

## U.S. Office of Personnel Management

Recruiting, Retaining, and Honoring a World-Class Workforce to Serve the American People

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### Questions and Answers on Providing Credit for Determining an Employee's Annual Leave Accrual Rate

**Q1. Under what conditions may an employee receive credit for non-Federal service or active duty uniformed service for determining his or her annual leave accrual rate?**

A. Under 5 U.S.C. 6303(e), a newly appointed or reappointed employee may receive service credit for prior non-Federal service or active duty uniformed service that otherwise would not be creditable for the purpose of determining his or her annual leave accrual rate. The head of the agency or designee must determine that the skills and experience the employee possesses were acquired through performance in a non-Federal or active duty uniformed service position having duties which directly relate to the duties of the position to which he or she is being appointed and are necessary to achieve an important agency mission or performance goal.

**Q2. When may an agency provide extra credit for non-Federal service or active duty uniformed service for the purpose of determining an employee's annual leave accrual rate?**

A. An agency may provide credit toward an employee's annual leave accrual rate for non-Federal service or active duty uniformed service that otherwise would not be creditable if the individual has prior work experience directly related to the duties of the position to which he or she is being appointed and the prior experience is necessary to achieve an important agency mission or performance goal. This is a discretionary authority, not an employee entitlement.

**Q3. Who is covered by this provision?**

A. This provision applies only to a newly-appointed employee or an employee who is reappointed following a break in service of at least 90 calendar days from the date of his or her last period of Federal civilian employment.

**Q4. How much service credit may be granted for prior non-Federal or active duty uniformed service work experience?**

A. The amount of service credit that may be granted to an employee is determined at the sole and exclusive discretion of the head of the agency or designee. However, the amount of service credited to an employee may not exceed the actual amount of service during which he or she performed duties directly related to the position to which he or she is being appointed. This is a discretionary flexibility agencies can use to meet their strategic human capital needs—an employee has no entitlement to this credit.

**Q5. When must the determination to approve an employee's qualifying prior work experience be made?**

A. The head of an agency or designee must make the determination to approve an employee's qualifying prior work experience before the effective date of the employee's entry on duty—*the determination cannot be made retroactively.*

**Q6. What documentation is required from an employee to receive credit for prior non-Federal service or active duty uniformed service?**

A. Each agency is responsible for determining what constitutes acceptable written documentation of an employee's qualifying non-Federal service. An employee must submit such written documentation consistent with the agency's procedures. An employee must provide written documentation from the military services to receive credit for active duty honorable uniformed service. All written documentation must be approved by the head of the agency or designee prior to the effective date of the employee's entry on duty.

**Q7. When does the employee receive credit for non-Federal service or active duty uniformed service?**

A. Credit for non-Federal service or active duty uniformed service is granted to the employee upon the effective date of his or her initial appointment or reappointment to Federal service.

**Q8. How long does service credit granted to an employee remain creditable for annual leave accrual purposes?**

A. Credit granted to an employee for non-Federal service or active duty uniformed service remains to the credit of the employee unless he or she fails to complete 1 full year of continuous service with the appointing agency. If an employee separates from Federal service or transfers to another Federal agency prior to completing 1 full year of continuous service with his or her appointing agency, the employee is not entitled to retain service credit for prior non-Federal service or active duty uniformed service. The appointing agency must subtract the additional service credit from the employee's total creditable service, and a new service computation date for leave must be established before the employee separates or transfers to the new agency.

**Q9. What happens to an employee's annual leave balance if he or she fails to complete 1 full year of continuous service with the appointing agency?**

A. Any annual leave accrued or accumulated by an employee remains to the credit of the employee, even if he or she fails to complete 1 full year of continuous service with the appointing agency. The agency must transfer the annual leave balance to the new employing agency if the employee is transferring to a position to which annual leave may be transferred, 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.

**Q10. Under 5 U.S.C. 6303(e), can non-Federal work experience be creditable for purposes other than determining an employee's annual leave accrual rate?**

A. No. Under 5 U.S.C. 6303(e), non-Federal service or active duty uniformed service is creditable only for the purpose of determining an employee's annual leave accrual rate. (Non-Federal service or active duty uniform service may be creditable for other purposes under applicable statutes. Rights to service credit for such service for other purposes must be

determined under the applicable statutes. Employees should consult with their agency benefits specialists for more information.)

