

**SUBJECT: Annual Reminder Concerning Use or Lose Annual Leave**

TO: All Employees Marketing and Regulatory Programs

This is to remind employees that annual leave which exceeds personal annual leave ceilings at the end of the leave year could be forfeited (lost) if not used. For most employees, the maximum amount of annual leave that may be carried over from one leave year to the next is 30 days (240 hours); for certain other employees, the maximum carryover is 45 days (360 hours). With some exceptions, members of the Senior Executive Service are entitled to a maximum carryover of 90 days (720 hours).

Employees in a use or lose situation must pay particular attention to their leave balances and work closely with their supervisors to schedule and use any use or lose annual leave. If annual leave is forfeited at the end of the leave year, the following conditions must be met before it will be considered for restoration:

- The leave must be requested in writing, and approved in writing, no later than 3 pay periods prior to the end of the leave year. (In leave year 2014, this cutoff date is the end of pay period 23, November 29, 2014); and
- The prescheduled and approved leave was canceled in writing by the supervisor, with approval of a higher level official.
- Cancellation of the pre-approved leave was based on an emergency, unusual operational demands, or other exigencies; or
- The leave was forfeited due to personal illness or administrative error.
- Use or lose annual leave must have been used before compensatory time or credit hours. If compensatory time or credit hours were used throughout the leave year before use or lose annual leave, then the lost leave will not be considered for restoration since it would not have been needed if the employee had used leave in the following recommended order:
  - Use/lose annual leave,
  - Compensatory time off in lieu of overtime pay,
  - Compensatory time off for travel,
  - All other leave, e.g., time off award, annual leave, credit hours, and
  - Sick leave, as appropriate.

Annual leave forfeited under the above conditions may be restored at the beginning of the new 2015 leave year and, generally, must be used by the end of the second leave year after restoration (i.e., restored in leave year 2015 to be used by the end of leave year 2016). Restored leave still remaining to the employee's credit at the end of this period will be forfeited without the right to further restoration.

**\*\*Note to employees who are projected to have annual leave that otherwise would be subject to forfeiture at the end of the leave year and who wish to donate leave to individuals approved under the Leave Transfer Program: You may donate no more than the number of hours remaining in the leave year (as of the date you sign the leave donor form) for which you are scheduled to work and receive pay.\*\***

A [checklist](#) found in the Human Resources Desk Guide (HRDG) may be used to assist employees who will be requesting leave restoration. Additional information may be obtained by reviewing [Subchapter 4630 of the HRDG](#), Absence and Leave, or by referring questions to your resource management contact or me. I can be reached through email or on area code (301) 851-2910.

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