

## CHAPTER 7

SPECIAL CATEGORY EMPLOYEES0701 OVERSEAS EMPLOYEES

★ 070101. The general pay provisions for GS employees stateside also apply to GS employees overseas. The DoD 1400.25-M, subchapter 1250, "Overseas Allowances and Differentials" (reference (u)) authorizes and governs the payment of allowances and differentials to DoD civilian employees who are citizens of the United States and who are located in foreign areas. The DSSR (reference (t)) prescribes the eligibility requirements to be met by employees, the applicable rates to be paid, and the provisions to be observed in paying overseas foreign area allowances and differentials.

070102. Foreign Nationals

★ A. Authority. The legal basis for setting pay for foreign national employees is section 408 of the "Foreign Service Act of 1980" (P.L. 96-465) (reference (e)) (22 U.S.C. 3968) (reference (at)). The DoD 1400.25-M, subchapter 1231 (reference (u)), Employment of Foreign Nationals, delegates the authority to each Military Department for redelegation to Service Component Commanders to establish salaries, wages, fringe benefits, related compensation items, and other terms of employment for foreign national employees. The DoD Manual for Foreign National Compensation (DoD 1416.8-M) (reference (av)) prescribes the procedures and instructions for the development of compensation programs for foreign nationals employed by the U.S. Forces in foreign areas.

★ B. Entitlements. The CPMS Wage and Salary Division establishes wage schedules for foreign national employees based on locality wage surveys or other available data as provided by the activity labor agreement between the U.S. Government and the government of the foreign country. The basis for salary determination and deductions are contained in the employing activity's applicable inter-country agreements and personnel regulations.

070103. Panama Employees

A. General. The wages for the Panama Canal Employment System are approved by the Panama Area Personnel Board under 35 C.F.R. 251 (reference (v)).

1. Transfer of Function Pre-Treaty Employees. These are employees that transferred from the former Canal Zone Government to DoD activities in the Republic of Panama. Their leave entitlements differ from the other types of employees.

a. These employees accrue leave at the rate of 11 hours a pay period for 25 pay periods and 9 hours for the 26th pay period. If there are 27 leave periods in the leave year, no leave is accrued for the 27th pay period. Leave accrued by Panama employees is used for

all purposes. The maximum accrual for the leave year is 284 hours. The maximum annual leave ceiling (carryover) is 760 hours. When these employees voluntarily are reassigned to a DoD non-transfer of function office, they revert to the regular federal employees leave system.

b. Leave Balance upon Movement of Transfer of Function Pre-Treaty Employees. When an employee described in subparagraph 070103.A.1.a. departs for an assignment outside the Republic of Panama, that employee is entitled to carry forward the balance of leave credited at the end of the pay period including the date the employee departs for such assignment. The annual leave carry forward balance may not exceed a maximum of 760 hours unless the employee has been authorized a greater balance. See 5 C.F.R. 630.302 (reference (l)) and 5 U.S.C. 6304(c) (reference (b)). If any such balance is in excess of 240 hours and is reduced as of the end of the leave year, the reduced amount becomes the new carry forward balance.

2. Pre-Treaty Employees. These are employees hired before the Treaty of October 1, 1979.

a. Pre-Treaty non-U.S. citizens are subject to CSRS (no Medicare), FEHB and FEGLI. The FEHB plan is under the Panama Canal Area Benefits plan as officially listed by the OPM (see paragraph 040808). Not all of these employees, however, are under the FEHB. In 1982, these employees were allowed to choose to receive their health benefits from the Panama Social Security System or the FEHB.

b. When a Pre-Treaty non-U.S. citizen retires or separates, his or her retirement record is transferred to the OPM. No identifying number is shown on the SF 2806; however, it is annotated with the statement "This is a non-U.S. citizen."

3. Post-Treaty Employees. These employees, hired on or after October 1, 1979, are not covered by the Department of Labor Workers Compensation Act. They are covered by Panama Social Security for on-the-job injury.

a. Post-Treaty Panamanians are subject to Panama Social Security tax that includes their health benefit coverage. They also have Panamanian life insurance.

b. Post-Treaty third country employees are covered under the Panama Social Security System.

4. Non-U.S. Citizen DoDDS Teachers. These employees are included in section 0702.

★ B. Identification Numbers. The Panamanian Government assigns a Cedula number to each non-U.S. official resident of Panama. The Panamanian Government uses this number for similar purposes as the United States uses the SSN. The Cedula number is assigned at birth or when a foreigner becomes an official resident of Panama.

★ 1. The Cedula number consists of alphanumeric characters in several configurations. The number is used to report Panamanian income tax.

2. Each Panamanian is assigned two other numbers, i.e., the Seguro, (or Panamanian social security) and individual personal number (which is used for various reporting purposes).

a. The Seguro is currently a 7-digit number assigned by the Panama Social Security Hospital System. It is assigned to all local Panamanian and third country persons. It is used only for hospital, health care and retirement.

b. The individual personal number is a 5-or 6-digit number used by employers to pay into an employee's retirement account and health care within the Panamanian Social Security System. This number is used in place of the SSN to identify Panamanian foreign nationals in the civilian payroll systems.

C. Deductions. Panamanians are authorized to contribute to the CFC, have union dues deductions, and participate in the TSP. All Panamanians are subject to the Panama income tax and educational taxes.

D. Dual Appointments. Dual appointments for Panama are governed by the same rules as other federal employees, with the exception of the pseudo SSN. For Panamanians, a pseudo individual personal number is used in place of the pseudo SSN.

E. FLSA. The FLSA does not apply to civilian employees working in Panama regardless of citizenship.

070104. Canadian Employees

A. General. Canadian national direct-hire employees receive compensation comparable to that paid to Canadian Government employees in the same locality and performing essentially the same work with relatively the same degree of responsibility.

★ B. Authority. DoD Directive 1400.6, DoD Civilian Employees in Overseas Areas (reference (aw)), and DoD 1400.25-M, subchapter 1231, Employment of Foreign Nationals (reference (u)), contain the authority for the administration of foreign nationals, including Canadians.

C. Entitlements

1. Hours of Duty. The workday is 7 ½ hours and the workweek is 37 ½ hours.

2. Holidays. Canadian legal holidays are observed with no charge to leave. If an emergency requires work on a Canadian holiday, an additional day's pay is provided or the employee is given compensatory time off. The following are the legal Canadian holidays:

- a. New Year's Day (Jan 1)
- b. Good Friday (Mar-Apr)
- c. Easter Monday (Mar-Apr)
- d. Victoria Day (May 24)
- e. Canada Day (July 1)
- f. Civic Holiday (1st Mon. in Aug)
- g. Labor Day (1st Mon. in Sep)
- h. Thanksgiving Day (Oct-Nov)
- i. Remembrance Day (Nov 11)
- j. Christmas Day (Dec 25)
- k. Boxing Day (Dec 26).

3. Absence and Leave. Sick leave is accrued at the rate of 4 ¼ hours each pay period except for the last pay period of the leave year. During the last pay period, 6 ¼ hours accrue. The total annual accumulation is 112 ½ hours or 15 days of sick leave.

4. Work-Related Injury or Illness. Compensation for work-related injuries or illness is covered by the FECA (reference (e)).

D. Pay. Salaries are based on rates in approved agreements between the Treasury Board of Canada and the Public Service Alliance of Canada for Canadian Civil Service Employees. The effective dates are the same as in the basic Canadian agreements. Pay is in Canadian dollars on a biweekly basis.

E. Step Increases. Step increases are made annually, until the top step is reached, upon written certification by the supervisor that an employee has demonstrated an acceptable level of competence during the waiting period. Certification is completed and forwarded to the human resources organization (HRO) for processing prior to the effective date of the step increase. Step increases are effective at the beginning of the first pay period following the effective date of the anniversary.

F. Retroactive Pay. Retroactive pay adjustments are made on the basis of agreements covering Canadian Civil Service employees. These adjustments are payable to employees separated during the retroactive period.

G. Leave Without Pay (LWOP). Aggregate periods of LWOP of more than 80 hours during the waiting period for a step increase delays the increase. Extended periods of LWOP also affect leave accruals.

H. Canada Pension Plan. Employees' contributions to the Canada Pension Plan are deducted from their salaries. The U. S. Government pays the employer's contribution.

I. Registered/Retirement Pension Plan. The U.S. Government pays an amount equivalent to the employees' contributions up to a legal maximum of annual salaries.

J. Severance Pay. Employees are paid a lump-sum amount according to the following:

1. Lay-Off. Two weeks of pay for the first complete year of continuous employment and one week of pay for each additional complete year of continuous employment with a maximum benefit of 28 weeks of pay.

2. Resignation. On resignation with 10 or more years of continuous employment, one-half week of pay for each complete year of continuous employment up to a maximum of 26 years with a maximum benefit of 13 weeks of pay.

3. Retirement. On retirement, when an employee would be entitled to an immediate annuity or to an immediate annual allowance had the employee been under the Canadian Government Public Service Superannuation Act (reference (ax)), one week of pay is paid for each complete year of continuous employment with a maximum benefit of 28 weeks of pay.

4. Death. If an employee dies, one week of pay is paid to the employee's estate for each complete year of continuous employment with a maximum benefit of 28 weeks of pay, regardless of any other benefits payable.

K. Ontario Health Insurance Plan. Employees enrolled in the Ontario health insurance plan are reimbursed an amount equivalent to the Canadian Government contributions under the plan. Claims for reimbursement, supported by receipts, are submitted annually by the end of the calendar year.

L. Unemployment Insurance. The U.S. Government contributes the amount equal to that, which would be paid by a Canadian Government employer to the Canadian fund. Employee contributions are deducted from their salary. More information on unemployment insurance for Canadian employees is in section 0602.

M. Canadian Income Tax. Employees' contributions are deducted from their salaries.

N. Occidental Life Insurance. Contributions are deducted from the salary at the employee's request.

O. Awards. Canadian National employees are eligible for all awards generally, except quality increases.

## 0702 DEPARTMENT OF DEFENSE EDUCATION ACTIVITY (DODEA) EMPLOYEES

### 070201. Teaching Position (TP) Pay Plan - Educators

A. General. Title 20, United States Code sections 901-907 (reference (ay)), as implemented by DoD Directive 1400.13 (reference (az)), governs the salaries and personnel practices applicable to educators employed by DoD Dependents Schools (DoDDS) on a school-year basis overseas. The pay and personnel practices are implemented by policies and regulations issued by the Office of Dependents Education and the DoDEA. These policies and regulations differ considerably from those applicable to other federal civilian employees paid under Title 5 United States Code or other statutes. The DoDDS educator salaries are authorized under the TP pay plan and are earned during a school-year (seasonal) work schedule and are paid on a school-year or calendar-year basis, depending upon the work schedule (i.e., 190- or 222-duty days). A TP educator does not earn annual, sick, or home leave under Title 5 United States Code. Normally, a TP educator is not scheduled to work on recess days (including holidays) during the school year, nor does a TP educator earn pay for recess days. Biweekly pay is computed differently for a TP educator. A TP educator employed by DoDDS to instruct in the Junior Reserve Officer Training Corps (JROTC) program is compensated under the provisions of 10 U.S.C. 2031(d) (reference (ar)). Pay practices and procedures unique to the TP employment system and how it affects computation are discussed in the following paragraphs.

#### B. School Year Calendars

1. The "school-year" for most TP educators consists of 190 scheduled working (duty) days, including normally 183 days during which classroom instruction occurs. Included in the 190 duty days is the time required before and after the dates school is in session when the services of all or a majority of the educators are required to prepare for the opening and closing of school. As long as 190 duty days are required and not less than 175 days of work occur on classroom instructional days, the work schedule may be adjusted after the school year begins with no resultant change in school-year salary. Additional compensation is not authorized for make-up days required to meet the 175 classroom instructional day minimum. Should work beyond the 190 duty days during a given school year (August 1 through July 31) be required, an educator shall be compensated at the appropriate daily rate as of the 191st working day. Should an emergency preclude completion of a full school year at one or more schools, an educator must be furloughed, separated, or the salary continued until the full school-year salary has been paid.

2. The "school year" for a school principal and assistant principal consists of 222 working (duty) days, including any time when the services of a majority of educators at the school are required. As long as the 222 duty days are required and not less than 175 days of work occur on classroom instruction days, the work schedule of the principal and assistant principal may be adjusted with no resultant loss of school year salary. Additional compensation is not authorized for make-up days required to meet the 175 classroom instructional day minimum. Should work be required beyond 222 duty days during a given school year (August 1 through July 31), the principal or assistant principal shall be paid the appropriate daily rate as of the 223rd working day. Should an emergency preclude completion of the full school year, the principal or assistant principal must be furloughed, separated, or salary continued until the full school-year salary has been paid.

3. Each year before the school year begins, each overseas DoDDS regional headquarters prepares a school-year calendar for the schools within the region. The calendars may vary among and within the regions due to local customs and holidays. The calendars identify the first and last duty days of the school year (i.e., duty days for educators and instructional days for students) and the recess days for educators and students. Recess days are days that educators are in a nonduty and nonpay status. Recess days include federal holidays and other nonduty days occurring during the school year such as Thanksgiving Day and the following Friday when educators are not required to work and are not charged leave. Each overseas DoDDS regional headquarters shall submit a copy of all applicable school calendars to the servicing DoD civilian payroll office not later than 4 weeks prior to the first duty day of the new school year. Any changes to the calendars shall be submitted as soon as possible.

C. Work Schedules. All TP pay plan educators are scheduled to work and take leave in full or half-day increments. This includes school-level administrators as well as substitute teachers. Substitutes performing certain itinerant services, however, such as extra-duty type work and tutoring in the home of sick students, may accumulate time in half-day increments and be paid accordingly.

