



# United States Department of the Interior

OFFICE OF THE SECRETARY  
WASHINGTON, D.C. 20240

NOV 27 2007



## Memorandum

To: Bureau/Equivalent Office Human Resources Officers  
From: *Sharlyn A. Grigsby*  
Sharlyn A. Grigsby  
Director, Office of Human Resources  
Subject: Departmental Policy on Time Limits for Using Earned Compensatory Time Off

The Office of Human Resources is issuing a new personnel bulletin to all Departmental Human Resources Offices, establishing policy on time limits for employees to use their earned compensatory time off. This new policy is intended to address the regulatory changes implemented by the U. S. Office of Personnel Management in Title V, Code of Federal Regulations, parts 550 and 551. These regulatory changes were effective on May 14, 2007.

All Departmental Human Resource Offices will now use the attached regulations for the subject matter purpose. If you have any questions, please contact Linda Erwin on (202) 208-7949 or via email at [Linda\\_Erwin@ios.doi.gov](mailto:Linda_Erwin@ios.doi.gov).

Attachment



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## PERSONNEL BULLETIN NO. 07-11

**SUBJECT:** Departmental Policy on Time Limits for Using Earned Compensatory Time Off

1. **Introduction.** This bulletin establishes the Department of the Interior's policy on time limits for employees to use their earned compensatory time off. Also, the bulletin supersedes Personnel Management Letter No. 84-3 (550) dated September 7, 1984.

2. **Authorities.** Title 5, Code of Federal Regulations (CFR), part 550 – Pay Administration (General), and part 551 – Pay Administration Under the Fair Labor Standards Act (FLSA).

3. **Policy.** The Department hereby establishes the policy that employees must use their earned compensatory time off within 26 pay periods after the pay period during which it was earned. Compensatory time off that is not used within this timeframe must be paid to the employee by the agency or forfeited by the employee. The 26-pay period time limit applies to both employees not covered by the FLSA (FLSA-exempt) under 5 CFR 550.114 and employees covered by the FLSA (FLSA-nonexempt) under 5 CFR 551.531. Heads of bureaus and equivalent organizations will be responsible for administering this policy in accordance with the regulations issued by the Office of Personnel Management (OPM) in 5 CFR, parts 550 and 551.

a. **Approving Officials.** The heads of Bureaus, equivalent offices, or their designee are granted authority to approve an employee's request to take compensatory time off within 26 pay periods after the pay period during which it was earned, and to decide on the payment or forfeiture of unused compensatory time off in accordance with the requirements in paragraph d below. This authority may be further delegated at the discretion of the head of the Bureau or equivalent office to the level that best serves the interest of the organization.

b. **Documentation.** Bureaus and executive offices must track and manage the expiration dates of employees' compensatory time off. An employee must comply with their respective office's procedures for requesting credit of compensatory time off under this section.

c. **Transitioning to the New Time Limitation.** Employees with unused compensatory time off to their credit as of May 14, 2007 (effective date of final regulations) must use it by the end of the pay period ending three years after May 14, 2007. If this cannot be accomplished, the employee's Bureau or office will follow the requirements in paragraph d below. Employees who earn compensatory time off on or



after May 14, 2007 will be subject to the new 26-pay period time limit policy described in this personnel bulletin.

d. **Payment or Forfeiture of Unused Compensatory Time Off.**

Compensatory time off that is not used within 26 pay periods after the pay period during which it was earned must be paid by the bureau or office or forfeited by the employee.

FLSA-Exempt Employees – If an employee is unable to take earned compensatory time off within 26 pay periods after the pay period during which it was earned **due to an exigency of the service beyond his control**, the Bureau or office must pay the employee for the unused compensatory time off at the overtime rate in effect for the period during which the compensatory time off was earned. Also, if an employee transfers, separates, goes on extended leave without pay to perform service in one of the uniformed services, or has an on-the-job injury with entitlement to injury compensation under 5 U.S.C. chapter 81, and is therefore unable to take earned compensatory time off within 26 pay periods after the pay period during which it was earned, the bureau or office must pay for the unused compensatory time off at the overtime rate in effect for the period during which the compensatory time off was earned. In addition, if an employee fails to take compensatory time off before the expiration date and it is **not** due to an exigency of the service beyond the employee's control, then the employee will lose all rights to both compensatory time off and to overtime pay.

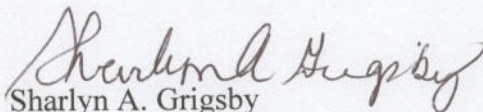
FLSA-Nonexempt Employees – If an employee is unable to take earned compensatory time off within 26 pay periods after the pay period during which it was earned or who separates or transfers from the Bureau or office before the earned compensatory time off is used, the employee must be paid for the unused compensatory time off at the overtime rate in effect for the period during which the compensatory time off was earned. Also, if an employee is placed on leave without pay to perform service in the uniformed services or because of an on-the-job injury with entitlement to injury compensation under 5 U.S.C. chapter 81, and is therefore unable to take earned compensatory time off within 26 pay periods after the pay period during which it was earned, the bureau or office must pay the employee for the unused compensatory time off at the overtime rate in effect for the period during which the compensatory time off was earned.

e. **Limitations on Pay.** The monetary value of compensatory time off for FLSA-nonexempt employees should not be considered in applying the biweekly or annual premium pay limitations established under 5 U.S.C. 5547 or the aggregate limitation on pay established under 5 U.S.C. 5307.



4. The Department point of contact on this policy is Linda Erwin, and she can be reached on (202) 208-7949 or via email at [Linda\\_Erwin@ios.doi.gov](mailto:Linda_Erwin@ios.doi.gov).

Sincerely,

  
Sharlyn A. Grigsby  
Director, Office of Human Resources