

# U.S. OFFICE OF PERSONNEL MANAGEMENT OPERATING MANUAL UPDATE

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Washington, DC 20415

February 1, 2009

## The Guide to Processing Personnel Actions

### Update 49

#### **\*\*\*SPECIAL NOTE TO SUBSCRIBERS\*\*\***

By memorandum dated January 16, 2009, OPM Director Michael Hager notified Heads of Executive Departments and Agencies of a Department of Justice, Office of Legal Counsel ("OLC") opinion dated October 16, 2007, regarding the rate of accrual of annual leave for civilian employees hired while on terminal leave pending retirement from the uniformed service. An attachment to this memorandum (<http://www.opm.gov/oaca/compmemo/2009/2009-03-Attachment2.asp>) provided guidance to agencies on implementing the OLC opinion. As well, *The Guide to Processing Personnel Actions* is being updated accordingly via this Update. Employing agencies are responsible for processing appropriate personnel actions in this regard for current employees and for former employees so impacted that have retired or separated from Federal service.

Inquiries: Direct inquiries to the OPM Human Capital Officer that is assigned to your agency or send inquiries to [General@opm.gov](mailto:General@opm.gov).

#### **\*\*\* NOTICE \*\*\***

This Guide and its Updates are available for viewing/printing on our web site ([www.opm.gov/feddata/persdoc.htm](http://www.opm.gov/feddata/persdoc.htm)). In lieu of contacting OPM, agency representatives responsible for processing personnel actions should follow the instructions on the web site if interested in signing up to automatically receive Updates electronically. As we previously advised in Update 41, individual pages of chapters being revised no longer show the effective date as a footnote.

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**Distribution:** Operating Manual, THE GUIDE TO PROCESSING PERSONNEL ACTIONS

## The Guide to Processing Personnel Actions (2)

### Summary of Changes

Remove		Insert	Explanation of Changes
Page	Identification	Page	
6-7 thru 6-10	Update 47 December 23, 2007	6-7 thru 6-10	<ol style="list-style-type: none"> <li>1) Clarifies guidance in section 1-6c.</li> <li>2) Adds new section 1-6d providing guidance on determining the SCD-Leave for employees appointed prior to October 17, 2006, while on terminal leave from the uniformed service (Department of Justice, Office of Legal Counsel Opinion dated October 16, 2007) and, accordingly, re-titles section previously identified as “d” to “e”.</li> <li>3) Corrects reference in section 1-7a from “g” to “h”.</li> </ol>
6-15 thru 6-20	Various	6-15 thru 6-20	Adds new section 2-2h on page 6-16 providing guidance on changing the SCD-Leave when there is a change in the military status of an employee appointed prior to October 17, 2006, while on terminal leave from the uniformed service (Department of Justice, Office of Legal Counsel Opinion dated October 16, 2007)
6-27 thru 6-29	Update 47 December 23, 2007	6-27 thru 6-30	<ol style="list-style-type: none"> <li>1) Adds new rules 5, 9 and 10 to Table 6-1 referencing the service of an employee appointed prior to October 17, 2006, while on terminal leave pending retirement from the uniformed service (Department of Justice, Office of Legal Counsel Opinion dated October 16, 2007) and renumbers the remaining existing rules accordingly.</li> <li>2) Establishes new remark codes B30 and B37 in Table 6-1: B30 (rule 9); and B37 (rule 10)</li> </ol>

while serving as a civilian employee. This includes reservists who qualify for an annuity, as well as employees who are recalled to active duty, qualify for uniformed services retirement, and then are restored to Federal civilian employment. *This exemption applies only to the current period of civilian employment.* If the employee separates and is reemployed later, the restrictions will apply.

(3) Creditable service. For military retirees who do not qualify for one of the exemptions in (2) above, credit for active duty uniformed service is limited to *service in the armed forces during a war or in a campaign or expedition for which a campaign badge has been authorized.*

(a) Service must have been in the Armed Forces (Army, Navy, Air Force, Marine Corps, or Coast Guard). Service in the commissioned officer corps is only creditable if it was in the Armed Forces - for example with the Public Health Service subject to full military benefits or while part of the Armed Forces.

(b) Service during a war is creditable regardless of where the person served or what duties were performed. The last war for leave accrual credit purposes was World War II which officially began on December 7, 1941, and ended on April 28, 1952.