★ D. Salary Schedules. The CPMS Wage and Salary Division issues TP pay schedules following completion of the annual survey. Such schedules are typically issued in April or May of the current school year. The TP schedules are retroactive to August 1 of the current school year (i.e., the prior calendar year). Until the salary schedules for the current school year are issued, TP educator salaries are based upon the prior school-year salary schedules. Separate salary schedules are prepared for educator, management, specialist, and administrator positions assigned to overseas school-level positions with school-year (seasonal) work schedules. Salary schedules are further differentiated by academic salary lane (i.e., Bachelor's, Bachelor's plus 15, Bachelor's plus 30, Master's, Master's plus 15, Master's plus 30, and Doctorate's degree), and step. Most TP salary schedules also contain 14 annual steps and 4 longevity steps. The following TP salary schedules exist:

| ★ | <u>ScheduleCategory</u>                                      | <u>Duty Days</u> |
|---|--|------------------|
|   | A Substitutes  | 190              |
|   | B Junior Reserve Officers' Training Corps Instructors        | 190              |
|   | C Comprehensive Schedule for Educators and Specialists       | 190              |
|   | D Schedule for Social Workers                                | 190              |
|   | E Schedule for Guidance Counselor                            | 190              |
|   | F Schedule for School Psychologists                          | 190              |
|   | M Schedule for Management and Education Specialist Positions | 190              |
|   | N Schedule for Management and Education Specialist Positions | 190              |
|   | K School Principals  | 222              |
|   | L Assistant Principals                                       | 222              |

Additional TP salary schedules are published for other categories of educators assigned to schools in Panama. The gross amount of the retroactive adjustment computed due to the new salary schedules is subject to applicable withholdings (e.g., retirement (CSRS & FERS); federal income tax; Social Security/Medicare; and state income tax). Biweekly deduction amounts for basic and additional optional FEGLI shall increase in many cases for TP educators who have elected those benefits. TSP contributions shall also be adjusted for participating educators who have elected to have a percentage deducted from their pay. For FERS educators who are eligible, the TSP basic one percent and matching employer contribution also must be adjusted. When applicable, foreign post allowance also may be adjusted. The HRO shall send the SF 1190 data to the civilian payroll office for each affected educator when allowance amounts change as a result of new TP salary schedules. When applicable, foreign post differential shall be adjusted because it is computed as a percentage of base pay.

E. Daily/Biweekly Pay. See paragraph 070203 regarding compensation for TP educators, principals and assistant principals.

F. Step Increases

1. Eligibility

a. Each full-time TP educator assigned to a 190-day school-year work schedule may receive a regular (annual) step increase (steps 1 through 14) provided he or she has been in a pay status at least 150 working days during his or her last previous school year as a TP educator. Substitutes are not eligible for step increases.

b. Each full-time TP educator assigned to a 190-day school-year work schedule may receive a longevity step increase (steps 15 through 18) provided he or she has been in pay status at least 150 working days during each of the previous four school years as a TP educator.

c. Each half-time TP educator assigned to a 190-day school-year work schedule may receive a regular (annual) step increase provided he or she has been in a pay status at least one-half of 150 working days during each of the previous 2 school years. A half-time



TP educator may receive a longevity step increase (steps 15 through 18) after he or she has been in a pay status at least one-half of the 150 working day minimum during each of the previous 8 school years.

d. Each full-time TP educator assigned to a 222-day school-year work schedule may receive an annual step increase (steps 1 through 10) provided he or she has been in a pay status at least 175 working days during his or her last previous school year as a TP principal or assistant principal.

★ e. Each full-time TP educator assigned to a 190-day school-year work schedule may be entitled to receive an annual step increase (or service credit towards a longevity step) for the last satisfactory year of service, plus an additional annual step (or service credit) for the first year of absence only, upon return to duty after successfully completing a program of study or employment of 1 or more years under the Administrative Reemployment Rights program.

2. Effective Date. Step increases are effective as of August 1 of each school year. A promotion or demotion does not change the effective date of a step increase. Step increases shall be effective prior to when a promotion, demotion, or other movement becomes effective.

G. Late Arrival at Post

1. A TP educator newly recruited from the CONUS is appointed with the understanding that the educator shall serve for an entire school year (i.e., the 190 or 222 duty-day school-year work schedule) or a specified part thereof. A TP educator who, through no personal fault, and as a result of transportation or processing delays after selection for appointment, arrives late at the post of assignment shall be administratively excused. This educator shall be paid as if the educator had arrived on time and actually served during the lost time.

2. A TP educator, other than as described in subparagraph 070201.G.1., who arrives late at the post of assignment after the start of the school year, shall not be paid for the working days occurring prior to the day of arrival at the assigned post unless granted paid leave by the supervisor.

H. Early Arrival at Post

1. A TP educator who arrives at the post of assignment prior to the start of the school year is not compensated for nonduty days prior to the start of the school year.

2. A TP educator who is appointed to a temporary TP educator position to perform work prior to the start of the school year shall be compensated at the educator's daily salary rate for the prior school year (this salary is not subject to retroactive adjustment) for each day of such work performed. In such an instance, the SF 50 data from the HRO notifies the civilian payroll office.

I. Late Departure from Post

1. A TP educator who is unable to depart promptly after the end of the school year for personal reasons or because of circumstances beyond his or her control, (e.g., lack of available transportation) is not entitled to basic compensation for the period between the end of the school year and the date of departure.

2. A TP educator who is appointed to a temporary TP educator position to perform work after the end of the school year shall be compensated at the educator's daily salary rate for the prior school year (this salary is not subject to retroactive adjustment) for each day of such work performed. In such an instance, the SF 50 data from the HRO notifies the civilian payroll office.

J. During Travel. While enroute during a PCS between school years, a TP educator is in a nonpay status; therefore, basic compensation is not received.

K. Work at More than One Post of Assignment. When a PCS is effected during a school year, action shall be taken to ensure that, after working the scheduled duty days during the remaining pay periods at the new post of assignment, the TP educator will have received the full school year salary to which entitled. If the total of days actually worked during the school year (to include paid leave) at both posts of assignment exceeds 190, the TP educator shall be paid at the daily rate for any days worked in excess of 190 days.

L. Substitutes. A substitute teacher shall receive the flat daily rate prescribed in the TP Salary Schedule A. The minimum increment earned and paid for substitute work is one-half day. The daily rate for a summer school substitute teacher is provided in the TP Salary Schedule for "Other Compensation," and is two-thirds of the regular substitute teacher rate established for the prior school year (this salary is not subject to retroactive adjustment). For example, the prior school-year rate for a 1993 summer school substitute teacher is published in the 1992-93 salary schedules. The minimum increment earned and paid is one-half day (one-third of the regular substitute teacher rate).

M. Leave

1. Accrual. Under 20 U.S.C. 904 (reference (ay)), a TP educator (other than an individual employed as a substitute) is entitled to cumulative leave with pay. This leave is identified as educator leave. When the educator's school year includes more than 8 months of work, the educator shall be entitled to earn 10 days of cumulative educator's leave with pay. For 8 months or less during the school year, educator's leave accrues at the rate of 1 day for each calendar month worked or part thereof. The full school year accumulation of educator's leave is credited to the educator's leave record when the school year begins (normally in August) or whenever the educator enters on duty (e.g., after the start of the school year). Should an educator be separated for any reason before the school year ends, any leave credited but not earned by the educator must be subtracted from the individual's leave balance or if already used, a debt must be established and appropriate collection action taken.

a. Part-Time Educators. A TP educator who is regularly employed on a part-time basis earns leave in an amount proportionate to the amount of time the part-time educator is regularly employed compared to full-time employment.

Example 1: A part-time TP educator was appointed to a part-time position for the full school year. The educator is scheduled to work one-half day on each duty day during the regular school year. The educator is entitled to accrue 10 half days (5 full days) of educator's leave.

Example 2: A part-time TP educator was appointed to a part-time position for the full school year. The educator is scheduled to work each Tuesday and Thursday during the regular school year. The educator is entitled to accrue two-fifths (4 days) of the 10 days of educator's leave that would be earned during full-time employment.

Example 3: A part-time TP educator was appointed to a part-time position for the last semester (one-half) of the school year. The educator is scheduled to work one-half day on each scheduled duty day during the semester. The educator is entitled to accrue one-fourth (2.5 days) of educator's leave.

b. Substitutes. Substitutes are employed in TP positions only on a temporary intermittent basis and are not entitled to earn leave.

c. Summer Recess Appointments. Leave is not earned during summer recess period appointments to TP positions, to include summer school educator positions and other temporary appointments.

## 2. Use

a. Minimum Charge. The minimum charge for educator's leave is one-half day, and additional charges are in multiples thereof. An occasional absence from duty of less than one-half day may be excused for adequate reasons without charge to educator's leave, at the discretion of administrative authority. Leave charges are reported to the civilian payroll office on the educator's time and attendance report.

b. Authorized Absences. A TP educator may use accrued educator's leave during the school year for:

- (1) Maternity purposes;
- (2) Illness of the educator;
- (3) Illness, contagious disease, or death in the immediate family of the educator that requires his or her absence;

- (4) Any personal emergency; and

(5) Any purpose. With the appropriate advance notice and prior approval of the supervisor, not to exceed 3 days of educator's leave, in a given school year, leave may be used for any purpose. Educator's leave used for any purpose may not normally be used during orientation week or the first or last week of the school year. An exception may be made when an educator has been accepted for an educational program and must report prior to the end of the school year.

c. Summer Recess. Accrued educator's leave may not be used during any summer recess educator appointment. An absence during a summer recess appointment is without pay.

d. Nonwork Days. Saturdays, Sundays, regularly scheduled holidays (including U.S. holidays and host-nation holidays) and other administratively authorized nonwork days are not days of leave. See 20 U.S.C. 904(b) (reference (ay)). Therefore, a TP educator who is in a nonpay status immediately preceding and following a scheduled holiday is not charged LWOP for the scheduled holiday.

3. Advance. Under unusual circumstances, 30 days of educator's leave (above the amount already credited for the current school year) may be advanced to an educator for use on any scheduled duty day within the school year. Such advance is subject to subsequent earning of educator leave, or repayment upon separation for leave advanced but not earned. The immediate supervisor may approve requests for up to 10 days of advance educator leave. Requests in excess of 10 days of advance educator leave must be submitted to the district superintendent or regional director, as appropriate. Approved requests are then submitted to the civilian payroll office by the approval official.

4. Leave Without Pay (LWOP). Up to 3 days of LWOP may be requested by a TP educator and approved by the immediate supervisor. The district superintendent or director may approve LWOP requests for TP educators in excess of 3 days but less than 30 days. The regional director may approve LWOP requests of 30 days or more.

#### 5. Conversion

a. A TP educator is credited with sick leave to his or her credit immediately prior to the effective date of his or her conversion, transfer, promotion, or reappointment to a TP educator position. He or she must be an employee of the federal government or the District of Columbia, however, and be transferred without a break in service, from a position under a different leave system to a TP educator position. Sick leave so credited is included in the educator's balance of educator's leave.

b. Annual leave is not credited, except for educators who were initially converted from GS/GM positions to TP salary schedule K and L educator positions on October 11, 1987.

## 6. Transfer and Recredit

a. When a TP educator is separated from a DoDDS TP educator position and is reappointed in another DoDDS position with a break in service of no more than 3 school years, his or her educator's leave account is certified to the employing agency for credit as sick leave on the SF 1150.

b. When a TP educator is separated from an educator position and is reappointed to a position subject to another leave act without a break in service, his or her leave account is certified to the employing agency for credit in accordance with 5 C.F.R. 630.501 (reference (l)).

c. If a TP educator accepts temporary employment with the federal government in a non-TP educator position during a summer recess, the TP educator's leave account shall not be transferred to the leave account of the summer position. Any sick leave earned during the temporary summer employment shall be credited and any unused sick leave balance shall be transferred to the educator's leave account when the educator returns to duty in his or her regular TP educator position.

## 7. Liquidation Upon Separation

a. Any annual leave earned under a different leave system and remaining to the credit of a TP educator upon separation shall be liquidated by a lump-sum payment in accordance with 5 U.S.C. 5551 (reference (b)) and 20 U.S.C. 904(f) (reference (ay)).

b. Educator's leave earned by a TP educator or included in the educator's leave balance per subparagraph 070201.M.5.a., may not be liquidated upon separation through lump-sum payment.

8. Sabbatical Leave. Year-long education leave at half pay (sabbatical leave) may be authorized for a DoDDS educator appointed to a TP position for educational purposes, when the course of study is determined to be appropriate by the regional director. An SF 50 is not required. The approved request for training, however, should reflect that the educator will be in an LWOP status one-half of each day during the year-long period.

a. Benefits and Entitlements. Educators granted sabbatical leave at half pay shall continue to receive life insurance and health benefits coverage in the same manner as if they were in full pay status. Retirement contributions shall be deducted for only one-half year; however, the educator is entitled to a full year's credit for retirement. Educator leave is not earned, nor should it be deducted (i.e. used) from the educator's leave account during the training period. Any pay step increase that would have been authorized should be granted as if the educator had worked a full school year.

b. Pay-status Reporting. The educator's work schedule should not change. Therefore, the time and attendance report for each pay period should reflect that the educator is in a LWOP status one-half of each day.

N. Allowances and Differentials. Entitlement of a TP educator to government quarters, cost-of-living allowance, and post differential is determined in accordance with the DSSR (reference (t)), and DoD 1400.25-M, subchapter 1250 (reference (u)). A TP educator employed as a substitute is not entitled to government quarters, quarters allowance, cost-of-living allowance, post differential, or storage of household goods.

070202. Pay Status During School Year and Summer Recess

A. School Year. A TP educator's school year consists of 190 duty days. In most overseas locations, these duty days fall on days during the normal workweek (i.e., Monday through Friday). However, a TP educator does not work every Monday through Friday during the school year because of nonduty days during recess periods (i.e., Thanksgiving, winter and spring recess; federal holidays; and certain host-nation holidays). As a result, the school year (i.e., from the educator's first through last duty day) may span to 22 pay periods, with approximately 213 days, Monday through Friday, between the educator's first and last duty day of the school year. Thus, there are typically 21 full pay periods, plus 3 additional days in the 22nd pay period in a given school year.

