



Department of Veterans Affairs

Financial Policy

Volume XV

Payroll

Chapter 3A

Leave and Work Schedules

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0301 Overview

This chapter establishes the Department of Veterans Affairs (VA) financial policies regarding payroll records for leave and work schedules. Leave administration and work schedules are addressed in Human Resources policy with primary coverage found in VA Handbook 5011, Hours of Duty and Leave.

The key points covered in this chapter are timekeeping system requirements for managing leave and work schedules, guidance to help manage paid leave limits, and telework reporting.

0302 Revisions

Section	Revision	Office	Reason for Change	Effective Date
Various	Reformatted to new policy format and completed five-year review.	OFP (047G)	Reorganized chapter layout	March 2019
Various	Reorganized to exclude entitlement coverage and payroll procedures.	OFP (047G)	Payroll procedures guidance is the responsibility of the FSC Payroll Support Division	March 2019

0303 Definitions

Work schedule and leave definitions existing in Human Resources policy are not repeated here. See VA Handbook 5011, Hours of Duty and Leave.

0304 Roles and Responsibilities

Under Secretaries, Assistant Secretaries, Chief Financial Officers, Fiscal Officers, Chiefs of Finance Activities, Chief Accountants, and other key officials are responsible for ensuring compliance with the policies and procedures set forth in this chapter.

The **Assistant Secretary for Human Resources and Administration** is responsible (through the Deputy Assistant Secretary for Human Resources Management) for advising Under Secretaries, Assistant Secretaries, other key officials, and field station managers and supervisors of legal and policy requirements and authorities relating to employee pay, leave, allowances, and deductions, excluding taxes.

Chiefs, Human Resources Management Service are responsible for providing appropriate levels of advice and assistance to employees, beneficiaries, supervisors, and fiscal/finance employees regarding laws, regulations, and policy covering HR issues, including interpretation of rules relating to hours of duty, pay, leave, and authorization of deductions from pay. HR Officers will also ensure HR data is accurate and entered timely into automated HR systems that integrate with payroll and timekeeping systems.

DFAS is VA's designated payroll provider. DFAS processes payroll, makes all employee deductions and disbursements, generates the Leave and Earnings Statement (LES) and W-2 files, charges VA appropriations and cost centers, and reports payroll related financial information to Treasury on behalf of VA.

The **Director, Financial Services Center (FSC)**, or designee specified in writing by name and position, is responsible for ensuring that payroll activity is generated and processed as needed, to include payroll support services.

Employees are responsible for prompt submission of leave requests in accordance with HR leave administration policy, reviewing their timesheet and their LES for accuracy, and for promptly notifying:

- Their supervisor and timekeeper of timesheet discrepancies regarding leave charges, telework, and extra work time, and
- HR or payroll representatives of other pay, leave, and deduction discrepancies.

Employees are responsible for informing themselves regarding tax withholding requirements, and for submitting applicable tax withholding election certificates to the servicing payroll office, or updating tax withholding elections in MyPay.

Service and Division Chiefs are responsible for designating an adequate number of timekeepers and alternates by memorandum to the Fiscal or Finance Officer indicating names (position is not sufficient for this purpose), status (timekeeper or alternate or removal from timekeeper function), and effective date.

The **Servicing Payroll Office** trains timekeepers and supervisors on timekeeping system functions and works with timekeepers, supervisors, and other employees to resolve pay and leave discrepancies, ensures prompt adjustment processing, deduction input, and maintains accurate and secure timekeeping and payroll records.

Supervisors are responsible for accuracy of employee pay and leave status recorded in the time and attendance system. This includes but is not limited to:

- A. Ensuring that timekeepers are promptly notified of information needed to maintain accurate and complete time and leave records;

- B. Managing employee leave and overtime work and ensuring prompt completion of necessary supporting request and approval documentation;
- C. Ensuring that timekeepers have sufficient time for daily maintenance of T&A records, and for completing such records at the end of the pay period to ensure timesheets are certified by the deadline set by the servicing payroll office;
- D. Approving and certifying automated T&A records through electronic signature; approving and certifying paper T&A records as applicable; and
- E. Seeking HR entitlement guidance when unsure, and denying questionable transactions pending resolution of concerns.

Timekeepers are responsible for the preparation, maintenance, and timely submission of official T&A records and reports for each employee whose record has been assigned to their Time and Leave Unit (TL).

0305 Policies

The Office of Personnel Management (OPM) provides government-wide leadership on leave and work schedules in accordance with 5 U.S.C. Chapters 61, 63, and 65. 38 U.S.C. § 7421, Personnel administration: in general, gives the VA Secretary authority to administer different leave and work schedules for physicians, registered nurses, and additional occupations hired under title 38 regulation.

