

MS 625 Premium Pay and Compensatory Time Procedures

Effective Date: October 23, 2019

Responsible Office: Office of Human Resources

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Attachments

Attachment A – Compensatory Time Off for Travel Worksheet

Attachment B – Compensation for On-Call Duty Status

Attachment C – Computation of Holiday Pay

Attachment D – Computation of Regular Rate under FLSA Provisions

Attachment E – Computation of Overtime for Non-exempt Employees

Attachment F – Basic Requirement for Granting Compensatory Time to Non-Exempt Employees

1.0 Purpose

These procedures apply to the authorization, approval, payment, and/or granting of overtime pay or other compensation for work performed by Peace Corps employees.

2.0 Scope

These procedures apply to all U.S. Direct Hire employees except the Peace Corps Director, Deputy Director, any official delegated authority to act for the Director, members of the Senior Executive Service or Senior Foreign Service, experts, and Foreign Service Nationals (who are subject to the overtime provisions of local compensation plans).

These procedures do not apply to personal services contractors.

For bargaining unit employees the provisions of Article 8 (Overtime) of the negotiated agreement (collective bargaining agreement) between the Peace Corps and the Peace Corps Employees Union, AFSCME Local 3548, AFL-CIO will govern.

3.0 Procedures

3.1 Supervisor's Responsibility

Supervisors are authorized, within Agency budget limitations and other restrictions imposed by the Director, to approve requested overtime work for pay or compensatory time off for the employees under their jurisdiction.

3.2 Recording Overtime

When overtime is ordered and approved, the employee will enter a Premium Pay Request in the time and attendance system, and the Supervisor will approve the hours requested. Timekeepers

are not authorized to record overtime earned for other employees, without the approval of the authorizing official in the time and attendance system.

Irregular or occasional overtime is credited in increments of one quarter of an hour (fifteen (15) minutes). In totaling overtime for the pay period, amounts shall be credited to the closest quarter of the hour. Regularly scheduled overtime should be scheduled by supervisors to equal whole hours in a pay period.

3.3 Procedures for Determining Hours of Work during Travel

The following procedures are applicable to determining hours of work during travel:

- (a) An employee who travels from home before the regular workday begins and returns home at the end of the workday is engaged in normal “home to work” or commuting travel; such travel is not hours of work. When an employee travels directly from home to a temporary duty location outside the limits of his or her official duty station, the time the employee would have spent in normal home to work travel shall be deducted from hours of work.
- (b) An employee who is offered one mode of transportation and who is permitted and elects to use an alternative mode of transportation, or who travels at a time other than that selected by the Peace Corps, shall be credited with the lesser of:
 - (1) The actual travel time which is hours of work under this section; or
 - (2) The estimated travel time which would have been considered hours of work under this section had the employee used the mode of transportation offered by the Peace Corps, or traveled at the time selected by the Peace Corps.

3.3.1 Travel Status in Offices Other Than Assigned Office

(a) **Exempt Employees:**

For exempt employees, time in travel status away from the official duty station of an employee is considered hours of work only when:

- (1) It is within their regularly scheduled administrative workweek, including regular overtime work;
- (2) The travel involves the performance of actual work while traveling;
- (3) It is incident to travel that involves the performance of work while traveling;
- (4) It is carried out under such arduous and unusual conditions that the travel is inseparable from work; or
- (5) It results from an event which could not be scheduled or controlled administratively.

(b) **Non-Exempt Employees:**

For non-exempt employees, authorized travel time outside of regular working hours is considered hours of work under the following conditions as specified under the Fair Labor Standards Act:

- (1) An employee is required to drive a vehicle or perform other work while traveling;
- (2) An employee is required to travel as a passenger on a one-day assignment away from the official duty station; or
- (3) An employee is required to travel as a passenger on an overnight assignment away from the official duty station during hours on non-workdays that correspond to the employee's regular working hours.

4.0 Determination of Overtime Pay Rate

4.1 Exempt Employees

Exempt employees whose rate of basic pay is equal to or less than step 10, GS-10 must be paid for irregular or occasional overtime work officially ordered or, upon the employee's request, be granted compensatory time off in lieu of overtime pay.

Exempt employees whose rate of basic pay exceeds step 10, GS-10 (approximately equivalent to a FP-5, step 12 or FP-4, step 5), will not ordinarily be paid overtime pay for irregular or occasional overtime work officially ordered, but shall be granted compensatory time off unless the appropriate authorizing official determines that overtime pay will be paid.

Exempt employees whose basic pay rate does not exceed step 1 of GS-10 (approximately equivalent to a FP-6, step 7 or FP-5, step 3), have an overtime rate that is 1.5 times his or her hourly basic pay rate. When an exempt employee's basic pay rate exceeds step 1 of GS-10 the overtime rate is the greater of:

- (a) the hourly rate of basic pay for GS-10, step 1, multiplied by 1.5; or
- (b) the employee's hourly rate of basic pay.