B. Summer Recess. During the summer recess period, while school is not in session, nonadministrative TP educators ordinarily are in a nonpay status. No SF 50 is required to place educators in a nonpay status or to return them to duty status at the beginning of the following school year. Educators who are returning to duty for the following full school year are entitled to have living quarters allowance payments continued during the summer recess period, in accordance with the DSSR, chapter 100 (reference (t)), although in a nonpay status. Civilian payroll offices, however, retain such educators in a pay status during the summer recess solely to facilitate payment of living quarters allowance. The DoDDS Personnel Center will notify the servicing civilian payroll office of any change (e.g., transfer, resignation, retirement, etc.) in the status of DoDDS educators.

070203. Compensation

A. The 190-Day School Year Educators

1. Daily/Biweekly Rate. A payment method that provides for a uniform biweekly payment during the school year has been adopted for TP educators assigned to a 190-duty day schedule. This method provides for consistent biweekly pay amounts throughout the year. Otherwise, the seasonal work schedule of a TP educator, in conjunction with the recess periods, would cause varying amounts of pay to be received during each pay period of the school year. It must be recognized that a TP educator earns pay at a rate that differs from the rate used to pay out the salary. The following must be understood to compute a TP educator's pay:

a. Duty Days = 190. This is the actual number of duty days and is the standard divisor used to determine a TP educator's daily salary rate, or "190-Rate."

b. School-Year Days = Duty Days plus Monday through Friday recess days. This is the total number of days (Monday through Friday) falling within an educator's first to last duty day during the regular school year. Thus, in addition to the 190 actual duty days, the school-year days also include all nonwork recess days (Monday through Friday) during the regular school year. Recess days are those days such as federal holidays (e.g., Labor Day) and school recess days (e.g., spring recess) when educators are not scheduled to work. For most school years, the school-year days will equal 213. The school-year days is used to determine an educator's school-year rate, or "213-Rate." The school-year rate is obtained simply by dividing the school-year salary by the number of school-year days published on the regional school-year calendar for the school to which the educator is assigned. The school-year rate is the daily rate used to provide a uniform payment for each biweekly pay period. This rate is multiplied by 10 days to arrive at an educator's biweekly base pay amount.

c. Foreign Post Allowance/COLA Days = School-Year Days plus weekend days. This is the total number of calendar days elapsed during the school-year calendar period. The number of foreign post allowance/COLA days is used to determine the "COLA daily rate" used to compute the biweekly amount paid for COLA in those areas where applicable.

2. Reducing Pay for Absences Without Pay. Computing a TP educator's pay using the school-year rate (see subparagraph 070203.A.1.) provides for uniform pay amounts each pay period but is not truly accurate when periods of non-paid absence are involved. For periods of non-paid absence such as LWOP or AWOL, an educator's biweekly pay must be reduced by 1/190th of the annual salary for each scheduled duty day that the educator is in a nonduty/nonpay status (i.e., for each scheduled duty day not worked and not in a paid leave status). Because an educator typically does not work on federal holidays or recess periods (e.g., spring break), the educator's pay is not reduced when he or she is in a nonpay status before or after a federal holiday or recess day.

3. TP Educators Beginning Work After Start of School Year. When a TP educator is appointed after the school year has begun, the educator's school year salary must be adjusted based upon the number of actual duty days remaining in the school year that the educator is scheduled to work. This means that the number of remaining actual duty days must be counted. The educator's daily salary rate (190-Rate) then is multiplied by the number of scheduled duty days remaining in the school year to obtain the educator's adjusted school-year salary entitlement. To determine how the adjusted school-year salary shall be paid out in uniform installments during the remaining pay periods, the adjusted school-year salary is then divided by the number of school-year days remaining in the school year to arrive at the adjusted daily school-year rate. Use the following formula:

a.  $190\text{-Rate} \times \text{duty days} = \text{adjusted school-year salary}$

b. Adjusted school-year salary / school-year days equals adjusted school-year rate

c. Biweekly base pay equals adjusted school-year rate x 10 days

Example of an educator who reports for work after the beginning of the school year: An educator would receive a salary of \$38,000 for working a full school year (i.e., 190 duty days). The educator would have a 190-Rate (daily salary rate) of \$200.00 (\$38,000/190). This salary normally would be paid out over 213 school-year days. The educator in this example begins work on October 1. Because of the educator's late start, 23 actual duty days (August through September) will not be worked. The school-year calendar indicates that 167 actual duty days remain to be worked during the school year. Thus, the adjusted salary entitlement would be \$33,400 (\$200.00 x 167). To determine how the adjusted \$33,400 school-year salary will be paid out, the remaining school year is identified. In this example, 188 school-year days remain. The adjusted school-year salary / school-year days provide: \$33,400 / 188 equals \$177.66. The biweekly base pay equals the adjusted school year rate multiplied by 10: \$177.66 x 10 equals \$1,776.60.

4. TP Educators Separating Before the End of the School Year. When a TP educator separates (i.e., resigns, retires, or dies) before the school year ends, the educator's school year salary must be adjusted based upon the number of actual duty days that the educator worked. This means that the number of actual duty days worked must be counted. The daily salary rate (190-Rate) is then multiplied by the number of actual duty days (including any days in a paid leave status) to obtain the educator's adjusted salary entitlement. Use the following formula:

$$190\text{-Rate} \times \text{duty days} = \text{adjusted school-year salary}$$

Example of an educator who separates before the end of the school year: An educator receiving a school-year salary of \$38,000 would have a 190-Rate (daily salary rate) of \$200.00 (\$38,000/190). This salary normally would be paid out over 21 full and 1 partial pay periods. Should the educator resign after working only 120 of the scheduled 190 duty days in the school year, the adjusted salary entitlement would be \$24,000 (\$200.00 x 120). Any difference between the adjusted salary entitlement and the salary actually received to date must be reconciled.

#### B. 222-Day School Year Administrators

1. Daily/Biweekly Rate. Because of the longer 222 duty-day work year for TP educators in principal and assistant principal positions, the method used for payment is different from that used for other TP educators. Simply stated, the school-year salary is paid over 26 pay periods. This, in turn, provides for uniform biweekly payments throughout the year. Otherwise, the seasonal work schedule of a principal and assistant principal, in conjunction with the recess periods, would cause varying amounts of pay to be received during each pay period over the 222 duty day period. As TP educators, principals and assistant principals earn pay at a rate that differs from the rate used to pay out the salary. The following must be understood to compute a principal's and assistant principal's pay:



a. Duty Days equal 222. This is the actual number of duty days and is the standard divisor used to determine a TP educator's daily salary rate, or "222-Rate."

b. School-Year Days. This is 260 days per year and is the total number of days (Monday through Friday) in a calendar year, inclusive of the 222-duty days. Thus, the school-year day's figure includes days that fall within, as well as outside of the school year. The school-year days also includes all nonwork recess days (Monday through Friday) during the regular school year. Recess days are those days such as federal holidays (e.g., Labor Day) and school recess days (e.g., spring recess) when principals and assistant principals are not normally scheduled to work. The school-year days are used to determine a principal's and assistant principal's school-year rate. The school-year rate is obtained simply by dividing the school-year salary by 260. The school-year rate is the daily rate used to provide a uniform payment for each biweekly pay period. This rate is multiplied by 10 days to arrive at a principal's or assistant principal's biweekly base pay amount.

c. Foreign Post Allowance/COLA Days = 365 (366 during leap year).

2. Reducing Pay for Absences Without Pay. Computing pay for a principal or assistant principal using the school-year rate provides for uniform pay amounts each pay period but is not truly accurate when periods of nonpaid absence are involved. For periods of nonpaid absence such as LWOP or AWOL, a principal's or assistant principal's biweekly pay must be reduced by 1/222nd of the annual salary for each scheduled duty day that the principal or assistant principal is in a nonduty/nonpay status (i.e., for each scheduled duty day not worked and not in a paid leave status). It must be noted, however, that as long as 222 full duty days are worked (to include days in a paid leave status) during the August 1 through July 31 period, including not less than 175 days during which classroom instruction is in session, a principal's and assistant principal's work schedule may be adjusted after the school year begins with no resultant change in salary. Because a principal or assistant principal typically does not work on federal holidays or recess periods (e.g., spring break), the pay of a principal and assistant principal is not reduced when he or she is in a nonpay status before or after a federal holiday or recess day.

3. School Principals or Assistant Principals Beginning Work After Start of the School Year. When a principal or assistant principal is appointed after the work year has commenced, and the principal or assistant principal will not work 222 full duty days before July 31, the principal's or assistant principal's salary must be adjusted based upon the number of actual duty days scheduled for the year ending on July 31. This means that the number of remaining actual duty days must be counted. The daily salary rate for a principal or assistant principal (222-Rate) is multiplied by the number of actual duty days remaining in the year ending July 31 to obtain the adjusted school-year salary entitlement. To determine how the adjusted school-year salary shall be paid out in uniform installments, the adjusted school-year salary is then divided by the number of calendar year days, Monday through Friday, remaining in the year ending July 31 to arrive at the adjusted daily calendar-year salary rate. Use the following formula:

a.  $222\text{-Rate} \times \text{duty days} = \text{adjusted school-year salary}$

b. Adjusted school-year salary / school-year days = adjusted school-year rate

c. Biweekly base pay = adjusted school-year rate x 10

Example for a school principal who reports for work after the beginning of the school year: A principal would receive a salary of \$55,500 for working a full school year (i.e., 222 duty days). The principal has a 222-Rate (daily salary rate) of \$250.00 (\$55,500/222). This salary normally would be paid out in even payments over 26 pay periods. The principal in this example begins work on September 15. Because of the principal's late start, it will be possible to work only 189 actual duty days by July 31. Thus, the adjusted salary entitlement would be \$47,250 (\$250.00 x 189). To determine how the adjusted \$47,250 school-year salary shall be paid out, the remaining calendar year days, Monday through Friday, are identified. In this example, 228 school-year days remain. The adjustment is:  $\$47,250 / 228 = \$207.24$ . The biweekly base pay equals the adjusted school-year rate multiplied by 10 ( $\$207.24 \times 10 = \$2,072.40$ ).

4. School Principals or Assistant Principals Separating Before End of School Year. When a principal or assistant principal separates (i.e., resigns, retires, or dies) before the year ends, the school-year salary must be adjusted based upon the number of actual duty days that the principal or assistant principal worked. This means that the number of actual duty days worked must be counted. The daily salary rate (222-Rate) is then multiplied by the number of actual duty days (including any days in a paid leave status) to obtain the principal's or assistant principal's adjusted salary entitlement. Use the following formula:

$$222\text{-Rate} \times \text{duty days} = \text{adjusted school-year salary}$$

Example of a principal or assistant principal who separates before the end of the school year: A principal receiving a school-year salary of \$55,500 has a 222-Rate (daily salary rate) of \$250.00 ( $\$55,500 / 222$ ). This salary normally would be paid out over 26 pay periods. Should the educator resign after working only 120 of the scheduled 222 duty days in the school year, the adjusted salary entitlement would be \$30,000 ( $\$250.00 \times 120$ ). Any difference between the adjusted salary entitlement and the salary actually received to date must be reconciled.

C. Premium Pay, Sunday Work and Holiday Work

1. A TP educator is ineligible for overtime pay or compensatory time off.
2. A TP educator appointed to a 190-day school-year position whose regular work schedule requires work on a Sunday is entitled to basic pay, plus a premium of 25 percent of the 190-Rate (daily rate). Premium pay is not authorized for TP educators appointed to principal and assistant principal positions.
3. A TP educator whose regular work schedule requires work on any of the following holidays is entitled to basic pay, plus premium pay at a rate equal to the 190-Rate (daily rate):

- a. New Year' Day, January 1 or observed day
- b. Dr. Martin Luther King's Day, third Monday in January
- c. Washington's Birthday, third Monday in February
- d. Memorial Day, last Monday in May
- e. Independence Day, July 4 or observed day
- f. Labor Day, first Monday in September
- g. Columbus Day, second Monday in October
- h. Veteran's Day, November 11, or observed day
- i. Thanksgiving Day, fourth Thursday in November
- j. Christmas Day, December 25, or observed day.

D. Appointments Between School Years. A TP educator employed between school years shall be given a temporary limited appointment for the period of actual need, not to exceed the beginning of the school year. A TP educator given a temporary limited appointment is compensated at a daily rate of 1/190th (or, if a school principal or assistant principal, at 1/222nd) of the school-year salary. When an educator has served on a nontemporary appointment during the preceding school year and is expected to continue during the following school year, a temporary appointment between the 2 school years is similar to a return to duty and the appointment is exempt from the dual pay provisions of 5 U.S.C. 5533(d)(7)(b) (reference (b)). The appointment is not subject to CSRS, FERS, or FEGLI.

E. Foreign Post Allowance

1. Daily Rate. The amount of the foreign post allowance due an eligible TP educator is based upon his or her school-year salary. The full annual amount is payable over the period of the school year. The TP educator employed on a 222-duty day work schedule (i.e., school principals and assistant principals) receives a foreign post allowance on the same basis as GS employees (i.e., on a calendar-year basis). To pay foreign post allowance to a TP educator on a 190-day work schedule, however, a different daily rate is used because of the shorter school year. To determine the foreign post allowance daily rate for TP educators assigned to 190-duty day work schedule, divide the annual foreign post allowance amount shown on the SF 1190 by the total number of foreign post allowance days occurring between the educator's first and last duty day during the school year. The foreign post allowance daily rate is multiplied by 14 to compute the biweekly amount paid each full pay period of the school year.

2. Adjustment of a Foreign Post Allowance. Any adjustment in an educator's annual salary shall cause the authorized foreign post allowance to be adjusted correspondingly. For example, the current post differential authorized an educator in Okinawa is 10 percent of the educator's basic compensation. If the educator's basic compensation during the current school year is \$45,000, but for reason is adjusted downward to \$37,000, the adjusted post differential amount authorized for payment to the educator would be \$3,700. The authorized foreign post allowance percentage would not change. It would remain consistent with the dollar amount paid the educator during that school year.

F. Extra-Duty Program. This program applies to certain personnel employed by DoDDS who are assigned extra-duty assignments. Extra-duty compensation is provided when particular extra-duty assignments are completed that are in addition to regular school duties. Such extra-duty assignments as coaching and activity sponsorship, as well as dormitory work, are included in this program.