(c) Service in a campaign or expedition for which a campaign badge has been authorized is creditable only for the actual service in or as a part of the campaign or expedition. For example, if a military retiree was on active duty for the entire period of the Vietnam campaign but served in that campaign for 14 months, the retiree is entitled only to the 14 months campaign service credit. He or she is not entitled to credit for time on active duty outside of the campaign area. The **VetGuide**, available on

the Office of Personnel Management's website (<http://www.opm.gov>), contains a list of campaigns and expeditions.

**c. Employees Appointed on or after October 17, 2006, While on Terminal Leave Pending Retirement from the Uniformed Service (Pub. Law 109-364, Section 1101, dated 10/17/06).** >Except under the limited conditions specified in title 5, U.S. Code 6303(a)(A)-(C) or (e)), the uniformed service of such an employee is not creditable for purposes of determining the SCD-Leave.<

**d. >Employees Appointed Prior to October 17, 2006, While on Terminal Leave Pending Retirement from the Uniformed Service (Department of Justice, Office of Legal Counsel Opinion dated October 16, 2007).** The employee's uniformed service is creditable in determining the SCD-Leave at the time of appointment. However, upon the employee's retirement from the uniformed service the employee's uniformed service is no longer creditable in determining the SCD-Leave except under the limited conditions specified in title 5 U.S. Code 6303(a)(A)-(C) or (e)). See Section 2-2h. (<http://www.opm.gov/oca/compmemo/2009/2009-03-Attachment2.asp>)<

**>e<. Verifying Creditable Uniformed Service.**

(1) Uniformed service must be verified by the branch in which the person served and is generally done so using the DD 214 Certificate of Release or Discharge from Active Duty and the SF 813 Verification of a Military Retiree's Service In Nonwartime Campaigns or Expeditions. Accordingly, agencies should direct inquires regarding the uniformed services' manner of documenting active duty service (e.g., individual does not have a DD 214, confirmation on dates or

nature of service, etc.) to the branch of the uniformed service in which the individual served. The Office of Personnel Management does not verify information on the dates or nature of uniformed service, type of discharge, or nature of any retirement from the uniformed service.

(2) Service in the Armed Forces is generally documented on the DD 214, Certificate of Release or Discharge from Active Duty. This form shows the dates or total amount of active duty and the type of discharge or separation. If the employee does not have a copy of this form, he or she should obtain it from: National Personnel Records Center (Military), 9700 Page Avenue, St. Louis, MO 63132.

(3) When a retiree's DD 214 does not show the exact dates of service in a campaign or expedition, use the Standard Form (SF) 813, Verification of a Military Retiree's Service In Nonwartime Campaigns or Expeditions, to request that information. The SF 813 is available from the Office of Personnel Management's website (<http://www.opm.gov/forms>). Ask the retiree to list the exact dates of their participation in the campaign area on the form, and send the form in duplicate to the office listed on the reverse of the form.

(4) Dates of active duty National Guard service should be documented on the DD 214 or on orders placing the employee on active duty. Copies of orders should be obtained from the Adjutant General for the State National Guard in which the employee served. The request may be on a Standard Form 180, Request Pertaining to Military Records, and should include a statement that "The beginning and ending dates of honorable active ARNGUS or ANGUS duty and the authority of law under which it was performed under either a call by the

President or an order by the Secretary of Defense (or his designee) are needed to verify prior Federal service credit for the named Federal employee."

(5) Dates of active duty service as a Public Health Service (PHS) Commissioned Officer should be documented on PHS Form 1867, "Statement of Service-Verification of Status of Commissioned Officers of the U.S. Public Health Service." The form can be obtained from: Personnel Services Branch, Division of Commissioned Personnel, U.S. Public Health Service, Room 4-35, Parklawn Building, 5600 Fisher's Lane, Rockville, MD 29857.

(6) Dates of active duty service as a National Oceanic and Atmospheric Administration (NOAA) Commissioned Officer should be documented on NOAA Form 5616, "Report of Transfer or Discharge." The form can be obtained from: Commissioned Personnel Center, NOAA-Attn: CPC (Rm 12100), SSMC-3, 1315 East-West Highway, Silver Spring, MD 20910.

(7) Figure 6-2 lists sources of information on whether a retirement from the uniformed services was based on war- or combat-incurred disability.

