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HRDG 4500 - Recruitment and Retention Incentives - Section M

Last Modified:

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Effective April 28, 2005, an employee who is:

- Receiving his or her first appointment (regardless of tenure), or
- Reappointed (following a break in service of at least 90 calendar days after the last period of Federal employment)

Eligibility

to the Federal civilian service, may be given service credit towards determining the annual leave accrual rate for prior work experience.

(Final Office of Personnel Management [OPM] regulations implementing Section 202[a] of the Federal Workforce Flexibility Act of 2004 [PL 108-411, October 30, 2004, amending 5 USC 6303]; Federal Register, Vol. 71, No. 180, dated September 18, 2006; Departmental Notice 4060-001, Interim Creditable Service for Annual Leave Accrual, dated March 13, 2006.)

Retroactive Application

This provision may only be applied to appointments made on or after April 28, 2005.

In consultation with the servicing Human Resources (HR) Specialist, the recommending and approving officials determine the amount of service credit that may be granted. The amount of time granted may not exceed the actual amount of time worked outside of the Federal government in a position whose duties were directly related to the duties in the new position. For example, full-time (FT) credit may be granted for FT employment and part-time (PT) credit for PT service. Service credit for PT service must be based on the number of hours and the percentage of time the employee actually performed the duty(ies). An employee may not be granted double credit for:

**Amount of
Service Credit
That May Be
Granted**

- The same period of employment, or
- For service that is otherwise creditable under existing leave regulations.

Example: If an employee worked FT for a company for three (3) years, the recommending and approving officials may determine that the duties the employee performed for those three (3) years are directly related to the new position. The employee may only be credited with three (3) years of service for annual leave accrual purposes. All other service credit computations will be based on qualifying Federal employment. However, if during that timeframe only 25% of the FT duties were directly related to the new position, then he or she may only be credited based on the 25%. The same principle applies if the employee were in a PT position.

The following categories of employees are excluded:

Exclusions

- **Current** Federal GS, GM or AD employees,
- Wage grade employees,
- Senior Executive Service (SES) employees,
- Senior Level (SL) employees,
- Scientific or Professional (ST) employees, and
- Senior Foreign Service employees.

Service credit may be granted for work experience that is directly related to the new position which is gained either through:

- Prior work experience, or
- Active duty uniformed service experience.

**What Type of
Work Experience
Is Creditable?**

Previously, an employee who was 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. The new regulations state that service credit may also be granted to retired members of the uniformed service for any period of active military service in which the duties performed are directly related to the position to which he or she is appointed.

NOTE: Prior work experience may include:

- Non-paid volunteer work,
- Previously noncreditable work in a quasi-Federal organization, or
- A combination of prior work experience and experience in a uniformed service.

**Applicability to
Other Service
Computations
Dates (SCD's)**

Prior work experience or active duty uniformed service is not creditable in the calculation of other SCDs. It is only creditable for the purpose of determining an employee's SCD for annual leave accrual.

An employee may not receive dual credit for the same period of non-Federal service or active duty uniformed service. Once an employee is permanently credited with a period of prior service or active duty uniformed service (and after completion of 1 full year of continuous service with USDA), that period of service may not be considered for further credit if the employee has a future break in service.

Dual Credit

If an employee loses credit because he or she fails to complete 1 full continuous year of service, Programs may choose to provide credit for that period of time in the future if and when he or she is reappointed. Programs may provide credit for the same period of prior or active 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.

In order to grant the service credit, the skills and experience gained from previous prior employment:

Conditions for Granting

- Must be essential to the new position, and
- Directly related to the duties of the position to which being appointed, and
- The recommending and approving officials must make a written determination that the use of this authority is necessary in order to achieve an important agency mission or performance goal.

New employees being granted this benefit are responsible for providing the recommending and approving officials, with administratively acceptable written documentation that clearly documents the duties performed as well as the time periods. This documentation must be provided to the recommending and approving officials and the servicing personnel office (SPO) BEFORE the effective date of the employee's entry on duty. Examples include:

**Employee
Documentation**

- Position or Military Occupational Specialty (MOS) Description.
- Employment Records.
- Letters from supervisors identifying the specific duties performed and the period of time the duties were performed.
- Resumes.
- Written documentation from the military services to receive credit for active duty honorable uniformed service.
- Other documentation that supports the recommending official's written documentation and verifies service.