1. Compensation for Extra-Duty Assignments

★ a. When a TP educator is selected to perform an extra-duty assignment, the he or she and the school principal sign a memorandum of understanding. The memorandum indicates the activity to be performed, the estimated number of hours to complete the activity, the hourly range the duty is to be performed within, and the amount of compensation established for that range, according to the "Other Compensation" salary schedule rates established annually by the CPMS Wage and Salary Division. The authorized hourly ranges for extra-duty activities are:

- (1) 1 - 19 Hours
- (2) 20 - 39 Hours
- (3) 40 - 79 Hours
- (4) 80 - 119 Hours
- (5) 120 - 159 Hours
- (6) 160 - 199 Hours
- (7) 200 Hours and Over

b. When an extra-duty assignment is completed satisfactorily in fewer hours than the hourly range established, the compensation must be reduced. If the school principal determines the extra-duty assignment has been completed satisfactorily in less time than identified in the approved memorandum of understanding, the educator shall be compensated at the rate established for the appropriate lower hourly range. Should the hours worked fall short of the original range, or an educator is unable to complete the extra-duty assignment for a reason

acceptable to management, a lesser payment than the amount indicated in the approved memorandum of understanding may be paid on a pro rata basis. The formula for computing a lesser payment is the mid-point hour of the appropriate hourly range divided into the hours actually worked. The resulting quotient is then multiplied by the dollar value assigned to the regular hourly category. For the 200 and over range, the mid-point = 220.

c. Upon completion of the extra-duty assignment, the school principal shall certify that the assignment has been completed satisfactorily and that compensation is authorized. This certification must be submitted to the civilian payroll office as soon as possible, but not later than May 31, to facilitate payment by the end of the school year.

★ d. Substitute teachers who substitute as dormitory counselors shall be compensated in accordance with Schedule A rates published by the CPMS Wage and Salary Division.

e. School principals and assistant principals are eligible to receive extra-duty compensation only for additional work performed while on temporary assignment (detail) as a staff development specialist.

2. Additional Compensation for Dormitory Counselors. A TP educator assigned to a dormitory counselor or supervisory dormitory counselor position and who is assigned an irregular tour of duty (which includes work on all nights, Sundays, and holidays, as well as sleep-in time), may receive additional compensation identified as "Condition of Employment Compensation." Such an educator also may be eligible to receive "Additional Hours Compensation," for hours worked beyond the scheduled hours of work. A dormitory counselor and a supervisory dormitory counselor is scheduled to work 80 hours per pay period during the school year and is additionally required to sleep-in according to an established work schedule.

a. The Remarks section of the counselor's SF 50 shall indicate any eligibility to receive condition of employment compensation. Eligibility for condition of employment compensation also established eligibility to receive additional hours compensation.

★ b. Condition of employment compensation is established as an annual rate by the CPMS Wage and Salary Division. The rate to be used depends upon the type of work schedule established for dormitory operations and whether the individual dormitory counselor or supervisory dormitory counselor is required to work on a 5-day dormitory operations schedule or a 7-day schedule. The CPMS Wage Setting Division establishes the annual compensation payable in the "Other Compensation" salary schedule. The payable rate of additional compensation per school year is identified as either the 5-day, 40-hour rate or the 7-day 40-hour rate.

c. Additional hours compensation is paid on an "as worked" basis and is for work performed by a dormitory counselor or a supervisory dormitory counselor who is required to work in excess of 80 hours per pay period. Additional hours compensation may be paid for each full hour worked (scheduled or unscheduled) in the performance of his or her professional duties, not to exceed the annual maximum value established for a particular school year.

Additional hours compensation is paid biweekly upon completion and certification of any full hours worked. The hourly rate is computed by dividing the annual maximum amount of additional hours compensation by 190. The annual maximum amount in a 5-day dormitory schedule is determined by subtracting the 5-day, 40-hour amount of additional compensation per school year, from the 5-day, 45-hour amount of additional compensation per school year, as identified on the "Other Compensation" salary schedule. The annual maximum amount payable in a 7-day dormitory schedule is determined by subtracting the 7-day, 40-hour amount of additional compensation per school year, from the 7-day, 45-hour amount of additional compensation per school year, as identified on the "Other Compensation" salary schedule. Regardless of the number of hours required to be worked, the maximum amount of additional hours compensation paid during a given school year may not exceed the annual rate established for additional hours compensation.

G. Acceleration of FEGLI and FEHB Deductions for an Educator Assigned to a 190-Day Position. A TP educator assigned to a position with a 190-duty day work schedule, who has elected coverage under FEGLI and/or FEHB, must pay the total annual premium amount that is applicable to the school year salary that he or she is eligible to receive. This is to provide coverage during the summer recess, during which time a 190-day educator neither earns nor receives pay. The normal period of extended coverage is from the first duty day of a school year until the day prior to the first duty day of the next school year. Therefore, deductions must be accelerated to withhold more than the normal biweekly amounts paid by other federal employees. Accelerated deductions are not required for an educator assigned to a 222-duty day work schedule.

1. Calculation of Accelerated Deductions. To determine the biweekly amount to be deducted from a 190-day educator's pay for FEGLI, first find the normal (i.e., 26 pay period) biweekly amount deducted for other federal employees in the same salary bracket. For FEHB, find the biweekly withholding amount for the plan in which the employee is enrolled. After finding the normal biweekly withholding amount, multiply by 26 (to arrive at the amount to be paid for an entire calendar year) then divide by 22 (the number of full pay periods over which 190-day educators normally are paid their school year salary) to determine the amount to be deducted each pay period for an educator.

2. Coverage Upon Separation or Movement. For a 190-day educator who resigns at the close of the school year and who has elected coverage under FEGLI and/or FEHB, the actual date of separation shall be delayed sufficiently to ensure extended coverage for the period of time for which the educator has paid through the accelerated withholdings. The period of extended coverage for an educator employed for a full school year shall be through the day prior to the first scheduled duty day of the following school year. When an educator desires earlier separation, the educator's resignation must specify the earlier date for termination of coverage and acknowledge that health benefits and life insurance coverage shall continue only 31 days after the date of separation. When an educator assigned to a position with a 190-duty day work schedule is converted or appointed to a 222 or calendar year work schedule, all or an appropriate portion of any accelerated payments must be refunded should the effective date of such conversion or appointment occur during the prepayment period and withholdings relative to the new position begin. When an educator is separated before the end of the school year, the educator will be reimbursed

proportionately if the separation date is earlier than the end of the extended period of prepaid FEHB coverage.

3. Calculation of Coverage After the Beginning of the School Year.

Should a 190-day educator begin work after the first scheduled duty day of the school year, reduce the total annual premium amount for FEGLI and FEHB by the proportionate amount for the coverage period remaining through the day prior to the first scheduled duty day of the next school year. Then proceed to calculate the biweekly amount using an appropriate reduction in the number of pay periods remaining.

H. Other Deductions

1. Allotments

a. Organization Dues

(1) Allotments for employee organization dues shall be effective on the second pay period in October of each school year for a 190-day TP educator. The amount of these allotments shall be the designated dues identified on each SF 1187 initiated by a unit employee or on a list provided by each local or regional unit divided by 12 full pay periods unless mutually agreed otherwise between the parties.

(2) Unit members who enter the dues-withholding agreement at a time when less than 12 full pay periods remain in the school year shall have their dues prorated over the remaining full pay periods within the dues-withholding period.

(3) Authorization using an SF 1187 for dues withholding shall continue in full force and effect if a "not-to-exceed" employee is given another excepted appointment in the bargaining unit prior to the expiration of the not-to-exceed appointment.

(4) The civilian payroll office shall prepare the remittance at the close of each pay period for which deductions are made. Remittances shall be prepared and forwarded on the same pay schedule as for unit employees after the close of each pay period. Remittance shall be sent to the appropriate address in each region. Each remittance shall be accompanied by a listing of names and amounts withheld. See subparagraph 090203.H. for guidance on preparing this report.

(5) Dues withholding authority is carried forward automatically to the next school year unless notification to stop the deduction is requested. Educators can request that deductions for organization dues be stopped only once a year either on September 1 or the anniversary date on which the employee initially authorized dues withholding, whichever is later. A revocation must be received in the civilian payroll office prior to the appropriate date as indicated above.

(6) Local or regional units must provide a list of employees who are to have dues withheld no later than 2 weeks prior to the beginning date of the pay period in which withholding is to begin for that unit. The listing must identify the bargaining unit name or number, location, address, point(s) of contact and phone number(s). Employee information required includes employee name, SSN, location assigned and amount of dues to be withheld for that school year.

b. Savings Allotments and Allotment Allowed for 190-Day TP Educators Assigned in Overseas Areas. Savings and other allotments, as authorized in chapter 4, may be deducted over the number of full pay periods in the school year.

c. Savings Bonds. Savings bonds are authorized separately without regard to the number of savings allotments. Savings bonds are continued automatically into the next school year unless canceled by the employee.

2. TSP. A TP educator may elect to have either a percentage or dollar deduction for TSP in accordance with guidelines set forth in section 0415. TSP deductions shall be taken from the annual retroactive salary adjustment given to educators each year only if the educator has specified that a percentage be withheld.

I. Compensation of TP Educators Appointed as Junior Reserve Officer Training Corps (JROTC) Instructors

1. The DoDDS employs retired military officers and non-commissioned officers as TP educators in its JROTC overseas program. The school-year salary of JROTC instructors is an amount equivalent to the active duty pay and allowances that the instructor would receive if ordered to active duty at the location of the DoDDS school to which assigned. This salary is reduced by the amount received as retired pay.

★ 2. The CPMS Wage Setting Division establishes an additional annual amount of supplemental pay. The supplemental amount is not part of a JROTC instructor's basic compensation.

3. A JROTC instructor's salary is paid on the same basis as other 190-day TP educator's pay during the school year. The additional annual amount of supplemental pay authorized is prorated over the normal 22 pay periods.

4. Because the base salary of a JROTC instructor employed by DoDDS includes an amount equivalent to basic allowance for housing for his or her military grade (including a variable housing allowance), an instructor's pay must be reduced in an equivalent amount should the instructor reside in rent-free government quarters.

J. Waiver of Erroneous Payments of Pay and Allowances. The procedures outlined in paragraph 080306 generally will be followed when processing applications for waiver of erroneous payments of pay and allowances submitted by DoDDS employees. Applications of



DoDDS employees received by the civilian payroll office shall be forwarded to the DoDEA Personnel Center for adjudication rather than the Defense Debt and Claims Management Office of the appropriate DFAS Center.

★ 070204. DoD Domestic Dependent Elementary and Secondary Schools (DDESS). Title 10 United States Code, section 2164 (reference (ar)) authorizes the Secretary of Defense to provide for the elementary or secondary education of the dependents of members of the Armed Forces and, under certain conditions, for dependents of civilian employees residing on a military installation in the United States, if a determination is made that appropriate educational programs are not available.

### 0703 OTHER THAN FULL-TIME CAREER EMPLOYEES

070301. Part-Time Employment. Part-time employment generally is no less than 16 and no more than 32 hours a week under a schedule consisting of an equal or varied numbers of hours per day. Employment may be between 32 and 64 hours in a biweekly pay period in the case of a flexible or compressed work schedule (5 U.S.C. 3401 (2)) (reference (b)). It does not include employment on a temporary or intermittent basis. To be considered part-time, an employee must have a regular schedule, set in advance, of at least one hour in each administrative workweek in each biweekly pay period. See P.L. 95-437 (reference (e)), 5 U.S.C. 3401-3408 (reference (b)), and 5 C.F.R. Part 340 (reference (l)).

A. Pay. Gross basic pay is computed by multiplying the employee's hourly rate of pay by the total of the hours worked and the hours of paid leave during the pay period.

1. Overtime Pay. Under 5 U.S.C. 5542 (reference (b)), overtime pay for eligible part-time employees is provided only for work over 8 hours a day or 40 hours in a week.

2. Compensatory Time Off. Under 5 U.S.C. 5542 (reference (b)), part-time employees may elect to take compensatory time off in lieu of overtime pay to which entitled. Part-time employees may elect to perform compensatory overtime work to replace time taken off for religious observances.

3. Sunday Pay. Part-time employees are not entitled to Sunday premium pay for working on Sundays.

4. Night Differential Pay. Part-time employees are entitled to night pay for work performed between 6:00 p.m. and 6:00 a.m. as part of their regularly scheduled administrative workweek.

5. Shift Differential Pay. Federal Wage System part-time employees who work a regular scheduled shift of 8 hours or less are entitled to night shift differential. However, more than half of the hours they work must be on the second or third shift. The hours for the second and third shifts are outlined in subparagraph 030303.B.

## B. Leave

1. Annual Leave. To earn annual leave, part-time employees must have a regularly assigned tour of duty on at least one day of each week in the biweekly pay period. Maximum carryover at the end of the leave year is the same as for a full-time employee. Hours in a pay status include straight time and overtime hours up to a total of the basic working hours in a pay period (normally 80 hours). Leave is charged for absence during the hours the employees are scheduled to work.

a. Part-time employees with less than 3 years of service earn 1 hour of annual leave for each 20 hours in a pay status.

b. Part-time employees with at least 3 years but less than 15 years of service earn 1 hour of annual leave for each 13 hours in a pay status.

c. Part-time employees with 15 or more years of service earn 1 hour of annual leave for each 10 hours in a pay status.

2. Sick Leave. Part-time employees, for whom a regularly scheduled tour of duty has been established, earn and shall be credited with 1 hour for each 20 hours in a pay status.

3. Other Leave. Part-time employees are eligible for other leave categories, e.g., AWOL, LWOP, court leave, funeral leave, or excused absences on the same basis as full-time employees.

4. Military Leave. Each Member of a Reserve Component who is an officer or employee of the United States, (i.e., permanent, temporary indefinite, or part-time), is entitled to leave of absence from his or her duties without loss of pay, time, or efficiency rating for each day, but no more than 15 days in any fiscal year in which he or she is on active duty or training. Eligible part-time employees accrue military leave prorated on the basis of the tour of duty (5 U.S.C. 6323(a)(2)) (reference (b)). See section 0514 for guidance on recording and charging military leave.