## **1-7. Other Creditable Service.**

**a. General.** Specific statutes have made some civilian service that does not meet the definition of Federal employment creditable for leave or retirement. Civilian service that is creditable for retirement is also creditable for leave accrual purposes. The kinds of service that occur most frequently are described below in "b" through "h". Detailed information on these types of service and the specific conditions that must be met for the service

to be creditable are in Chapter 20, Subchapter 20A of [The CSRS and FERS Handbook](#). Additionally, section 6303(e) of title 5, United States Code, as amended by section 202(a) of the Federal Workforce Flexibility Act of 2004 (Pub. Law 108-411 dated October 20, 2004), permits a newly appointed or reappointed employee to receive credit for prior non-Federal service or active duty uniformed service that otherwise would not be creditable towards determining the SCD-Leave. Such service is described in “h” below.

**b. National Guard Technician Service.** This has been Federal service since January 1, 1969. All those who have served in a National Guard Technician position since January 1, 1969, receive credit for all their service, including any pre-1969 service. Specific legislation granted limited credit for those who had only pre-1969 National Guard Technician service. This service can be verified by contacting the Adjutant General’s office for the State National Guard unit with which the individual served.

**c. Nonappropriated Fund Employment (NAF).** Public Law 101-508 authorizes credit for leave accrual and RIF purposes for NAF service of employees who move on or after January 1, 1987, from Department of Defense NAF employment to Department of Defense civil service employment, or from Coast Guard NAF employment to Coast Guard civil service employment without a break in service of more than three calendar days. Once credited, this service remains creditable during any subsequent period of civil service employment. Periods of NAF employment under retained civil service

retirement coverage are creditable for leave accrual. Other NAF service performed between 1952 and 1966 may also be creditable (Public Law 99-638). For information on this service, refer to Chapter 20 of [The CSRS and FERS Handbook](#). Documents to verify NAF employment are in the NAF personnel folder. Request the folder by following instructions in [The Guide to Personnel Recordkeeping](#).

**d. VISTA Volunteer Service.** Service performed on and after October 1, 1973, is creditable if the person was enrolled as a volunteer for a period of at least one year. The volunteer did not have to complete the enrollment but the enrollment had to be for a period of a year or more. The Corporation for National Service verifies VISTA volunteer service. The verification should include the date of enrollment, length of enrollment period, date of assignment to service, and date of termination of training or service. This information is available from: AMERICORPS\*VISTA, 1201 New York Ave, NW., Room 9214C, Washington, DC 20525.

**e. Peace Corps Volunteer Service.** Satisfactory volunteer service with the Peace Corps is creditable. The training prior to enrolling as a volunteer is not creditable; only actual volunteer time is creditable. Verification of satisfactory volunteer Peace Corps service is available from: Volunteer Staff & Payroll Services, The Peace Corps, Washington, DC 20526.

**f. Agricultural Stabilization and Conservation Service County Committee Service.** Section 6312 of title 5, United States Code, allows credit for service as an employee of an Agricultural Stabilization

and Conservation Service county committee. Verification of such service should be available from: Director, Office of Personnel, U.S. Department of Agriculture, Washington, DC 20250.

**g. Certain Government Service Performed Abroad.** Section 321 of Pub. Law 107-228, the Foreign Relations Authorization Act, Fiscal Year 2003, grants credit for certain government service performed abroad and refers specifically to service that was performed: after December 31, 1998, and before May 24, 1998; under a temporary appointment pursuant to sections 309 and 311 of the Foreign Service Act of 1980; at a U.S. diplomatic mission, consular post (other than a consular agency), or other Foreign Service post abroad; by an individual who satisfied all eligibility requirements under regulations of the Department of State (as in effect on September 30, 2002) for a family member limited non-career appointment at the time the service was performed. (If an individual who performed such service was not employed by the Department of State while performing the service, the individual shall be treated as if he or she were employed by the Department of State for purposes of this definition.)