**Documenting
Service Credit for
Verification
throughout an
Employee's
Federal Career**

New employees must document prior service or active duty uniformed service on the Standard Form (SF) -144. Credit is to be granted in terms of years and months. The exact number of years and months of credit being granted is recorded in Part I, Column B, of the SF-144. Include a reference in the "Remarks" section of the SF-144 indicating that the Service Computation Date (SCD) - Leave includes creditable prior service or active duty uniformed service work experience that otherwise would not be credited.

**Recommending
Official's Written
Justification**

The written justification must:

- Describe the specific skills and experience gained and how they are directly related to the duties in the new position,
- Identify the particular agency mission/performance goal and
- Describe how the skills/experience will support achieving the above mission or performance goal.
- Include the employee's documentation.

The recommending official is the first level supervisor.

The deciding official is the second level supervisor. The second level supervisor must be in the direct chain of command of the recommending official. This authority may not be re-delegated to a lower level.

**Delegation of
Authority**

Programs may choose to retain the recommending and/or approving officials at a higher level.

The approving official must review and **approve, in writing**, the SF-144, the employee's documentation, and the recommending official's written justification **before the effective date** of the employee's entry on duty and send them to the SPO.

Step	Who	Does What	Notes
1	Recommending Official	Contacts the servicing Human Resources (HR) specialist to discuss the use of this authority.	Discuss pros/cons and needed justification.
2	Recommending Official	Prepares the written justification using the documentation submitted by the employee including a completed SF-144.	The SF-144 must be completed by the employee.
3	Approving Official	Reviews and approves, in writing, the submitted documentation.	This must be approved, in writing, BEFORE the effective date of the employee's entry on duty.
		Submits the package to the servicing HR specialist.	
		Provides a copy of the written approval to the employee.	

Steps to Follow

Effective Date for Credit

Credit for prior service or active duty uniformed serviced is granted upon the effective date of the employee's initial appointment or reappointment to Federal service.

How does non-pay status, e.g., Leave Without Pay (LWOP) affect an employee's service credit for prior work experience?

The amount of creditable service is not affected by extended periods of non-pay status. However, since an employee must remain with USDA for one full continuous year for the service to remain creditable, the completion date of the one year period must be extended by any period of non-pay status. If the non-pay status is due to active duty uniformed service or a compensable injury, the period of non-pay status must be credited as though the employee had been in a pay and duty status.

Service Agreements

Employees are not required to sign service agreements due to the required remark codes of B73 or B74 on the Notification of Personnel Action, SF-50, affecting the appointment. The text of these remark codes notifies the employee that service will remain creditable unless the employee fails to complete one full year of continuous service with USDA.

How long does service credit remain creditable for annual leave accrual purposes?

Credit granted to an employee remains to the employee's credit unless he or she fails to complete 1 full year of continuous service with USDA. If an employee separates from Federal service or transfers to another Federal agency (e.g., USDA to Department of Defense) before completing 1 full year of continuous service, the employee loses service credit. Human Resources Operations (HRO), Minneapolis, Minnesota, must subtract the additional service credit from the employee's total creditable service and a new SCD for leave must be established before the employee separates or transfers to the new agency.

Note: Employees transferring from one USDA Agency/mission area to another within USDA retain service credit. Employees are not required to remain with the same USDA Agency/mission area for the 1 year period.

What happens to any accrued annual leave if an employee fails to complete the 1 full year of continuous service with USDA?

Any annual leave accrued or accumulated by an employee remains to his/her credit, even if he or she fails to complete the 1 full year of continuous service. HRO 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.

Programs are responsible for:

- Completing leave audits, and, if applicable,
- Completing an [AD-581, Lump Sum Leave or Compensatory Time Payments](#) and,
- Submitting necessary documentation to the SPO.

What happens to service credit if an employee separates from Federal service or transfers to another Agency after completing the 1 full year of continuous service?

Once an employee completes the 1 full year of continuous service with USDA, the time credited is considered permanently creditable time for the purpose of determining annual leave accrual rate for the duration of the employee's Federal career.

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