5. Holidays. Part-time employees are not entitled to a holiday that falls outside the tour of duty. If a holiday falls on a day that a part-time employee is scheduled to work and the employee does not work, he or she is paid for the number of hours scheduled for that day. If a part-time employee works during his or her scheduled hours on a holiday, the employee is entitled to holiday premium pay only for those hours scheduled. When an installation is closed for an “in lieu of” holiday that falls on a regularly scheduled workday and the employees are prevented from working on that day, the installation may excuse part-time employees from duty by administrative order or grant annual leave or LWOP for the hours scheduled to be worked on that day. An in-lieu-of holiday is granted to replace the day designated as a holiday by federal statute or executive order when the holiday falls on a full-time employee’s nonworkday. A part-time employee who

works on an “in lieu of” holiday shall be paid straight time for hours worked. A part-time employee is not otherwise entitled to an “in lieu of” holiday.

C. Deductions

1. Retirement. Part-time employees are subject to deductions on the same basis as full-time employees.

2. Health Insurance. Part-time employees are eligible to participate in the FEHB program. The cost to the employee is the total cost of health benefits (both the employee's and the employer's share) less the government's prorated share. See subparagraph 040802.D. for more information on FEHB for part-time employees.

a. Payroll deductions and employer's contributions shall be based on the particular plan for which employees enroll and the employee's established pay periods. A career part-time employee who pays a prorated government's share of health benefits is responsible for payment of premiums for periods of nonpay status at the same rate that would be withheld if he or she was in a pay status. Enrollment may continue during nonpay status for up to 365 days.

b. When a part-time employee becomes a full-time employee in the middle of a pay period, the amount to be withheld is prorated based on part-time rules.

3. Life Insurance

a. Part-time Eligibility. A part-time employee is eligible for the FEGLI program. The actual amount of insurance (which cannot be less than \$10,000) for which the employee is eligible is based on the annual salary derived from his or her scheduled hours. If the employee is in a nonpay status for an entire pay period, no withholding to cover that pay period shall be made from future pay nor shall the employees deposit the amount which would have been withheld if he or she had been in a pay status during that period. There is no government contribution for that pay period. When a part-time employee becomes a full-time employee in the middle of a pay period, the Federal Employees Group Life Insurance Handbook for Personnel and Payroll Offices (reference (z)) requires the amount to be withheld for basic life insurance to be based on the amount of insurance last in force for the employee during the pay period (that is, the full-time rate).

b. Part-time Rates. For life insurance purposes, the annual pay for a part-time employee is the basic pay applicable to his or her tour of duty in a 52-week work year. For example, an employee whose pay is \$22,692 per annum, but is employed half-time, would have an annual pay for insurance purposes of \$11,346. If an individual is employed on a part-time basis in more than one federal agency and is eligible for FEGLI coverage in one of the positions under the Federal Employees Group Life Insurance Handbook for Personnel and Payroll Offices, subchapter S3 (reference (z)), the agency that pays the higher of the salaries must contact the other employing office, confirm the salaries paid, and assume responsibility for withholding all of the required premiums from the salary which it pays. The agency that pays the higher salary to the

individual also must provide the government contribution for basic insurance based on the aggregate amount of basic coverage the employee has from all covered positions. This will eliminate the need for the other employing office to make partial withholdings and government contributions.

★ 070302. Intermittent Employment. This is nonfull-time employment in which employees serve under an excepted or competitive service appointment without a regularly scheduled tour of duty (See 5 C.F.R. Part 340 (reference (I))). An intermittent work schedule is appropriate for a position in which the nature of work is sporadic and unpredictable so that a tour of duty cannot be regularly scheduled in advance. Intermittent employees are paid only for hours worked. Intermittent employees are entitled to overtime.

A. Pay. Gross basic pay is computed by multiplying the employee's hourly rate of pay by the total of the hours worked during the pay period. Intermittent employees are not eligible for holiday pay. Wage board intermittent employees are eligible for night shift differential; however, General Schedule intermittent employees are not eligible for night differential unless temporarily assigned to a regular tour of duty with night work.

B. Leave. Intermittent employees do not accrue annual or sick leave. When part-time or full-time employees are changed to intermittent, unused sick leave is held in abeyance until employees return to a scheduled tour or separate and forfeit the leave after a 3-year break in service. Any unused annual leave is paid as a lump sum, except in a situation involving a continuing program under which employees are required to return to full-time or part-time employment after a period of intermittent employment (e.g., student trainee).

C. Deductions

1. Retirement. Intermittent employees are not eligible for retirement coverage except when the intermittent employment follows employment in a covered position and there has not been a break in service of more than 3 days. Intermittent employees are subject to Social Security and Medicare deductions.

2. Health Insurance. Intermittent employees are not eligible for health insurance coverage except when the intermittent employment follows employment in a covered position and there has not been a break in service of more than 3 days.

3. Life Insurance. Intermittent employees are not eligible for life insurance coverage except when the intermittent employment follows employment in a covered position and there has not been a break in service of more than 3 days and the employee is expected to return to a covered position. The annual pay for intermittent employees is the annual rate that they were receiving at the end of the pay period or in the event of death or dismemberment, the annual rate they were receiving at the time of death or accident. For example, if an intermittent employee is paid \$7.65 per hour, the employee's annual rate of pay fixed by law is \$15,966 ( $7.65 \times 2,087 = \$15,966$ ). If such an employee works only 2 days or 16 hours during a particular pay period, the annual rate of pay for insurance purposes is based on actual time worked during that pay

period. In this example, \$3,193 is the annual rate of pay for insurance purposes (.20 x \$15,966 = \$3,193/yr). However, insured employees whose annual pay is \$8,000 or less are covered for the minimum \$10,000 of basic insurance.

★ 070303. Seasonal Employment. Seasonal employment is defined as recurring periods of work lasting less than 12 months each year (see 5 C.F.R. Part 340 (reference (l))). Seasonal employees are placed in nonduty/nonpay status and recalled to duty in accordance with preestablished conditions of employment.

A. Pay. Gross basic pay is computed by multiplying the employee's hourly rate of pay by the total of the hours worked and the hours of paid leave during the pay period.

B. Leave. Seasonal employees earn leave during the time in pay status and during the first 80 hours in nonpay status each year.

C. Deductions. Regularly scheduled seasonal employees under career or career-conditional appointments, who are expected to work at least 6 months per year, are subject while in a pay status to deductions (e.g., retirement, health insurance and life insurance) on the same basis as full-time employees.

★ 070304. On-Call Employment. On-call employment is work on an as-needed basis during periods of heavy workload, with an expected cumulative service period of at least 6 months in pay status each year. See 5 C.F.R., part 340 (reference (l)). On-call employees work on regularly scheduled tours of duty while in a pay status, and subject to workload, are placed in a nonpay status, and are recalled to duty in accordance with preestablished conditions of employment.

A. Pay. Gross basic pay is computed by multiplying the employee's hourly rate of pay by the total of the hours worked and the hours of paid leave during the pay period.

B. Leave. On-call employees earn leave during the time in a pay status and during the first 80 hours in nonpay status each year.

C. Deductions. On-call employees under career or career-conditional appointments are subject to deductions (such as retirement, health insurance, and life insurance) on the same basis as full-time employees.

★ 070305. Piecework Employees. General authority for scheduling work and excusing absences of piecework employees is granted under 56 Comp. Gen. 393 (1977) (reference (p)) and 5 U.S.C. 6101 and 6104 (reference (b)). Piecework employees excluded from health insurance coverage are employees paid on a piecework basis except those whose work schedule provides for regular or full-time service or for part-time service with a regular tour of duty. Refer to the OPM Operating Manual, Federal Wage System (reference (q)) for information on piece rate schedules. For life insurance purposes, the annual pay for a pieceworker is the total basic earnings exclusive of premium earnings for overtime or holidays, for the previous calendar (52-week) year. Whenever the piecework rate changes, annual pay is adjusted by applying the percentage increase or decrease

in rate. If the pieceworkers had LWOP during the year, the year's earnings or adjusted earnings are divided by the number of days for which they were paid (work and leave with pay) and the average daily rate so obtained multiplied by 260 to determine annual pay. For new employees, use the first year's annual pay during the previous calendar year for pieceworkers doing similar work in their group, subject to any further adjustment of the average during the first year. Unless covered by an exception, employees paid on a piecework basis, except those whose work schedule provides for regular or full-time service, are excluded from retirement coverage by the OPM regulation. See the CSRS and FERS Handbook for Personnel and Payroll Offices (reference (i)) and 5 C.F.R. 831.201(a) (reference (l)).

#### 0704 REEMPLOYED ANNUITANTS

##### 070401. General

##### A. Employees Retired from Competitive Service

1. Regulations Governing Reemployment. Instructions governing the reemployment of employees retired from the regular competitive service under CSRS and FERS are contained in the CSRS and FERS Handbook for Personnel and Payroll Offices (reference (i)). At the time of appointment, an SF 2806/3100 is prepared for each new employee subject to the CSRS or FERS, except for a reemployed annuitant who may qualify for a supplemental annuity as defined in the CSRS and FERS Handbook for Personnel and Payroll Offices (reference (i)), when chapters 100-102 are published. In that case the SF 2806/3100, showing service history only, is prepared at the time of separation.

2. Disabled Annuitants Who Recover Before Reaching Age 60. Annuity payments shall be discontinued during their reemployment and retirement deductions shall be taken from their salary.

3. Annuitants Involuntarily Separated (for Reasons Other than Age). When an annuitant's reemployment is subject to a retirement system, the annuity payments shall be discontinued and deductions shall be taken from his or her salary. When their reemployment is not subject to the retirement system, annuity payments shall be continued, and the agency shall reduce the employee's pay by the amount of the annuity, and no retirement deductions shall be taken. See the CSRS and FERS Handbook for Personnel and Payroll Offices (reference (i)).

4. All Other Reemployed Annuitants. Annuity payments shall be continued during an annuitant's reemployment. The agency shall reduce the employee's pay by the amount of the annuity, and no retirement deductions shall be taken from his or her salary. See the CSRS and FERS Handbook for Personnel and Payroll Offices (reference (i)).

##### B. Former Members of Congress

1. Continued Annuity. Under P.L. 86-604 (reference (e)), the retirement annuity of former members of the Congress shall continue with no resulting increase, when

reemployed by a federal agency subsequent to December 31, 1958. Such reemployment shall be in an appointive position on an intermittent service basis with compensation, or on a full-time or substantially full-time basis without compensation (5 U.S.C. 8344(d)) (reference (b)).

2. Notice to OPM. The OPM Retirement and Insurance Programs, Annuitant Services Division, Washington, DC 20415, shall be notified immediately of the name of any former member of the Congress when employed in an appointive position on an intermittent service basis with compensation or on a full-time or substantially full-time basis without compensation.

070402. Reimbursement to the Office of Personnel Management For Annuity Paid to Retired Civil Service Employees While Reemployed

A. General. Activities employing retired Civil Service employees, whose annuities continue during reemployment, are required to reimburse the Civil Service Retirement and Disability Fund for the gross amount of the annuity paid by the OPM allocable to the period of actual employment. The payment to the OPM is shown on DD Form 592 as "Annuitants Cost to OPM."

B. Reimbursement. The gross amount of an annuity paid by the OPM to a reemployed annuitant, applicable to each pay period, shall be entered on the SF 2812. This will serve as a schedule of voucher deductions. The completed SF 2812 is forwarded to the OPM. In addition to other items, this form must show the agency's 8-digit payroll office number, the pay period from and to dates and the amount being remitted.

C. Separation of Reemployed Annuitant. Upon separation of a reemployed annuitant, the OPM shall be notified. Each notice shall contain the annuitant's name, date of birth, SSN, retirement claim number (if available), and date of separation. In the event an annuitant is eligible for a supplemental annuity, the civilian payroll office shall prepare an SF 2806/3100, listing all service subsequent to retirement. The SF 2806/3100 should be forwarded to the OPM as provided in the CSRS and FERS Handbook for Personnel and Payroll Offices, chapter 41 (reference (i)), together with the annuitant's new SF 2801 (Application for Immediate Retirement-CSRS) or SF 3107 (Application for Immediate Retirement-FERS).

070403. Prorating Annuities for Appropriate Reductions of Wage and General Schedule Salaries

A. General. Upon reemployment, the HRO provides the SF 50 data to the civilian payroll office as to the amount of annuity being received by a reemployed annuitant.

B. Employees Retired from the Competitive Service. A reemployed annuitants who retain his or her annuity shall have his or her salary reduced by a sum equal to the retirement annuity allocable to the period of actual employment. The appropriate reduction and adjusted salary shall be determined as follows:

1. An annuitant reemployed on an annual pay basis shall have his or her per annum salary reduced by the amount of the annual annuity. The remainder of the salary is computed in amounts payable on a biweekly pay period basis. Payment for overtime worked is based on an annuitant's full rate of basic pay before any reduction by the amount of their annuity.

2. An annuitant reemployed on an hourly pay basis shall have his or her daily or hourly rate of pay converted to the per annum equivalent. The per annum rate reduced by the total amount of the annuity being received by the employee. The remainder shall be reconverted to a per diem or per hour rate, as appropriate.

3. The civilian payroll office adjusts the reimbursement to the OPM following increases in an annuity as provided in the CSRS and FERS Handbook for Personnel and Payroll Offices (reference (i)), and the OPM instructions issued with periodic cost-of-living adjustments.

C. Former Members of Congress. Former members of the Congress who are employed in an appointive position on an intermittent service basis and who retain their annuities shall have their salaries reduced by a sum equal to the retirement annuity allocable to the period of actual employment. The amount of annuity allocable to each pay period shall be processed as a payroll deduction rather than as a reduction in pay period earnings as is the case with reemployed competitive service annuitants. Therefore, annuities withheld shall not reduce earnings for tax and other purposes. Annuities withheld in the case of former members of the Congress shall be remitted to the OPM as prescribed in paragraph 070402.