030501 Leave

- A. VA timekeeping systems allow full-time and part-time employees to enter requests for use of available leave subject to supervisor approval. Leave is charged in quarter hour increments for hourly employees and in full day increments for daily-rate full-time physicians. Exceptions for hourly employees are hourly-rate full-time physician leave, military leave and Time Off Award charges in increments no less than full hours. HR policy in VA Handbook 5011, Part III, Hours of Duty and Leave, addresses leave entitlement, leave use purpose, and limitations on leave accrual, use, carryover, and restoration. Intermittent employees for whom no regular tour of duty has been established are not covered by any leave system.
- B. Timekeeping system edits may not be sufficient to prevent leave use in excess of accrued or advanced paid leave, compensatory time earned, or to fully enforce other leave limitations. Therefore, timekeepers should:
 - Remain alert to low leave balance circumstances to help prevent excess leave use;

- Consult supervisors regarding adjustments required before entering prior pay period timesheet corrections; and
 - Take prompt action in communication with supervisors to correct excess leave charges.
- C. To help enforce family care and Family and Medical Leave Act (FMLA) limitations, payroll or timekeepers will need to report prior leave used by an employee to Human Resources representatives requesting that information.
- D. Leave Buyback (LBB)
1. An employee who used paid leave for absence related to a work-related injury may have an opportunity to buy back some paid leave. A LBB transaction substitutes Leave Without Pay (LWOP) for paid leave charged. VA financial policy requires the employee complete repayment promptly and do so prior to separation from their VA appointment. Otherwise the servicing finance office may cancel the transaction and return any partial payments. See [Department of Labor \(DOL\) Frequently Asked Questions \(FAQ\) at DOL Federal Employee Compensation Act \(FECA\) FAQ](#), and [DOL FECA benefits summary](#), for additional information.
 2. VA will only consider LBB for leave charged during the twelve months prior to employee submission of the LBB request.
 3. Leave bought back is re-credited to the year in which it was used. Employees are advised to avoid repurchase of annual leave in excess of carryover limits or after the expiration date for restored leave. Excess amounts and expired restored leave will be forfeited.
 4. When prior paid leave is converted to Leave Without Pay (LWOP) in timekeeping records, an employee's leave accrual will often be reduced. Full-time employee pay period accrual is reduced for each multiple of 80 hours of cumulative LWOP charged in the leave year. Part-time employees accrue (and lose) annual and sick leave based on the number of hours in pay status.

In example: A full-time employee electing to buyback 160 hours of sick leave used in a single leave year will lose two pay periods of leave accrual ($160/80 = 2$). The amount paid for 160 hours is repaid to VA. The employee will be credited with 152 hours of sick leave (160 hours less 2 pay periods of sick leave accrued at 4 hours per pay period). And annual leave will be reduced by a total of 8, 12, or 16 hours depending on the rate at which annual leave accrues.

Work schedules are assigned by the supervisor before the start of the two-week pay period, and are established by timekeepers in the timekeeping systems. Work schedules identify the scheduled daily normal hours within each pay period for full-time and part-time employees. The schedule must match the employee master record normal hours per pay period. Timekeepers will create permanent or temporary work schedules, including telework, using approved daily tours of duty as directed by the supervisor.

Each service or work unit will maintain information on authorized Alternate Work Schedule (AWS) options.

Servicing payroll staff will maintain information on approved tours of duty.

0306 Authorities and References

[VA HR Directives and Handbooks - Intranet References](#)

[5 U.S.C. Chapter 61, Hours of Work](#)

[5 U.S.C. Chapter 63, Leave](#)

[5. U.S.C. Chapter 65, Telework](#)

[38 U.S.C. §7421, Personnel administration: in general](#)

[5 C.F.R. Part 610, Hours of Duty](#)

[5 C.F.R. Part 630 – Absence and Leave](#)

[20 C.F.R. § 10.425 - May \[OWCP\] compensation be claimed for periods of restorable leave \[LBB\]?](#)

0307 Rescissions

None.

0308 Questions

Questions concerning these financial policies and procedures should be directed to the specific POC's and formatted as follows using the group email. Do not use proper names.

VHA

VHA 10A3A Accounting Policy (Outlook)

VHA	VAFSC Nationwide Accounting (Outlook)
VBA	VAVBAWAS/CO/FINREP (Outlook)
VBA	VAVBAWAS/CO/OPERATIONS (Outlook)
NCA	NCA Financial Policy Group (Outlook)
All Others	OFP Accounting Policy (Outlook)