4.2 Non-exempt Employees

Pay Rate. A non-exempt employee is entitled to 1.5 times his or her basic rate of pay for each hour of officially ordered overtime work. However, compensatory time off for an equal amount of time spent in irregular or occasional overtime work will be granted upon the request of the employee. (See MS 625 Attachment F – Basic Requirements for Granting Compensatory Time to Non-exempt Employees for an explanation of the circumstances under which a non-exempt employee may elect to receive compensatory time off.)

4.3 Conditions for Compensatory Time for Work

4.3.1 Exempt Employees

An exempt employee must take any earned compensatory time off within the twenty-six biweekly pay periods (52 weeks) immediately following the pay period in which it is earned. Exempt employee who fails to take compensatory time off to which they are entitled within that twenty-six pay periods will lose the right both to compensatory time off and to overtime pay unless the failure is due to a circumstance beyond their control, as determined and approved by the authorizing official. When the official determines such a circumstance exists, a memo reflecting approval and details of the circumstance should be submitted to the Chief Human Capital Officer of the Office of Human Resources requesting payment for forfeited hours.

4.3.2 Non-exempt Employees

Non-exempt employees who elects to take compensatory time off must do so within the twenty-six pay periods (52 weeks) immediately following the pay period in which it was earned. However, if for some reason the compensatory time is not taken by the end of the twenty-six pay periods, overtime must be paid to non-exempt employees. Since payment is not automatically issued through the payroll provider, non-exempt employees must request the payment of compensatory hours.

4.3.3 Maximum Earnings Limitation for Exempt Employees

For any biweekly pay period, an exempt employee's aggregate compensation (base pay plus premium pay) may not exceed the biweekly amount payable at the maximum salary rate for grade GS-15 or FP-1.

4.3.4 Effect of Non-pay Absence on Overtime Computation

An employee in a non-pay absence (leave without pay, furlough, absence without leave, or suspension) during his or her regularly scheduled administrative workweek must make up an equal period of service within the same administrative workweek in order to be compensated at the overtime rate.

For a period of non-pay absence in an employee's daily tour of duty, an equal period of service must be performed outside of the daily tour but on the same workday. This period will be compensated at the rate applicable to the employee's daily tour before any remaining period of service may be compensated at the overtime rate.

4.4 Compensatory Time for Travel

4.4.1 Earning Compensatory Time for Travel

Compensatory time for travel may be earned for time spent in an official travel status away from the employee's official duty station when such time is not otherwise compensable as hours of work and is not otherwise compensable for pay under another statute.

4.4.2 Scheduling Official Travel

Official travel should be scheduled, whenever possible, during the employee's regular duty hours. For most employees, regular duty hours are 8:30 AM to 5:00 PM Monday through Friday. If an employee's regularly scheduled workweek is different from this—for example, Sunday through Thursday—official travel should be scheduled during those days, whenever possible.

4.4.3 Approval of Travel Itineraries

Supervisors are responsible for approving the travel itineraries of their employees, including assuring that any itinerary that will result in the earning of compensatory time under this provision is necessary for business purposes. (See MS 625 Attachment A – Compensatory Time Off for Travel Worksheet.)

4.4.4 Scheduling, and Tracking Eligible Travel Time

Employees are responsible for scheduling and tracking their eligible travel time, as well as for requesting and using earned compensatory time for travel. Due to the complexity of the Federal regulations, employees performing travel need to track the following line items:

- (a) The drive time to the airport from home or worksite;
- (b) The wait time at the airport before departure (and/or layover);
- (c) The flight time from departure to disembarking;
- (d) The drive from the airport to the hotel;
- (e) The return drive from the hotel to the airport;
- (f) The wait time at airport before departure (and/or layover); and
- (g) The drive time home.

4.4.5 Waiting Time

Generally passengers are required to arrive at the airport at a designated pre-departure time (e.g., one to two hours before the scheduled departure, depending on whether the flight is domestic or international). Such waiting time at the airport is considered usual waiting time and is creditable time in a travel status.

Time spent at an airport waiting for a connecting flight to continue traveling to a temporary duty station also is creditable time in a travel status, subject to exclusions for bona fide meal periods. For example, if an employee spends an uninterrupted hour eating a meal at an airport restaurant waiting for a connecting flight, that hour is not considered time in a travel status.

4.4.6 End of Travel Status

Once an employee arrives at the temporary duty station, the employee is no longer considered to be in a travel status. Any time spent at a temporary duty station between arrival and departure cannot be credited as time in a travel status for the purpose of earning compensatory time off. However, time spent traveling from a transportation terminal (e.g., airport or train station) to a hotel, office or work site is creditable time.