070404. Processing. Retirement deductions are optional for CSRS reemployed annuitants, and there is no requirement for a matching government contribution. Retirement deductions are required for FERS reemployed annuitants however, and government contributions are also required. These deductions are computed on the reemployed annuitant's basic pay before any offset due to receipt of an annuity. Deductions for Medicare (CSRS employees) or Social Security/Medicare (FERS employees) are computed on the amount remaining after subtraction of the annuity offset, in accordance with SSA guidance. Federal, state, and local taxes are computed on the amount remaining after subtraction of the annuity offset. TSP contributions are computed for a reemployed annuitant using the base salary prior to the salary offset for the annuity (TSP Bulletin 97-12) (reference (an)). Sick leave reported to the OPM cannot be recredited upon reemployment (5 C.F.R. 630.407) (reference (l)).

070405. Computation of Lump-Sum Leave Pay. Under the provisions of 5 U.S.C. 8344 (reference (b)), the lump-sum payment for unused annual leave due a reemployed annuitant upon separation, including those retired from the competitive service and former members of Congress, shall be computed on the basis of the employee's wage or salary rate fixed for his or her position or occupation without reduction for the amount of annuity received by the employee.



0705 DECEASED EMPLOYEES

★ 070501. General. See 5 U.S.C. 5581-5583 (reference (b)). An SF 1152 (Designation of Beneficiary Unpaid Compensation of Deceased Civilian Employee) and an SF 1153 (Claim for Unpaid Compensation of Deceased Civilian Employee) are forwarded by the HRO to the civilian payroll office. Deceased civilian employees include former employees who die after separation from the employing installation and before receipt of final pay and allowances. Refer to paragraph 070508. for information on the death gratuity payment authorized under P.L. 104-208 (reference (e)). Unpaid compensation includes all pay, allowances, or other amounts due at the time of death, such as:

- A. Current salary (including any retroactive salary)
- B. Savings bonds (if no co-owner or beneficiary was designated) and savings bond balance
- C. Unclaimed or non-negotiated checks. A collection voucher is required to be prepared for non-negotiated returned checks
- D. Cash awards
- E. Foreign and nonforeign area differentials and allowances
- F. Lump-sum annual leave payment
- G. Travel reimbursement
- H. Severance pay.

★ 070502. Payment. Upon notice of the death of a civilian employee, the civilian payroll office takes action to prepare an SF 1154 (Public Voucher for Unpaid Compensation Due a Deceased Civilian Employee) to permit prompt payment of the amounts due. In accordance with the OPM regulations issued pursuant to 5 U.S.C. 5581-5583 (reference (b)), in certain instances the amounts due may be paid directly as indicated on the SF 1153 from the HRO. In certain other instances outlined in subparagraph 070502.B, however, the amounts due may be made only after being authorized by the OPM on the basis of claims forwarded to the OPM.

A. Direct Payment. Direct payment is permitted to claimants legally entitled to such payments. When paying more than one beneficiary, the civilian payroll office shall apply percentages due each beneficiary as specified by the deceased. If the deceased did not specify any percentages, the civilian payroll office shall divide the total amount equally among the eligible claimants. The legal claimants are determined based on the following order of precedence:

1. The beneficiary or beneficiaries designated by the employee in writing to receive such compensation. The designation must have been filed with the employee's employing activity prior to the employee's death;
2. The widow or widower of the employee;
3. The child or children of the employee, and descendants of deceased children by representation;
4. The parents or surviving parent of the employee;
5. The duly appointed legal representative of the estate of the employee, or if none, the person or persons entitled under the laws of the domicile of the employee.

★ B. Payment After OPM Certification. Certain claims are sent to the Claims Division of the OPM for certification before payment is made. After the OPM certifies the SF 1154, it is returned to the civilian payroll office for payment. These include claims when doubt exists either as to the amount or validity of the claim or as to the person or persons properly entitled to payment.

★ C. Submission for OPM Certification. For those claims required to be settled by the OPM before payment, the civilian payroll office shall perform the following actions.

1. Write a letter of transmittal to the office identified in paragraph 060401. The following shall be included:

a. Statement regarding designation of beneficiary.

★ b. Reason why referral to the OPM is recommended. As appropriate, cite unusual circumstances surrounding the death of the employee, or eligibility of the claimant(s) to receive the unpaid compensation.

c. Amount and nature of indebtedness, if any.

d. Statement that the claim has not been and will not be paid until certified in the name of the Comptroller General.

2. Attach the following to the letter of transmittal:

★ a. Original, with the required number of copies, of the SF 1154 and subvouchers. On the SF 1154 in the block for the name of the payee, place the phrase "Payment After OPM Certification."

b. Certified copy of the leave record.

c. Copy of time and attendance report for the period covered by the voucher.

070503. Computation of Amount Due. Pay earned through the date of death and lump-sum payment for unused annual leave shall be computed and shown on a regular biweekly payroll disbursement voucher or a special payroll voucher with a charge to the applicable appropriation and other applicable accounting information. The following instructions govern deductions from unpaid salary:

A. Retirement. If the employee was covered by a retirement system, deduct the retirement contribution from unpaid salary earned through the date of death.

B. Social Security and Medicare Portions of the FICA Tax. If the employee was subject to Social Security/Medicare, deduct for Social Security/Medicare tax from unpaid salary earned before the date of death and from lump-sum payment for unused annual leave earned after December 31, 1950 (IRS Circular E) (reference (h)). Gross wages earned in the calendar year through the date of death, subject to the statutory limitation, are subject to Social Security/Medicare. Social Security/Medicare taxes will be withheld on wages paid to a beneficiary or to the estate of the deceased employee in the calendar year of death. If payment is made after the calendar year of death, such wages are exempt from Social Security/Medicare taxes.

C. Federal Income Tax. Do not deduct FITW from unpaid salary earned by an employee through the date of death (IRS Circular E) (reference (h)).

D. State Tax. Do not deduct withholding for state or (territory or District of Columbia) income tax from the unpaid salary and lump-sum leave earned by an employee through the date of death.

E. Local Tax. Do not deduct withholding for local taxes from the unpaid salary and lump-sum leave earned by an employee through the date of death.

F. FEHB. If the employee had premium withholdings for FEHB, and there is a survivor eligible to continue the enrollment, make withholdings and contributions for the periods for which pay is due. This includes the pay period during which death occurred, subject to the applicable 4-day rule provisions in subparagraphs 040802.B.8. and 040802.B.10.

G. FEGLI. If the employee was subject to FEGLI, deduct for premiums for the periods for which pay is due, including the pay period during which death occurred.

H. Savings Bonds. Do not deduct for savings bonds from unpaid wages nor issue bonds after date of death.

I. TSP. Deductions for TSP and for any TSP loans outstanding will be made.

J. Allotments. Make no deduction for the pay period in which death occurred.

K. Other Deductions. Make any additional deductions required under specific cases, such as indebtedness.

070504. Lump-Sum Payment for Accrued Leave. Do not deduct retirement, federal, state, or local income tax, health benefits, life insurance, or savings bonds from lump-sum payment.

070505. Preparation of the Withholding Tax Statement

A. Decedent Form W-2. Include gross amounts for final pay for the pay period of death and lump-sum annual leave payments as "Social Security Wages" or "Medicare Wages and Tips" only if these amounts are paid to the estate or beneficiary in the same year as the death of the employee occurs. Do not include gross amounts for final pay for the pay period of death or lump-sum annual leave payments as "Wages, Tips, Other Compensation" on the decedent's Form W-2.

B. Form 1099-MISC. Prepare an Form 1099-MISC for amounts payable to the decedent's estate or beneficiary(s). Include in "Prizes, Awards, Etc." the gross amounts for final pay for the pay period of death, lump-sum annual leave, and other moneys such as travel reimbursements received.

C. Federal Income Tax. Deceased employee's unpaid wages are not subject to federal income tax withholding in either the calendar year in which the employee died or afterwards.

070506. Transfer of Funds. The unpaid compensation is placed in deposit fund account --X6875 (Suspense) pending receipt of a claim for the compensation. If a claim has not been received within 1 year from the date the amount was placed in the deposit fund account, transfer the funds as follows:

A. Transfer to deposit fund account 20X6133 (Payment of Unclaimed Moneys) unpaid compensation that meets the following criteria: amount is \$25 or more; a refund, upon claim, would be absolutely justified; there is no doubt as to legal ownership of the funds; and a named individual can be identified with the item. Subsequent payment of claims from this account shall be made by preparing an SF 1154 citing account 20X6133 and the account of the disbursing officer that supports the consolidated civilian payroll office.

B. Transfer to miscellaneous receipt account --1060 (Forfeitures of Unclaimed Money and Property) if the claim for unpaid compensation is less than \$25 or amounts greater than \$25 that do not meet all the provisions for account 20X6133. Subsequent payment of claims from this account shall be made by preparing an SF 1154 citing account 20X1807 (Refund of Money Erroneously Received and Recovered) and the account of the disbursing officer that supports the consolidated civilian payroll office.

070507. Processing of Agency Certification of Life Insurance Status for Employee Death Cases Within DoD. When an employee dies, the SF 2821 (Agency Certification of Insurance Status) is processed under the guidance in the Federal Employees Group Life Insurance Handbook for Personnel and Payroll Offices (reference (z)). The same official cannot make the two certifications of personnel and payroll record data on the SF 2821. To help reduce the time survivors or beneficiaries must wait on insurance benefits from the Office of Federal Employees' Group Life Insurance, the following expedited processing of SF 2821 shall be accomplished within DoD.

A. For collocated HROs and civilian payroll offices. The HRO completes and forwards the SF 2821 upon notification of death of the employee, to the servicing civilian payroll office for certification. The civilian payroll office certification shall be completed and all copies of the SF 2821 returned to the HRO within 24 hours after receipt by the civilian payroll office.

B. For HROs geographically separated from civilian payroll offices. The HRO completes and mails the SF 2821, upon notification of death of the employee, to the civilian payroll office for certification. The civilian payroll office's certification shall be completed within 24 hours after receipt by the civilian payroll office. The civilian payroll office shall express-mail all copies of the SF 2821 back to the HRO.

★ 070508. Death Gratuity Payment. P.L. 104-208 (reference (e)) authorizes payment of a death gratuity to the personal representative of an employee who dies from an injury sustained in the line of duty on or after August 2, 1990.

★ A. Documentation. The civilian payroll office must receive a letter of authorization from the HRO before payment is issued. The letter must contain the following:

1. Deceased employee name
2. Employee SSN
3. Amount of gratuity to be paid
4. Name and address of the personal representative to receive the payment
5. Name and telephone number of the responsible individual to be contacted for the appropriate fund cite to be charged for payment.

★ B. Payment. An SF 1049 shall be prepared in the amount indicated and made payable to the personal representative. Payment shall be made by the close of business the following work day after receipt of the fund cite. The death gratuity payment is not considered wages for the purpose of Social Security, Medicare, or federal, state or local tax withholding.

★ C. Reporting. Form 1099-R (Statement for Recipients of Total Distributions From Pensions, Annuities, Retirement or Profit-Sharing Plans, etc.) shall be prepared by the civilian payroll office and forwarded to the personal representative with a copy of the SF 1049 and the

authorization letter from the HRO. The civilian payroll office shall retain a copy of the completed SF 1049, Form 1099-R, and the authorization letter received from the HRO.

#### 0706 EXPERTS AND CONSULTANTS

★ 070601. General. Title 5, United States Code, Chapter 31 (reference (b)) prescribes the conditions governing employment of experts and consultants. The civilian payroll office pays experts and consultants based on the SF 50 data received from the HRO.

070602. Compensation to be Paid. Determination of the specific rate to be paid experts and consultants, including the decision to pay no compensation, is made on an individual case basis. The rate for experts and consultants is not to exceed the amount authorized by the statute under which the individual's services are obtained. Normally compensation is equivalent to salaries in the GS-13 through GS-15 range. These grades are excluded from entitlement to interim geographic adjustment and locality pay.

070603. Overtime and Limitation on Pay. Because experts and consultants generally are paid on a daily rate basis, they are not entitled to more than the daily rate prescribed in the appointment documents for each day of service regardless of the number of hours worked. The designation of a regular tour of duty in the appointment documents does not necessarily preclude receipt of compensation at the agreed daily rate for work performed outside of that tour of duty-- for example, if such an employee works 6 days a week, the 6th day is paid at the straight time rate rather than the overtime rate. Experts and consultants employed on a daily basis may be paid the rate of basic compensation for work on days outside the prescribed tour of duty, provided the compensation within any biweekly pay period does not exceed the rate of basic pay for Level V of the Executive Schedule (58 Comp. Gen. 90 (1978)) (reference (p)).

070604. Salary Increases. Unless the appointment documents prescribe that General Schedule increases under 5 U.S.C. 5305 (reference (b)) automatically apply to these individuals, and without administrative action authorizing a consequent increase under 5 U.S.C. 5307 (reference (b)), an expert or consultant is not entitled to a pay increase on the basis of an increase in the General Schedule. The SF 50 data from the HRO notifies the civilian payroll office of the proper salary increase.

070605. Holiday Pay. Unless the appointment documents expressly provide for holiday pay, an expert or consultant employed on a daily basis is not entitled to compensation for holidays on which no work was performed (Comp. Gen. Decision B-131259, January 23, 1976) (reference (p)). The SF 50 data from the HRO notifies the civilian payroll office of the proper holiday pay, by an express statement that the employee is entitled to holiday pay.

★ 070606. Offset of Uniformed Services Retired Pay. As required by 5 U.S.C. 5532 (reference (b)), certain former members of the uniformed services are subject to reduction in retired pay if employed in the federal service (including experts and consultants). The employing activity is responsible for notifying the supporting DFAS Center which determines the amount of retired pay, if any, to be withheld (5 C.F.R. 550.601-603) (reference (l)).