**h. Prior non-Federal Service or Active Duty Uniformed Service that otherwise would not be creditable.** Section 6303(e) of title 5, United States Code, as amended by section 202(a) of the Federal Workforce Flexibility Act of 2004 (Pub. Law 108-411 dated October 30, 2004), permits a newly appointed or reappointed employee to receive credit for prior non-Federal service or active duty uniformed service that otherwise would not be

creditable. Credit granted under this provision can only be applied upon appointment or reappointment (following a break in service of as least 90 calendar days from the last period of Federal civilian employment) to a position on or after April 28, 2005. An employee has no entitlement to such credit. The head of the agency or designee must determine that the skills and experience the employee possess were acquired through performance in a non-Federal or active duty uniformed service position having duties which directly relate to the duties of the position to which appointed and are necessary to achieve an important agency mission or performance goal, determine what constitutes acceptable written documentation for non-Federal service (an employee must provide written documentation from the uniformed services to receive credit for honorable active duty uniformed service), and approve such prior to the effective date of the employee's entry on duty. The amount of service credit that may be granted is at the sole and exclusive discretion of the head of the agency or designee; however, the amount of service credited may not exceed the actual amount of service during which duties directly related to the position for which being appointed were performed. Document such service credit on the SF-144A or an agency equivalent form used in lieu of the SF-144A. Such credit is granted in terms of years and months, and the exact number of years and months of credit granted is recorded in Part I, Column B, of the SF-144A. See Table 6-1 for appropriate remarks.

<http://www.opm.gov/oca/compmemo/2005/2005-07.asp>.

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**Subchapter 2. Computing the Service Computation Date-Leave**

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**2-1. Coverage.**

This subchapter covers how and when to compute the Service Computation Date for leave accrual purposes. Before doing the computations, all periods of creditable service should be identified and verified. See subchapter 1.

**2-2. When to Compute the Service Computation Date-Leave.**

**a. Appointment.** A Service Computation Date-Leave must be established for each individual at the time of appointment.

**b. Separation.** When an employee on an intermittent work schedule or with excess nonpay time leaves the agency, the losing agency must recompute the Service Computation Date-Leave. The adjustment must account for all noncreditable periods of nonpay and for any intermittent service. The adjusted Service Computation Date-Leave is shown on the separation.

**c. Additional service.** The current agency must recompute the Service Computation Date-Leave when the employee claims additional creditable service or earlier service is made creditable by legislation or other action.

**d. Change in military retiree status.** If an employee is removed from the military's Temporary Disability Retirement List and discharged from a branch of the uniformed service, the employee's separation is no longer considered to be a retirement. The employee is no longer

subject to the credit limitations for military retirees. The agency must recompute the Service Computation Date-Leave to adjust for this change.

**e. Discovery of an error.** The current employing agency must recompute an employee's Service Computation Date-Leave when an error is discovered. It does not matter when the error was made, who made it, or what information the employee previously received about the credit to which he or she might be entitled.

**f. Change from an intermittent work schedule.** When an employee changes from an intermittent to a full time or part time work schedule (including a full or part time seasonal schedule), the agency must recompute his or her Service Computation Date-Leave to give credit for the hours worked. The adjusted Date should be on the action documenting the change in work schedule. Agency payroll records are the usual source of information on the hours worked by intermittent employees.

**g. Return to pay or duty status.** When an employee returns to duty after a period of noncreditable nonpay or nonduty status, the agency must recompute his or her Service Computation Date-Leave.

(1) If all the noncreditable nonpay is documented on a personnel action, the adjusted Date should be on the action documenting the return to duty status.

(2) There are instances where noncreditable nonpay is not documented on a personnel action. For example, if an employee already has accumulated six months of nonpay status in a calendar year

and then takes an additional two weeks of leave without pay, the two weeks would be noncreditable time but would not be documented on a personnel action. In these cases, the agency has two options for documenting the Change in Service Computation Date-Leave:

- process a personnel action when each period of noncreditable nonpay ends. OR
- keep a record of all noncreditable nonpay in the calendar year and process a single personnel action covering all periods of noncreditable nonpay during the year. If using this option, the agency must process the action in January of the year following the noncreditable nonpay.

**>h. Change in military status of an employee appointed prior to October 17, 2006, while on terminal leave pending retirement from the uniformed service.** Upon the employee's retirement from the uniformed service, the employee's uniformed service is no longer creditable except in the limited circumstances specified in title 5, U.S. Code 6303(a)(A)-(C) or (e). The agency must recompute the SCD-Leave to adjust for this change.<

### 2-3. Action on Appointment.

**a. No prior service.** If the person being appointed has not had any previous military or civilian service, use the date of appointment as the Service Computation Date-Leave.

**b. Prior service.**

(1) If the employee is being appointed after a break in service of three calendar days or less from creditable civilian service, and the employee does not identify any previously unclaimed service on the

Standard Form 144, use the Service Computation Date-Leave on the separation action. The previous agency should have recomputed the Date if there were any intermittent service or excess nonpay.