**Q11. May an employee receive credit for the same period of non-Federal service or active duty uniformed service on more than one occasion?**

A. No. An employee may not receive dual credit for service. Once an employee is permanently credited with a period of non-Federal service or active duty uniformed service (after completion of 1 full continuous year with the appointing agency), that period of service may not be considered for further credit if the employee has a future break in service.

However, if an employee loses service credit for non-Federal service or active duty uniformed service because he or she fails to complete 1 full continuous year of service with the appointing agency, an agency may choose to provide credit for that period of time to the employee in the future if and when he or she is reappointed to a Federal position. An agency may provide credit for the same period of non-Federal service or active duty uniformed service if the employee has had a break in service of at least 90 calendar days and meets all of the conditions for receiving credit for such service.

**Q12. What happens to service credit granted to an employee if he or she separates from Federal service or transfers to another Federal agency after completing 1 full year of continuous service?**

A. Once an employee completes 1 full year of continuous service with the appointing agency, the period of service for which he or she was granted service credit for his or her non-Federal or active duty uniformed service work experience is permanently creditable for the purpose of determining his or her annual leave accrual rate for the duration of the employee's career.

**Processing Actions**

**Q13. How should an agency document credit for non-Federal service or active duty uniformed service so that it may be verified throughout the employee's Federal career?**

A. Non-Federal service or active duty uniformed service must be documented on the SF-144A or an agency equivalent form used in lieu of the SF-144A. Agency equivalent forms may be variations on the SF-144A or printouts from computer programs that calculate service computation dates. Such credit is to be granted 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-144A. Additionally, include a reference in the "Remarks" section of the SF-144A indicating that the SCD-Leave includes creditable non-Federal service or active duty uniformed service work experience that otherwise would not be credited.

**Q14. How is credit for non-Federal service and active duty uniformed service documented on the SF-50?**

A. The period of service being credited must be included in Block 31 of the SF-50 that effects the appointment of the individual with the agency. Remark codes B73, B74, and M39 (include in remark M39 the total of all periods of active duty uniformed service for which the employee is receiving credits towards the Service Computation Date for leave (SCD-Leave)) also must be included on the SF-50, as appropriate.

**Q15. If the service to be credited is properly documented and approved in advance, but the agency inadvertently does not include the credit in Block 31 on the SF-50 that was processed to effect the appointment, how is the oversight corrected?**

A. The agency must process a personnel action to change the employee's SCD (Nature of Action (NOA) code 882/Change in SCD) showing the revised date in Block 31 of the SF-50. The NOA 882 action must show remark code B35 and include remark codes B73, B74, and M39 (include in remark M39 the total of all periods of active duty uniformed service for which the employee is receiving credit towards the SCD-Leave), as appropriate. The effective date of the NOA 882 action is the date the employee entered on duty.

**Q16. What is the text of new remark codes B73, B74, and B75?**

A. B73: You are receiving (enter yrs. and mos., e.g. 2 yrs., 6 mos.) credit toward your SCD-Leave shown in Block 31 for the following period(s) of non-Federal service: (list all applicable "from" and "to" dates). This time is permanently creditable unless you fail to complete 1 full year of continuous service with this agency.

B74: You are receiving (enter yrs. and mos., e.g. 2 yrs., 6 mos.) credit toward your SCD-Leave shown in Block 31 for the following period(s) of active duty military service: (list all applicable "from" and "to" dates). This time is permanently creditable unless you fail to complete 1 full year of continuous service with this agency.

B75: Changes SCD-Leave from (date) because employee failed to complete 1 full year of continuous service with the appointing agency.

**Q17. If the service to be credited is properly documented and approved in advance and is included in Block 31 of the SF-50 that effects the appointment, but a mathematical error is detected once the action has been processed and distributed, how is the oversight corrected?**

A. The agency must process a personnel action to correct the SF-50 that effected the appointment (NOA 002/Correction).

**Q18. What action must an agency take to withdraw service credit if an employee fails to complete 1 year of continuous service?**

A. Prior to processing the personnel action that separates the employee from Federal service or transfers the employee to another Federal agency, the agency must process a personnel action to change the employee's SCD-Leave (NOA 882/Change in SCD) subtracting out the referenced credit. The NOA 882/Change in SCD action must include remark code B75.

Alternatively, the agency may choose to process both the NOA 882/Change in SCD and the separation action on the same SF-50. If the agency processes both actions on the same SF-50, NOA 882/Change in SCD must be shown in Blocks 5-A and 5-B and the separation action in Blocks 6-A and 6-B.