070607. Exception from Dual Pay Restriction. Generally, an individual is prohibited by statute from receipt of basic pay from more than one position for more than an aggregate of 40 hours of work in one calendar week. Under one exception to this restriction, an individual is entitled to pay for service on an intermittent basis from more than one consultant or expert position, provided the pay is not received for the same hours of the same day per 5 U.S.C. 5533(d)(1) (reference (b)).

070608. Annual and Sick Leave

A. An expert, consultant, or other employee who serves on an intermittent or other basis without a prearranged regular tour of duty does not earn annual and sick leave (5 U.S.C. 6301(2)(ii)) (reference (b)).

B. An expert, consultant, or other employee who serves on a regularly prescribed tour of duty, full-time or part-time, does earn annual and sick leave. The HRO should determine the regular tour of duty in advance and should annotate the appointment document specifically to show whether the employee earns leave (58 Comp. Gen. 167 (1978)) (reference (p)) and (5 C.F.R. 630) (reference (l)). The accrual rate is the same as for other full-time and part-time federal employees as discussed in 5 C.F.R. 630 (reference (l)).

070609. Retirement, Life Insurance, and Health Benefits. An expert, consultant, or other employee whose service is intermittent or temporary for 1 year or less is not covered under the retirement systems and is ineligible for life insurance and health benefits. Coverage is continued, however, if an employee currently covered by retirement, life insurance, or health benefits is appointed as an intermittent or temporary (full-time or part-time) expert or consultant without a break in service or after a separation from the service of 3 days or less. To continue life insurance coverage for an intermittent employee, there must be an expectation that the employee will return to the previous position on a full-time basis.

0707 LEGALLY INCOMPETENT EMPLOYEES

070701. General. The HRO notifies the civilian payroll office in writing when an employee is found to be legally incompetent. The HRO sends the civilian payroll office the SF 50 data that shows the employee's separation because of mental incompetence. The employee also may be on an extended leave of absence, and the HRO shall so inform the civilian payroll office. The civilian payroll office makes no payments to the employee once it has been informed that the employee is declared legally incompetent. A claim must be filed on the employee's behalf before the pay account can be settled. No specific form is required to file a claim for amounts due mentally incompetent employees or former employees. The claim must be filed in writing over the signature of the person claiming on behalf of the incompetent. If the claim is from other than a guardian or committee, the Office of General Counsel that supports the servicing payroll office should be consulted prior to making payment.

A. Guardian or Committee. The initial claim filed by the guardian or committee of the estate of a legally incompetent employee must be accompanied by a certificate of the court showing the appointment and qualification of the claimant as guardian or committee. After the first payment has been made, subsequent recurring payments may be made to the same payee without further claim as long as the appointment as guardian or committee remains in effect and the matter is otherwise free from doubt. Subsequent payment vouchers will include a citation to the voucher upon which the initial claim was paid.

B. Other than Guardian or Committee. If a guardian or committee has not been or will not be appointed, the initial claim must be supported by a sworn statement that identifies:

1. The claimant's relationship to the legally incompetent employee, if any;
2. The name and address of the person having care and custody of the legally incompetent employee;
3. A remark that any amount paid to the claimant shall be applied only to the use and benefit of the legally incompetent employee;
4. A remark that no appointment of a guardian or committee is contemplated.

070702. Claim Action. Upon receipt of a claim, consider the proposed date of separation to determine whether compensation is due currently or a payroll voucher for final settlement should be processed. To avoid invalid payments when the employee is carried on extended paid leave, the HRO will monitor the case for any changes in the employees condition, and advises the civilian payroll office immediately. File the claim in the employee's file of documents.

070703. Processing Claims. The civilian payroll office may pay claims for unpaid amounts due to legally incompetent employees unless it doubts the amount or validity of the claim or it doubts the claimant's proper entitlement to the payment.

A. Any unclaimed, undelivered, or uncashed salary checks drawn in favor of the employee are to be returned to the disbursing officer for cancellation and credit to the appropriation or fund originally charged.

B. The net amount of any returned check is to be posted to the pay record. Adjustment of the items originally deducted from the gross pay is not required if the proceeds of the check are due the employee. If the proceeds of the check are not due, prepare an SF 1098 (Schedule of Canceled or Undelivered Checks) to cancel the check and make proper adjusting entries for the deductions from gross pay.



C. Compute the amount to be paid to the claimant. Process any further payments due to the employee each pay period in the regular payroll cycle; for example, payments due when the employee is carried on sick leave.

1. Prepare a statement for all arrears of pay due. Include the net amount of any uncashed checks if the proceeds are due.

2. Enter the following on the payroll voucher (such as on a DD Form 592 under "OTHER"):

a. "Mentally Incompetent Employee." In addition, enter the name of the proper claimant and capacity in which serving, followed by the name and SSN of the mentally incompetent employee.

b. Citation of the designated deposit fund account.

c. Amount due the claimant.

3. On receipt of a properly executed claim and/or court certificate, prepare an SF 1049 to effect the disbursement of the funds from the deposit fund account designated on the payroll voucher to the claimant. The claimant's name and address appear on the voucher along with the employee's name and SSN, and the pay period. The voucher is forwarded to the disbursing officer for payment.

4. Forward a copy of the processed voucher to the claimant. A copy should also be filed in the employee's file.

5. Include in the final payment any lump-sum payment for annual leave, refund of bond balances, and any other salary amount to which the employee is entitled.

6. Record in the payroll records the official date that the employee is declared legally incompetent. Also, the name and address of the claimant shall be recorded in the payroll records.

★ 070704. Processing Doubtful Claims for OPM Certification. Doubtful claims shall be submitted to the OPM following the procedures outlined in section 0604.

★ A. Prepare the voucher for the net amount due a mentally incompetent employee per paragraph 070703. This voucher (along with the required number of copies) is sent to the OPM. After the OPM certifies the voucher, it will be returned to the submitting office for payment.

★ B. Enter "Local Payment After OPM Certification" on the face of the voucher. The OPM adds the name and legal capacity of the claimant on the voucher.

C. Certify the voucher and attach the following:

1. Claimant's legal authorization, including any certificate of the court showing appointment and qualifications of the claimant.

2. Claim from the claimant (such as letter from the guardian, administrator, etc.)

★ 3. Statement of the doubtful aspects and the reason the civilian payroll office recommends referral of the claim to the OPM.

★ 4. Certificate stating that the claim has not been and will not be paid until certified.

D. Retain a copy of the voucher and supporting documents in the employee's file.

0708 MISSING PERSONS, CAPTURED OR INTERNED

070801. General. Civilian personnel who are determined officially to be missing are entitled to continued pay and allotments from their pay under the Missing Persons Act (5 U.S.C. 5561-5568) (reference (b)) and the Terrorism Compensation Act (5 U.S.C. 5569) (reference (b)). Missing status includes persons:

A. Missing

B. Missing-in-action

C. Interned in a foreign country

D. Captured, beleaguered, or besieged by a hostile force

E. Detained in a foreign country against the employee's will.

070802. Actions by the Civilian Payroll Office

A. Upon receipt of an official determination that a civilian employee is in a missing status, return any unclaimed or uncashed checks to the disbursing area.

B. The civilian payroll office retains responsibility for the employee's pay, leave and retirement records.

C. The initiation, continuance, discontinuance, increase, decrease, suspension, or resumption of an allotment from the pay and allowances of an employee in a missing status, is

authorized when that action is in the interests of the employee, the dependents, or the United States (5 U.S.C. 5563) (reference (b)). These allotments shall comply with section 0414.

1. Allotments authorized by an employee before the missing status began normally are continued for the period of absence.

2. The missing employee's dependents may receive an allotment of the employee's pay. Dependent payments cannot exceed the employee's net pay. The needs of the dependents, the number of dependents and their relationship to the employee, however, should be considered when determining the payment amount. If possible, reserve a reasonable amount each pay period to ensure that the employee will have funds available upon return.

D. The pay and allowances of a missing employee in a captive status may be allotted to an interest bearing savings fund established by the Secretary of the Treasury (5 U.S.C. 5569) (reference (b)). Captive status means a missing status which, as determined by the President, arises because of a hostile action and is a result of the individual's relationship with the government. All or any portion of the employee's pay and allowances may be allotted to the extent that such pay and allowances are not subject to an allotment under 5 U.S.C. 5563 (reference (b)) as outlined in subparagraph 070802.C.

E. Maintain the pay account on a pay-period basis. Include normal deductions for retirement, FICA, federal and state income tax withholding, FEHB, FEGLI, and savings bond deductions in the totals for the regular payroll voucher. Schedule savings bonds for issuance when the full purchase price has been deducted on the individual pay record. Savings bonds are mailed to the person(s) in whose name(s) the bonds are registered. If not mailable, savings bonds are kept in safekeeping at the supporting DFAS Center.

F. Establish a special leave account to restore any annual leave forfeited by an employee while in a missing status after January 1, 1965.

070803. Termination of Absence. Do not separate employees while they are entitled to pay and allowances under the Missing Persons Act (5 U.S.C. 5561-5568) (reference (b)).

A. When an employee returns from a missing status, the civilian payroll office promptly vouchers the balance withheld from the employee and furnishes a resume of allotments started and paid in the employee's absence. Charge the accounting classification that was current when the pay accrued. The employee initiates any allotment discontinuances or change documents for any allotments that may have been started or changed during the absence. The civilian payroll office pays future salaries using normal payroll procedures.

B. When the employee returns from missing status, furnish a statement of the special leave account balance to the employee's HRO. The employee elects, in writing, whether payment or credit for the leave is desired. If payment is requested, make the payment at the employee's rate of pay in effect when the leave was forfeited.

C. Upon receipt of official notice of the employee's death or presumed death, take actions outlined in section 0705.

D. Charge the pay adjustment or final settlement, including local allotment payments to dependents, to the appropriated fund account that bore the employee's salary.

#### 0709 EMPLOYEES TRANSFERRED TO INTERNATIONAL ORGANIZATIONS

070901. General. Under 5 C.F.R. 352.301-352.314 (reference (l)), an employee who transfers to an international organization (IO) may elect to keep coverage for CSRS, FEGLI, and FEHB. Refer to subparagraphs 070901.A. and 070901.B. for TSP contributions. The employee is required to deposit the amount of the employee payments for these programs with the civilian payroll office. The employee's employing activity pays employer contributions for retirement, insurance, and health benefits coverage. The HRO notifies the civilian payroll office in writing when a transferred employee wishes to keep any one or all of these benefits.

A. A CSRS and CSRS-Offset employee who transfers to an IO can continue his or her CSRS retirement coverage. (Note: the CSRS-Offset employee reverts to full CSRS coverage during the transfer to the IO.) If an employee transferred prior to October 1, 1988, he or she can contribute to the TSP. If an employee transferred on or after October 1, 1988, he or she cannot contribute to the TSP (5 U.S.C. 8347(o)) (reference (b)).

B. A FERS employee who transfers to an IO is eligible to continue his or her retirement coverage under special procedures if he or she continues Social Security coverage (the CSRS and FERS Handbook for Personnel and Payroll Offices, chapter 12) (reference (i)). Since the employee is covered by FERS, he or she can contribute to the TSP.

#### 070902. Computation of Payments

A. Compute amounts for retirement and FEGLI on the rate of basic compensation the employee was receiving at the time of transfer. If these amounts are changed by law or regulations while an employee is serving with an IO, recompute the amounts based on notification from the HRO and notify the employee and the IO (if applicable) of the effective date and new amount.

B. Compute FEHB on the cost of the plan of the employee's choice. If the enrollment cost changes while the employee is serving with an IO, recompute the amount based on notification from the HRO and notify the employee and the IO (if applicable) of the effective date and new amount.

C. When the SF 50 data is received showing a step increase, or general pay increase, recompute the amounts due under subparagraph 070902.A.

070903. Time of Payments. The HRO advises transferred employees to make payments promptly for each pay period. Payments are considered current, however, if received within 3 months after the end of the pay period covered by the payment (5 C.F.R. 352.309(c)) (reference (1)). The civilian payroll office advises the HRO (and carrier for FEHB) of any delayed payments. Failure to deposit payments on time ends the employee's coverage.

070904. Accounting for Payments. A DD Form 1131 (Cash Collection Voucher) is used to deposit, into a deposit fund established for such purposes, amounts received either from the individual or the employing organization. An SF 1081 (Voucher and Schedule of Withdrawals and Credits) is used to transfer the employer's contribution, if required, from the appropriation which would have been charged for the employee's pay to the proper deposit fund account. Total amounts (employee payments and contributions) are included on the current SF 2812, or prepare a supplemental, to make the total payment to the OPM. The employee's SF 2806/3100 is posted with the total annual retirement costs paid by the employee. The employee's status is shown in the Remarks section. The IO keeps an SF 2806/3100 for the entire term of employment, unless the OPM asks for it.

★ 070905. Leave Account. Employees who are transferred to an IO may elect to receive payment for accumulated annual leave or have it remain to their credit until they return to federal employment. Employees may also request payment at any time before reemployment. The HRO sets the date of separation to allow employees to use all accumulated annual leave that might otherwise be forfeited. The civilian payroll office prepares and delivers an extra copy of the SF 1150 to the employee. Upon reemployment, the civilian payroll office uses a copy of the SF 1150 to recredit sick leave and annual leave, if applicable. If the employee accepts a lump-sum payment and is reemployed within 6 months after transfer to the IO, the employee must refund the amount of the lump sum (5 U.S.C. 3582, reference).

070906. Equalization Allowances. Title 5, United States Code, section 3582(b) (reference (b)) authorizes those employees transferred to an IO, upon reemployment, to be paid an equalization allowance if the IO pay and other monetary allowances are less than the employees would have received had they been detailed from their federal jobs (5 U.S.C. 3343) (reference (b)). For conditions of entitlement, see 5 C.F.R. 352.310 (reference (1)).