(2) The Service Computation Date-Leave must be recomputed if the employee:

- had a break in civilian service of more than three calendar days; or
- claims military or civilian service that had not been claimed before.

### 2-4. Before Computing the Service Computation Date.

**a. Put creditable service in chronological order.** This ensures that each period of service will be credited and prevents double credit. Double credit can occur when a person has two or more appointments. The time credited can never be more than the equivalent of one full time period of service, that is, the calendar time. Examples include:

- employees on two part time appointments in different agencies. Credit is limited to the calendar time covered by the dual appointments.
- employees who serve on active military service while on leave from civilian service. Credit is limited to the calendar time.

**b. Determine the amount of excess nonpay time.** This applies to periods of full time and part time service. Since intermittent service is credited only for the time worked, nonpay time is not an issue. If the employee had more than one appointment, use only periods where he or she was not in pay status under any appointment to determine if there was any



excess nonpay time.

**c. Determine the amount of credit for intermittent service.** Only the days or hours actually worked can be credited. If the employee was working on an intermittent schedule for more than one agency at the same time, add the days or hours worked and use the total to credit the service.

(1) Intermittent service before March 1, 1986, is credited using a work year of 260 days or 2080 hours. Use Figure 6-3 to convert the days worked to months and days of service credit. If the records show hours rather than days, divide the hours by eight to determine the number of days. Excess hours are rounded up; 17 hours = 3 days.

(2) Intermittent service on and after March 1, 1986, is credited using a work year of 2087 hours. Use Figure 6-4 to convert the hours worked into months and days of service credit. If intermittent service was recorded as days rather than hours, it may be credited using Figure 6-3.

(3) Compare the credit for hours worked to the elapsed calendar time. No matter how many days or hours an employee actually worked, he or she is entitled to credit for no more than the amount of service that could have been performed on a full time work schedule, that is, the actual calendar time.

**d. Military time.** Review the creditable military service to determine if the dates or the amount of service should be used in the calculation. If military service ended on February 28 or 29, use February 30 as the separation date. Do not use the full calendar dates of military service if the period of service includes inactive service or if credit is limited because the employee is a military retiree. When service is shown in days, divide by 30 to determine the number of months. *Do not use the charts for*

*civilian service to change military time into months and days.*

## 2-5. Computing the Service Computation Date-Leave.

### a. General.

(1) Service Computation Date-Leave calculations are based on a 360 day year, that is, 12 months of 30 days each. Calculations based on a 365 day year may yield different results.

(2) Dates are added and subtracted in day, month, year order. Borrowing is based on the 360 day year, with 30 days equal to a month, and 12 months equal to a year. The example below shows how to subtract December 23, 1994 from April 15, 1996.

Step 1: Subtract days. Since 23 is larger than 15, borrow 1 month to add 30 days to the 15. Even though March has 31 days, in borrowing each month is treated as 30 days.

$$\begin{array}{r} 03 \ 45 \\ 1996 \ 04 \ 15 \\ - 1994 \ 12 \ 23 \\ \hline 22 \end{array}$$

Step 2: Subtract months. Since 12 is larger than 3, borrow 1 year to add 12 months to the 3.

$$\begin{array}{r} 1995 \ 15 \\ 03 \ 45 \\ 1996 \ 04 \ 15 \\ - 1994 \ 12 \ 23 \\ \hline 03 \ 22 \end{array}$$

Step 3: Subtract years.

$$\begin{array}{r} 1995 \ 15 \\ 03 \ 45 \\ 1996 \ 04 \ 15 \\ - 1994 \ 12 \ 23 \\ \hline 1 \ 03 \ 22 \end{array}$$

Result is 1 year, 3 months, 22 days.

(3) The net effect of the computations is to add noncreditable time and subtract creditable time from the initial appointment date. Adding time increases the date and decreases the number of years of service. Subtracting time decreases the date and increases the number of years of service.

**b. Separation Dates.** Separations are effective at midnight of the effective date. For each period of full or part time civilian service, the day of the separation must be credited. This can be done by:

- adding a day to each separation date, OR
- adding the number of separations to the days being subtracted from the appointment date.

