



PERSONNEL AND  
READINESS

UNDER SECRETARY OF DEFENSE  
4000 DEFENSE PENTAGON  
WASHINGTON, D.C. 20301-4000



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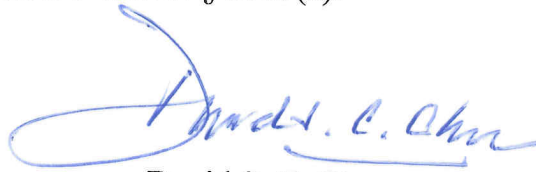
MEMORANDUM FOR: SECRETARIES OF THE MILITARY DEPARTMENTS  
CHAIRMAN OF THE JOINT CHIEFS OF STAFF  
UNDER SECRETARIES OF DEFENSE  
DIRECTOR, DEFENSE RESEARCH AND ENGINEERING  
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DIRECTOR, NET ASSESSMENT  
DIRECTOR, PROGRAM ANALYSIS AND EVALUATION  
DIRECTORS OF THE DEFENSE AGENCIES  
DIRECTORS OF THE DOD FIELD ACTIVITIES

SUBJECT: Credit for Non-Federal and Uniformed Service for Determining Annual  
Leave Accrual Rate

Title 5, United States Code (U.S.C.) § 6303, as amended by section 202 of the Workforce Flexibility Act of 2004 (Pub.L. 108-411), provides the Secretary of Defense the discretionary authority to afford credit for work experience that otherwise would not be creditable under 5 U.S.C. § 6303(a) in determining a newly appointed or reappointed employee's annual leave accrual rate. This hiring flexibility augments the existing package of recruiting incentives that may be utilized in attracting highly qualified candidates into hard-to-fill or mission critical positions.



The attached guidance establishes Department of Defense policy and procedures for crediting prior work experience that otherwise would not be creditable for purposes of annual leave accrual as authorized under 5 U.S.C. § 6303(a).

A handwritten signature in blue ink, appearing to read "David S. C. Chu", with a large, sweeping flourish underneath.

David S. C. Chu

Attachment:  
As stated

## Department of Defense

### Credit for Non-Federal and Uniformed Service for Determining Annual Leave Accrual Rate Guidance and Procedures

#### A. General Information

1. Title 5, United States Code (U.S.C.) § 6303, as amended by Section 202 of the Workforce Flexibility Act of 2004 (Pub. L. 108-411), permits a newly appointed civilian employee or a civilian employee reappointed following a break in service of at least 90 calendar days (hereafter referred to as “reappointed”) to earn service credit for prior work experience that otherwise would not be creditable for the purpose of determining the employee’s annual leave accrual rate.
2. The Office of Personnel Management issued interim regulations implementing the change in the law in 5 Code of Federal Regulations (CFR) part 630. The guidance contained in this memorandum serves as DoD's interim policy on this new hiring flexibility.
3. This new flexibility gives the Secretary of Defense the discretionary authority to afford service credit for annual leave purposes to newly appointed or reappointed civilian employees for work experience, including honorable, active duty uniformed service, that otherwise would not be creditable under 5 U.S.C. § 6303(a).
  - a. Secretaries of the Military Departments and heads of Defense Agencies, and DoD Field Activities with independent appointing authority for themselves and their serviced organizations are delegated authority to authorize service credit for purposes of annual leave accrual under this authority for positions at grades GS-15 and below (and equivalent). This authority may be redelegated in writing to the level of managers and supervisors.
4. The provisions of this policy may be applied retroactively to April 28, 2005, the effective date of the OPM interim regulations.
5. The provision applies to The Office of the Secretary of Defense, the Military Departments, the Chairman of the Joint Chiefs of Staff, the Combatant Commands, the Office of Inspector General of the Department of Defense (DoD), the Defense Agencies, the DoD Field Activities, and all other organizational entities within the Department of Defense (hereafter collectively referred to as the “DoD Components”).

## **B. Eligibility Criteria**

1. Components delegated this authority may determine the amount of service credit to be granted to an employee using the following criteria:
  - a. The skills and experience of the selectee are essential to the new position and were required through performance duties in a non-Federal position or an active duty uniformed services position that directly relate to the duties of the position for which the individual has been selected; and
  - b. This use of this authority is necessary to achieve an important mission or performance goal.
2. In exercising this authority, Components may wish to consider such factors as recent relevant experience and difficulty in filling the position.
3. Service credited under this guidance is not creditable for retirement or reduction in force.
4. An employee has no entitlement to credit for non-Federal service or active duty uniformed service under this policy.

## **C. Determination to Provide Credit**

1. Service credit, when authorized, will be computed on a one-for-one (month-for-month) basis for all service creditable under these provisions. The minimum amount of service that may be credited is 1 year. The amount of service credited may not exceed the actual amount of service during which the current expertise was attained and the directly related duties were performed.
2. Credit for prior non-Federal or honorable, active-duty uniformed service that otherwise would not be creditable under title 5, U.S.C. section 6303(a) is granted on the date of initial appointment or reappointment and remains creditable for annual leave purposes unless the employee fails to complete 1 full year of continuous service within the Department of Defense.

#### **D. Procedures for Separating Prior to 1 Year**

1. An employee who separates from Federal service or transfers to another Federal agency (outside DoD) before completing 1 full year of continuous service with the DoD, is not entitled to retain service credit for non-Federal or active duty work experience earned under this provision.
2. Prior to such separation or transfer of the employee, the service computation date (SCD) leave must be adjusted by subtracting the credit that was provided for the non-Federal or active duty work experience.
3. All unused annual leave accrued and accumulated by such employee under this provision remains following the deduction of credits under section D.2, above, to the credit of the employee. The remaining annual leave balance must either be transferred to the new Federal agency in accordance with 5 CFR 630.501 if the employee is transferring to a position to which annual leave may be transferred; or paid in a lump-sum payment under 5 CFR 550.1205 if the employee is separating from Federal service or moving into a position to which annual leave cannot be transferred.

#### **E. Documentation**

1. Components exercising this authority will justify and document the reasons for granting service credit under this guidance. Such documentation will include the following:
  - a. A copy of the position description for the position being filled and the vacancy announcement for the position.
  - b. The selectee's application or resume, which in the case of non-Federal personnel, must clearly document the length and nature of the service to be credited or be supplemented by supporting documentation to show this effect. The documentation must clearly distinguish the claimed creditable service; provide specific beginning and ending dates (month, day, and year); and provide evidence that the duties performed directly relate to those of the position being filled.
  - c. For each period of service for which credit is requested, an explanation of how the duties relate to the position being filled with respect to requirements in paragraph B.1.a., above.
  - d. In the case of active duty uniformed service credit, the selectee will also provide a copy of his or her form DD 214, Report of Separation, or other

official documentation from the uniformed service concerned if the DD-2214 cannot be obtained, documenting his or her honorable, active duty service.

2. Creditable non-Federal or honorable, active duty uniformed service must be documented on the Standard Form (SF) 144 or agency equivalent form. An equivalent form may be a variation of the SF-144 or a printout from a computer program that calculates the service computation date for leave (SCD-LEAVE). A remark must be included indicating that the SCD-LEAVE includes creditable non-Federal or active-duty uniformed service work experience that would otherwise not be credited.
3. All written documentation must be approved by the authorizing official prior to the effective date of the employee's entry on duty. The documentation package must be retained permanently on the right side of the employee's Official Personnel Folder.

#### **F. Accountability**

1. Designees are responsible for the appropriate and effective use and oversight of this authority to support mission requirements.