A. The equalization allowance applies to employment with an IO that occurs after December 29, 1969.

B. Employees transferred to an IO are entitled to be paid an amount equal to the difference between the pay, allowances, post differential, and other monetary benefits paid by the IO and the pay, allowances, post differential, and other monetary benefits that would have been paid by the federal employer had the employees been detailed to the IO under 5 U.S.C. 3343 (reference (b)). This applies to employees (1) on reemployment, or (2) on death, if it occurs while transferred to, or during the period after separation from, an IO when the employees are exercising, or could exercise, their reemployment rights, or (3) if the employees cannot exercise their reemployment rights because of a disability incurred while transferred to an IO

C. To determine the difference, the Secretary of State defines pay for the federal government as the amount paid an employee after deductions of federal, state, and local taxes (5 C.F.R. 352.310(a)(1)) (reference (l)). Pay for IOs following the Common System of Salaries and Allowances of the United Nations and Specialized Agencies is the amount paid an employee after deduction of the staff assessment. Pay for other IOs is the tax-free pay plus a pro rata amount equal to the corresponding United Nations staff assessment. In cases when pay is subject to federal, state, and local taxes, this is the pay before deduction of the taxes.

D. Allowances, post differential, and other monetary benefits are defined by the Secretary of State as follows:

1. Federal Government. The amount that would have been paid under 5 U.S.C. 5921-5925 (reference (b)), applicable provisions of chapters 100, 200, and 500 of the DSSR (reference (t)) , and implementing agency regulations had the employees been detailed to an IO under 5 U.S.C. 3343 (reference (b)).

2. IOs Following the Common System of Salaries and Allowances of the United Nations and Specialized Agencies. The amount paid under pertinent provisions of the Staff Regulations and Rules of the United Nations and Specialized Agencies.

3. Other IOs Not Under the Common System of Salaries and Allowances of the United Nations and Specialized Agencies. The amount paid under pertinent conditions of service applied by the organizations as determined to be appropriate by the releasing agency with the concurrence of the Secretary of State.

E. Travel and subsistence expenses, transportation of effects, and leave are not considered monetary benefits for equalization allowance.

F. In exceptional circumstances when a hardship or an inequity would otherwise occur, the Secretary of State, on the recommendation of the head of the agency, may specify allowances or other monetary benefits instead of, or in addition to, those specified above.

G. The payment of equalization allowance is chargeable to the appropriation current at the time of disbursement and is subject to federal and state income tax deductions.

0710 EMPLOYEES TRANSFERRED TO STATE, LOCAL, OR INDIAN TRIBAL GOVERNMENTS OR TO INSTITUTIONS OF HIGHER EDUCATION AND OTHER ELIGIBLE ORGANIZATIONS

★ 071001. General. Title 5, Code of Federal Regulations, part 334, (reference (l)) contains information regarding temporary assignment of employees between executive agencies and states, local governments, Indian Tribal Governments, institutions of higher education, and

other eligible organizations. An employee's pay and leave provisions are in the employee's assignment agreements. If procedural problems arise in complying with the assignment agreements, contact the HRO.

#### 0711 EMPLOYEES WHOSE WHEREABOUTS ARE UNKNOWN

071101. General. In the event an employee's whereabouts is unknown and payment cannot be made to the employee, the amount should be transferred to a suspense account. If the money is still unclaimed after 1 year, transfer the amount to the deposit fund account 20X6133 (Payment of Unclaimed Moneys).

#### 0712 AIR TRAFFIC CONTROLLERS

071201. Retirement. Air traffic controllers have a unique retirement deduction percentage for CSRS and FERS employees. These rates are published by the OPM in the CSRS and FERS Handbook for Personnel and Payroll Offices, chapters 30 and 46 (reference (i)).

071202. Leave. Leave accruals are based on guidelines published in 5 C.F.R. part 630 (reference (l)).

071203. Overtime Computation. For an employee who occupies a non-managerial position, the overtime rate of pay is an amount equal to one and one-half times the hourly rate of basic pay of the employee. The entire amount is considered premium pay. To be eligible for such pay, the duties of a non-manager's position must be critical to the immediate daily operation of the air traffic control system, directly affect aviation safety, and involve physical or mental strain or hardship.

#### 0713 PERSONNEL ON LONG TERM FULL-TIME TRAINING

071301. General. Long term full-time training is defined as a training period of 120 consecutive workdays or more (5 U.S.C. Chapter 41) (reference (b)) (5 C.F.R. Part 410) (reference (l)). Employees on long term full-time training are authorized payment of salary.

071302. Leave. Leave is reported via the time and attendance reporting mechanism and is administered as specified for the following leave types:

A. Annual Leave. Personnel on long term full-time training shall continue to accrue annual leave. Ordinarily, an employee will be charged with annual leave during school vacation periods which fall on government workdays, unless he or she returns to the work site or has made documented arrangements with his or her DoD point of contact to be actively involved in academic work. These documented arrangements should be accomplished well in advance of the vacation periods. Annual leave charges are reported to the civilian payroll office on the employee's time and attendance report.

B. Sick Leave. Personnel on long term full-time training shall continue to accrue sick leave. Sick leave should be charged when the person is unable to attend classes due to illness. Such sick leave charges are reported to the civilian payroll office on the employee's time and attendance report.

0714 EMERGENCY MEDICAL TECHNICIAN (EMT)

071401. Tour of Duty. The EMT works a special tour of duty of 24 hours on and 48 hours off. Schedules and changes to tours of duty for an EMT working irregular tours must be on file in the employing activity/timekeeper site. Eating and sleeping time also must be documented. The hourly rate is multiplied by 40 hours, and the base pay and premium pay is based on this weekly rate regardless of the hours in the scheduled tour of duty for that week.

071402. Eating and Sleeping. Adequate sleeping facilities must be provided for employees in order to exclude sleep time in calculating pay entitlements. If an employee cannot get an aggregate of 5 hours of sleep because of employing activity-initiated interruption, the entire sleep period is considered actual work time. For all 24-hour shifts, the two-thirds rule shall apply. This means that unless actual eating and sleeping time of less than 8 hours is documented on the employee's time and attendance report, 8 hours shall be deducted from scheduled hours to determine actual hours worked. When an employee takes 24 hours of leave, 8 hours of eating and sleeping time for that employee are deducted from actual hours of work under FLSA. Eating and sleeping time for days of partial leave must be documented on the time and attendance report so that actual hours of work are shown. Eating and sleeping time scheduled during leave periods shall be added to total eating and sleeping time so that total hours of actual work and total hours of eating and sleeping time will be shown. If an employee works an additional 24-hour overtime shift, 8 hours of eating and sleeping time are deducted unless otherwise documented as worked. If the overtime shift is less than 24 hours, no eating and sleeping time is deducted.

★ 071403. Overtime Computation. If leave is taken during a workweek, leave hours are included as actual hours worked under FLSA. Actual hours, however, shall not include scheduled eating and sleeping time for a 24-hour shift or documented eating and sleeping time for partial days of leave. Overtime computations are based on 40 hours per week instead of 80 hours per biweekly pay period.

★ 071404. Leave Accrual. Employees on uncommon tours of duty who repeating on a cycle of more than one biweekly pay period (e.g., a three biweekly pay period cycle) accrue leave based on the average hours in the biweekly tour. An EMT on a tour of duty of 96 hours for one biweekly pay period, and 120 hours for each of the following two biweekly pay periods, works an average tour of 112 hours per pay period, accrues leave based on a 112-hour tour of duty. See DoD 1400.25-M, subchapter 630 (reference (u)).

071405. Premium Pay. The amount of the premium pay for the irregular tour of duty shall be determined by the HRO and reported on the SF 50. An EMT employed as intermittent is not entitled to premium pay on an annual basis, nor is he or she entitled to paid leave. An EMT is paid under regular overtime rules.



★ 071406. Refer to 5 C.F.R. Part 551 (reference (l)) for additional guidance on pay administration for EMTs under the FSLA (reference (n)).

0715 JUDGES

071501. Administrative Law Judges

A. Authority. Under 5 U.S.C. 3105 (reference (b)), the Department appoints administrative law judges as necessary for proceedings required to be conducted in accordance with 5 U.S.C. 556 and 557 (reference (b)). Administrative law judges are assigned to cases in rotation so far as practicable. These employees may not perform duties inconsistent with their duties and responsibilities as administrative law judges.

B. Pay for Administrative Law Judges. Title 5, United States Code, section 5372 (reference (b)) established the administrative law judge pay system. The minimum rate for administrative law judge positions is set at 65 percent of Level IV of the Executive Schedule and the maximum rate is set at 100 percent of Level IV of the Executive Schedule. The administrative law judge positions are (lowest to highest) AL-3, Rate A; AL-3, Rate B; AL-3, Rate C; AL-3, Rate D; AL-3, Rate E; AL-3, Rate F; AL-2; and AL-1.

★ 071502. U.S. Court of Military Appeals Judges. The U.S. Court of Military Appeals is established under Article I of the United States Constitution, and 10 U.S.C. 941 through 946 (reference (ar)). The President of the United States, with the advice and consent of the United States Senate, appoints the judges of the court for a term of 15 years. The court consists of five judges. The court is located within the Department of Defense for administrative purposes. The judges are employees as defined under 5 C.F.R. Part 213 (reference (l)). They are not considered administrative law judges. The salaries of the judges are equal to that of the judges of the United States Courts of Appeals (that is, General Schedule Salary Table, Schedule 7, Judicial Salaries). The maximum annual salary is that of Level I of the Executive Schedule.

A. Entitlements. The judges are entitled to regular base pay only. They are excluded from the leave provisions of 5 U.S.C. 6301(2) (reference (b)). As federal judges under 5 U.S.C. 5541(2)(i) (reference (b)), they also are excluded from the provisions of premium pay under 5 U.S.C. Chapter 55, Subchapter V (reference (b)).

B. Deductions

1. Judges under CSRS are required to contribute 8 percent for retirement. Judges under FERS have the same deduction rate as other FERS employees. See the CSRS and FERS Handbook for Personnel and Payroll Offices, chapter 30 (reference (i)).

2. The FEGLI for the judges is based on Level II of the Executive Schedule.

3. The judges are subject to the Social Security/Medicare maximum salary limitations.

4. Judges, upon becoming eligible for retirement, may, under the provisions of 10 U.S.C. 945(i) (reference (ar)), elect to retire either under CSRS or FERS (if they otherwise meet the conditions of those systems) or to receive a retirement annuity under 10 U.S.C. Article 145 (reference (ar)).

★ C. Special Retirement and Survivor Benefits for Judges of the United States Court of Military Appeals. Under Article 145, 10 U.S.C. 941 through 946 (reference (ar)), judges upon becoming eligible may elect to receive a retirement annuity from the Defense Military Retirement Fund. The DFAS-Denver Center serves as the "payroll office" for employees receiving these benefits. It carries out activities such as:

★ 1. Maintain individual retirement records of individuals who elect annuity benefits under 10 U.S.C. 945 (reference (ar)).

★ 2. Issue annuity payments from moneys in the Defense Military Retirement Fund, including the collection of applicable federal and state income taxes, and collections of debts owed the U.S. Government.

★ 3. Arrange with the OPM for transfer of moneys, including interest payments authorized under 10 U.S.C. 945(a)3)(C) (reference (ar)), from the Civil Service Retirement Fund to the Defense Military Retirement Fund.

★ 4. Withhold, as appropriate, contributions from annuity for payment of federal health and life insurance premiums, make correct agency contributions, and transmit these moneys to the Civil Service Retirement Fund.

★ 5. Readjust annuity payment when events change retiree or survivor entitlements.

★ 6. Account for retirement moneys received from the OPM and disbursed to benefit recipients, insurance carriers, and federal and state tax entities.

★ 7. Cease annuity payment if employee receiving annuity elects judiciary retirement benefits under 10 U.S.C. 945(g) (reference (ar)).

★ D. Judges of the United States Court of Appeals for the Armed Forces. Judges in receipt of annuity under 10 U.S.C. 945 (reference (ar)) are responsible for advising Washington Headquarters Service (WHS) of dual compensation circumstances under 10 U.S.C. 945(f) (reference (ar)) and elections of judicial retirement benefits under 10 U.S.C. 945(g) (reference (ar)).

0716 AUXILIARY CHAPLAINS

071601. General. Civilian clergy may be assigned to perform essential religious services of the chapel program that are beyond the staffing capabilities of the Armed Forces chaplains. These auxiliary chaplains normally perform their services on military installations, except for emergency ministrations. To serve as auxiliary chaplains, civilian clergy must be ordained or accredited by a faith group recognized by the Armed Forces Chaplain Board. They must meet those additional qualifications required by the Armed Forces.

071602. Appointing and Paying Auxiliary Chaplains

A. Auxiliary chaplains may be appointed by the HRO on a "when actually employed" basis. They are paid on a fee basis from the employing activity's appropriated funds for civilian personnel (such as Operation and Maintenance funds). The HRO may appoint these chaplains under the authority of 5 C.F.R. Part 213 (reference (I)).

B. Additionally, the installation contracting office may obtain auxiliary chaplain services under non-personal services contracts. Auxiliary chaplains placed on a non-personal services contract are not paid through the civilian payroll system. They are paid through the commercial vendor process.

C. Work Schedules. Auxiliary chaplains employed on a "when actually employed" basis have no work schedule. They are paid for religious services performed.

D. Absence and Leave. There is no entitlement for leave.

★ E. Entitlements. The pay scale for auxiliary chaplains is determined by the employing activity's HRO. Because chaplains are excluded from the definition of a GS employee in 5 U.S.C. 5102 (reference (b)), they are also excluded from the entitlement to interim geographic adjustments. Social Security, Medicare, federal and state income tax withholdings are made in accordance with the tax documents filed by the chaplain. Social Security, Medicare, federal and state income tax withholdings do not apply to chaplains under non-personal service contracts.

★0717 SERVICE SECRETARIES

★ 071701. Secretaries of the Military Departments (Army, Navy, and Air Force) are paid 24 pay periods a year on a semi-monthly basis on the 1st and the 15th of the month.

★ 071702. Time and attendance is not reported. Accrual and usage of annual and sick leave is not authorized. Service Secretaries are not eligible for premium pay.

★ 071703. Deductions for FEHB and FEGLI must be calculated on a semi-monthly basis. Federal, state and local taxes are calculated on a semi-monthly basis. Deductions are made for Social Security, Medicare, retirement, and TSP.