**c. Breaks in Civilian Service.**

Separations of one, two, or three calendar days between two periods of creditable civilian service are ignored in computing the Service Computation Date (SCD)-Leave. These small breaks in service are treated as continuations of the first period of service. The separation date for that service should be adjusted to include the break in service in the SCD computations. For example, an employee separates from the Department of Army on January 15, 1998, and is appointed in the Department of Agriculture on January 19, 1998. In computing the SCD-Leave, use January 18, 1998, as the separation date for the Department of Army service.

**d. Computation Methods.**

(1) The preferred method is to:

- add the appointment dates for all periods of full or part time creditable service plus the total excess nonpay time plus the entrance on duty date for the current appointment;

- add the separation dates for all periods of full or part time creditable service plus the service credited as months and days (intermittent service, some military service);
- subtract the separation total from the appointment total.

This is the method documented on the Standard Form 144A, Statement of Prior Service - Worksheet. (2) The alternative method is to:

- compute the amount of creditable service for each period of employment, generally by subtracting the beginning date from the ending date;
  - total the amounts of creditable service;
  - subtract the total from the entrance on duty date for the current appointment.

**e. Converting to a realistic calendar date.** When dates are added and subtracted, the answer may not always be a realistic date. The month may be zero or more than 12; the day may be zero or more than the number for the month. In those cases, the date must be converted to a realistic calendar date by following the rules in Figure 6-5.

**f. Example.** Figure 6-6 is a sample computation using the equivalent of Standard Form 144A, Statement of Prior Service - Worksheet.

## 2-6. Documenting the Service Computation Date-Leave Determinations.

**a. Purpose.** Service Computation Date-Leave determinations are documented to allow the determinations to be used and verified throughout the employee's Federal civilian service.

**b. Content.** Service Computation Date-Leave determinations must be documented on the Standard Form 144A or an agency equivalent form.

(1) There are exceptions to this requirement. Separate documentation is not required when an agency processes personnel actions that change the Service Computation Date-Leave because of excess nonpay or service on an intermittent work schedule. Agency personnel and payroll systems generally do these types of calculations. Remarks on the personnel actions document the amount of service being credited.

(2) Agency equivalent forms may be variations on the Standard Form 144A or printouts from computer programs that calculate service computation dates. In all cases, the documentation should show:

- what periods of service were evaluated;
- what periods of service were determined to be creditable for leave accrual purposes;
- the amount of time credited for each period of service; and
- the calculations used to compute the Service Computation Date-Leave.

**c. Supporting documentation.**

Copies of documents used to claim or verify service not otherwise found in the Official Personnel Folder should be attached to the Standard Form 144-A or equivalent form.

**d. Filing.**

(1) Standard Form (SF) 144-A or equivalent and the supporting documents should be filed on the right side of the Official Personnel Folder. It should be filed directly under the personnel action that reflects the Service Computation Date-Leave on the form. For example, the SF 144-A for the initial appointment should be filed directly under the SF 50, Notification

of Personnel Action, documenting the appointment.

(2) The Standard Form 144, Statement of Prior Federal Service, should be filed according to agency instructions.

**2-7. Retirement-Related Data.**

**a. Creditable military service** is reported in remark M39 and to the Central Personnel Data File. This remark is required on all accessions and conversions (natures of action in the 1xx and 5xx series).

It is the total number of years and months of military service that is creditable for annual leave accrual purposes. It is calculated by adding together the periods of active military service that were credited in computing the employee's Service Computation Date-Leave. Except for military retirees, this is generally the amount of active duty shown on the final DD 214. Days are dropped; for example, if the employee had 4 years, 3 months, and 25 days of creditable military service, the amount in remark M39 would be "04-03." If the employee had no *creditable* military service, enter "00-00" or "none" in the remark.

**b. Frozen service** is reported in remark M38 and to the Central Personnel Data File.

This remark is required on accessions, conversions, and Changes in Retirement (natures of action in the 1xx and 5xx series and 803) when the employee's retirement plan code is "C," "E," "K," "L," "M," or "N." If the retirement plan code is *not* one of those listed, do *not* use remark M38.

(1) Definition. Frozen service is the total number of years and months of civilian and military service that is creditable in a Civil Service Retirement System (CSRS)

component of an employee covered by the CSRS Offset or the Federal Employees' Retirement System (FERS). The amount of service is computed when the employee first becomes covered by the CSRS Offset or elects FERS. Once computed, it never changes.

(2) Computing frozen service.