4.4.7 Direct Travel – Home to Temporary Duty Station

If an employee travels directly between his or her home and a temporary duty station outside of the limits of the employee's official duty station (e.g., driving to and from a three-day conference), the Peace Corps must deduct the employee's normal home-to-work/work-to-home commuting time from the creditable travel time. In addition, the commuting time deduction will apply if an employee is required to travel between home and a transportation terminal (e.g., airport or train station) outside the limits of the employee's official duty station.

4.4.8 Travel to or from a Transportation Terminal

An employee's time spent traveling outside of regular working hours to or from a transportation terminal within the limits of the employee's official duty station is considered equivalent to home commuting time and is not creditable time in travel status for the purpose of earning compensatory time off. If an employee travels between a worksite and a transportation terminal, the travel time outside regular duty hours is creditable as time in a travel status and no deduction for commuting time applies.

4.4.9 Travel during Paid Holidays

Paid holidays are considered "working hours" for purposes of computing compensatory time; thus, an employee who travels on a paid holiday during what would be their regular work hours (e.g., 8:30 AM to 5:00 PM) is not entitled to compensatory time for that travel time.

4.4.10 Calculating Compensatory Time for Travel

Compensatory time for travel is earned in hourly increments.

4.5 Request, Authorization and Approval for Compensatory Time (Work and Travel)

4.5.1 Request for Compensatory Time

Employees must make a request to earn compensatory time in writing to their supervisor upon completion of their qualifying work or official travel, attaching appropriate documentation to support their request. Employees are instructed to enter the Premium Pay Request in the time and attendance system for their supervisor's approval or disapproval. Upon approval, the supervisor will then approve the request in the time and attendance system. The timekeeper will be able to see and review the approved request in the time and attendance system.

4.5.2 Request to Use Compensatory Time (Work and Travel)

Employees must request permission from their supervisor to schedule the use of their accrued compensatory time for work or travel. In requesting to use compensatory time off, employees are instructed to follow the normal procedures that are used in requesting and scheduling leave. The request to schedule compensatory time off will be submitted by the employee and approved by the supervisor in the time and attendance system.

4.6 Forfeiture of Compensatory Time (Work and Travel)

Compensatory time for work or travel will be forfeited for the following reasons:

- (a) If not used within within twenty-six pay periods after it is earned compensatory time for travel is forfeited.
- (b) Upon voluntary transfer to another Federal agency, or another position not covered by compensatory time provisions (i.e., movement to an SES position, etc.);
- (c) Upon separation from the Federal Government; however, under this circumstance, compensatory time for work shall be paid.

4.7 Compensatory Time Off for Religious Observances

Religious Compensatory Time Off, as authorized by 5 U.S.C. 5550a, is compensatory time off under which an employee whose personal religious beliefs require the abstention from work. The employee may elect to perform overtime work in order to make up for time the employee takes off to meet those personal religious requirements.

The use of Religious Compensatory Time Off for a religious observance does not prohibit the Peace Corps, and its employees, from additional workforce flexibilities, including Annual Leave, Advanced Annual Leave, regular Compensatory Time Off, Alternative Work Schedules, and Leave without Pay, which all may play a part in accommodating an employee's need to be absent from work for a religious observance.

4.7.1 Coverage

Religious Compensatory Time Off applies to all U.S. Direct Hire employees who have a scheduled tour of duty including members of the Senior Foreign Service, Foreign Service, Experts and Consultants, and Political Appointees who have a scheduled tour of duty.

4.7.2 Responsibilities

Peace Corps employees are responsible for the following:

- (a) Submitting, sufficiently in advance of a religious observance, a request to use Religious Compensatory Time Off while disclosing information about their personal religious obligation (including dates and times).

- (b) Coordinating with their supervisor to make necessary scheduling changes in order to accommodate their work duties and responsibilities so as not to interfere with the agency's ability to efficiently carry out its mission. For example, a supervisor may not approve an employee's request for Religious Compensatory Time Off because several employees in their office are on Sick Leave. In such a situation, the employee requesting Religious Compensatory Time Off is needed in the interim to achieve the agency's mission. We note that employees have a statutory right to use sick leave.

4.7.3 Scheduling

Religious compensatory time off may be earned during the 13 pay periods immediately before and the 13 pay periods immediately after the religious observance necessitating religious compensatory time off. In the event an adjustment to the dates and times of overtime work is required, an employee will seek approval from their supervisor of a revised schedule that reflects those changes.

Hours worked to earn religious compensatory time off provide a time off credit in lieu of any amount that would otherwise be payable for that work.

If an employee does not use earned religious compensatory time off as planned, the employee may redirect the hours towards a future religious observance and the normal bar on earning hours outside the regulatory timeframe will not apply. An employee with a positive balance of hours may not earn additional religious compensatory time off until those hours have been used or the employee establishes a need for additional hours.

4.7.4 Separation or Transfer

The cashing out of unused religious compensatory time off hours occurs only when an employee leaves the agency (via separation or transfer).