall **require** their employees to use compensatory leave before AL or credit hours for leave requests.

Supervisors shall not approve AL when compensatory time exists unless doing so will result in a forfeiture of AL at the end of the leave year. Employees have 1 year or 26 pay periods to use compensatory leave from the time the leave is earned, which could mean using compensatory time in the next leave year.

Supervisors are responsible for monitoring compensatory time, and supervisors shall ensure that compensatory leave is used according to 17-PM and this notice to minimize compensatory time payouts to employees.

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**2 Using Compensatory Leave Before AL (Continued)**

**D Contact**

For questions about this notice contact the following.

<b>Location and/or Office</b>	<b>SPO Contact</b>
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HRD APFO MSD, Kansas City FMD, Kansas City HRD, Kansas City BUD, Kansas City RMA, Kansas City	HRD, ATTN: Patty Gepford by: <ul style="list-style-type: none"> <li>• e-mail at <b>patricia.gepford@kcc.usda.gov</b></li> <li>• telephone at 816-926-6259</li> <li>• FAX at 816-926-6156.</li> </ul>
FAS, Washington DC, employees FSA, Washington DC, employees RMA, Washington DC, employees	HRD, ATTN: <ul style="list-style-type: none"> <li>• Linda Watkins by:               <ul style="list-style-type: none"> <li>• e-mail at <b>linda.watkins@wdc.usda.gov</b></li> <li>• telephone at 202-401-0688</li> <li>• FAX at 202-401-9140</li> </ul> </li> <li>• Kedra Watts by:               <ul style="list-style-type: none"> <li>• e-mail at <b>kedra.watts@wdc.usda.gov</b></li> <li>• telephone at 202-401-0678</li> <li>• FAX at 202-401-9140.</li> </ul> </li> </ul>