(a) Frozen service is always *zero* if the employee:

- is *automatically* covered by the Federal Employees' Retirement System (FERS);  
OR
- has less than 5 years of creditable *civilian* service before becoming subject to Civil Service Retirement System Offset (retirement plan codes C and E);  
OR
- has less than 5 years of creditable *civilian* service before *electing* FERS coverage.

Enter "00-00" or "none" in remark M38 for these employees.

(b) For other employees, frozen service is computed by subtracting the beginning date from the ending date of each continuous period of service that would be creditable for Civil Service Retirement System (CSRS) purposes. All service is then added together and converted to years and months. Days are dropped. Service under CSRS Offset is not included.

**Example:**

An employee has two periods of prior civilian service and one period of military service when first covered by CSRS Offset. Service includes:

- 11-20-1974 thru 06-16-1975 civilian service under FICA;
- 09-03-1976 thru 12-12-1981 civilian service under CSRS;

- 10-06-1982 thru 06-15-1984 military service;
- 07-06-1990 appointment under CSRS Offset.

All the periods of prior service could be creditable for CSRS purposes so all service before the 7/6/1990 appointment are frozen service. To compute the frozen service:

Step 1: Subtract the beginning date from the ending date for each period of service. Use the same rules as for computing the Service Computation Date-Leave, including adding one day for the separation date.

$$\begin{array}{r} (1) \text{ 1975-06-17} \\ \quad \underline{-1974-11-20} \\ \quad \quad 0-06-27 \end{array}$$

$$\begin{array}{r} (2) \text{ 1981-12-12} \\ \quad \underline{-1976-09-03} \\ \quad \quad 5-03-10 \end{array}$$

$$\begin{array}{r} (3) \text{ 1984-06-16} \\ \quad \underline{-1982-10-06} \\ \quad \quad 1-08-10 \end{array}$$

Step 2: Add all the periods of service.

$$\begin{array}{r} 0-06-27 \\ 5-03-10 \\ \underline{+1-08-10} \\ 6-17-47 \end{array}$$

Step 3: Convert the service to years and months. Using the same rules as for computing the Service Computation Date-Leave, 06-17-47 converts to 7-6-17. The days are dropped in reporting frozen service. The frozen service is reported as 7 years and 6 months or "07-06".

### Subchapter 3. Change in Service Computation Date-Leave.

#### 3-1. Actions to Change the Service Computation Date-Leave.

a. Process a separate Change in Service Computation Date (SCD) action when the employee's SCD-Leave changes and no other change occurs. Examples are when:

- additional periods of service are made creditable by statute or an Office of Personnel Management ruling;
- service claimed and verified at the time of appointment was not credited and should have been;
- the employee claims creditable service not previously claimed;
- service claimed at the time of appointment is later verified.

b. When an employee returns to duty after excess nonpay status, the Change in Service Computation Date (SCD) is effective the same date as the return to duty action. (See section 1-5b.) Document the SCD change as part of the return to duty action. Follow instructions in Chapter 16 of this **Guide**.

c. When an employee changes from an intermittent to a part time or full time schedule, the change in Service Computation Date (SCD) is effective the same date as the change in work schedule. (See section 2-2f.) Document the SCD change as part of the change in work schedule action. Follow instructions in Chapter 24 of this **Guide**.

d. When an employee with excess nonpay or on an intermittent work schedule separates, document the change in Service Computation Date (SCD) on the separation action. The change in SCD is effective the same date as the separation.

e. Process a correction when the Service Computation Date is changing because a mathematical or similar error was made in the previous computation.

#### 3-2. Use of the Standard Form 52.

Use of the Standard Form 52 to process these actions is not required. Follow your agency's instructions.

#### 3-3. Processing Instructions.

a. **Effective Date.** Use Table 6-1 to determine the appropriate effective date for a Change in Service Computation Date action. Note that corrections always have the same effective date as the original action.

b. **Nature of Action and Legal Authority.** Enter the following nature of action and authority in blocks 5 A-D of the Standard Form 50.

<i>Nature of Action</i>	<i>Authority</i>
882 Chg in SCD	VZM 5 U.S.C. 6303

c. **Service Computation Date.** Show the new Service Computation Date-Leave in block 31 of the Standard Form 50.

d. **Remarks.** Use Table 6-1 to identify the required remarks. Also enter any additional remarks that are required by your agency or are necessary to explain the action.

e. **Standard Form (SF) 50.** Follow the instructions in Chapter 4 to complete the Standard Form 50. File one copy on the right side of the Official Personnel Folder; distribute other copies according to your agency's instructions.

**Table 6-1. Effective Date and Remarks for Appointment Actions or Actions Changing the Service Computation Date-Leave (continued)**

<i>R U L E</i>	<i>If</i>	<i>And</i>	<i>Then Effective Date is</i>	<i>And Required Remark Codes Are</i>	<i>And Required Remarks Are</i>
1	Civilian service claimed by employee is later made creditable by statute or Office of Personnel Management (OPM) ruling		Date set by the statute or the OPM ruling	B33	Changes SCD from (date) to reflect service which has been ruled creditable.
2	Employee claims additional creditable service not claimed at time of appointment		Date evidence of service is received in the Personnel Office	B34	Changes SCD from (date) to reflect previously unclaimed service.
3	Employee is removed from Uniformed Service Temporary Disability Retirement List (TDRL) and given a discharge		Date of discharge	B36	Changes SCD from (date) upon employee's receipt of discharge from uniformed service.
4 >5	Service claimed at time of appointment is now being credited because it has just been verified or because credit was improperly denied at time of appointment	Employee was appointed prior to October 17, 2006, while on terminal leave pending retirement from the uniformed service (Department of Justice, Office of Legal Counsel Opinion dated October 16, 2007)<	Date of appointment (see Note)	B35	Changes SCD from (date) because (state reasons).
>6<	Agency head or designee approves non-Federal service credit prior to entry on duty date per Section 6303(e) of title 5, United States Code		Date of appointment	B73	You are receiving (enter yrs. and mos., e.g. 2 yrs., 6 mos.) credit toward your SCD-Leave shown in Block 31 for the following period(s) of non-Federal service: (list all applicable "from" and "to" dates). This time is permanently creditable unless you fail to complete 1 full year of continuous service with this agency.

**Table 6-1. Effective Date and Remarks for Appointment Actions or Actions Changing the Service Computation Date-Leave (continued)**

<i>R U L E</i>	<i>If</i>	<i>And</i>	<i>Then Effective Date is</i>	<i>And Required Remark Codes Are</i>	<i>And Required Remarks Are</i>
>7<	Agency head or designee approves military service credit prior to entry on duty date per Section 6303(e) of title 5, United States Code		Date of appointment	B74	You are receiving (enter yrs. and mos., e.g. 2 yrs., 6 mos.) credit toward your SCD-Leave shown in Block 31 for the following period(s) of active duty military service: (list all applicable “from” and “to” dates). This time is permanently creditable unless you fail to complete 1 full year of continuous service with this agency.
				M39	Creditable military service: (enter yrs. and mos., e.g., “6 yrs, 7 mos.”).
>8<	Employee is receiving credit for prior non-Federal service or active duty uniformed service (5 U.S. Code 6303(e)), and fails to complete 1 full year of continuous service with the appointing agency (i.e., employee separates from Federal service or transfers to another Federal agency)		Date of separation from appointing agency	B75	Changes SCD-Leave from (date) because employee failed to complete 1 full year of continuous service with the appointing agency.

**Table 6-1. Effective Date and Remarks for Appointment Actions or Actions Changing the Service Computation Date-Leave (continued)**

<i>R U L E</i>	<i>If</i>	<i>And</i>	<i>Then Effective Date is</i>	<i>And Required Remark Codes Are</i>	<i>And Required Remarks Are</i>
>9	Employee was appointed prior to October 17, 2006, while on terminal leave pending retirement from the		The first day of the first pay period occurring after the day on which	B30	Changes SCD-Leave from (date) upon employee's retirement from the uniformed service.
10	uniformed service and later separated from the uniformed service and thus became a retired member of the uniformed service (Department of Justice, Office of Legal Counsel Opinion dated October 16, 2007)	Recovery of excess annual leave accrued in the past based on the erroneous SCD-Leave has been waived by agency	employee separated from the uniformed service and became a retired member of the uniformed service	B37	Changes SCD-Leave from (date) upon employee's retirement from the uniformed service. Recovery of excess annual leave accrued in the past based on the erroneous SCD-Leave has been waived. If required by the corrected SCD-Leave, employee's current annual leave accrual rate will be corrected prospectively." <

NOTE: If your agency's system will not accept a change which is effective on the date of the appointment because intervening actions have occurred, use the effective date of the most recent action and explain in remarks that the change is retroactive to the date of appointment.