

## PAY &amp; LEAVE WORK SCHEDULES

# Fact Sheet: Credit Hours Under a Flexible Work Schedule

- **Description**

Credit hours are hours that an employee elects to work, with supervisory approval, in excess of the employees basic work requirement under a flexible work schedule. (Information on flexible work schedules is available in OPMs [Handbook on Alternative Work Schedules](#).) The basic work requirement for full-time employees is 80 non-overtime hours in a 2-week pay period. Agency policies or union agreements may place restrictions on earning or using credit hours.

Employees are not paid basic pay or overtime pay for credit hours when they earn them. An employee may use credit hours during a subsequent day, week, or pay period, with supervisory approval, to allow the employee to be absent from an equal number of hours of the employees basic work requirement with no loss of basic pay. (See the definitions of *basic work requirement* and *credit hours* in 5 U.S.C. 6121(3) and (4), respectively.)

- **Who May Earn Credit Hours?**

Full-time or part-time employees under flexible work schedules may earn credit hours **if** agency policies for flexible work schedules or union agreements permit. Agencies may permit GS employees, wage employees, senior level or scientific professional employees (SL/ST) and DOD nonappropriated fund employees under flexible work schedules to earn credit hours. Members of the Senior Executive Service (SES) may not earn credit hours. See 5 U.S.C. 6121(2) and 5 CFR 610.408.

- **How Long Do Part-time Employees Have to Work to Earn Credit Hours?**

Agency policies or union agreements may permit part-time employees to earn credit hours if they elect to work in excess of their basic work requirement. Part-time employees under flexible work schedules may have a basic work requirement of between 32 and 64 hours during a biweekly pay period. See 5 U.S.C. 3401(2). Overtime pay standards do not have to be met before part-time employees may earn credit hours. Part-time employees may accumulate a maximum of one-fourth of the hours in their biweekly basic work requirement as credit hours for carryover to the next biweekly pay period. See 5 U.S.C. 6126(a).

- **May an Agency Place Restrictions on Earning or Using Credit Hours?**

Yes. An employees election to work a flexible work schedule and earn credit hours is subject to limitations prescribed by an agency to ensure that the duties and responsibilities of a position are fulfilled. Subject to any applicable negotiated agreement, the head of an agency may determine that any organization within the agency is being substantially disrupted in carrying out its functions or is incurring additional costs because of use of flexible work schedules. If such a finding is made, the agency head may restrict the use

of credit hours, limit flexible time bands, or exclude any employee or group of employees from using flexible work schedules.

Even without such a finding, an agency may establish limitations on how credit hours are earned and the number of credit hours that may be earned. (See 5 U.S.C. 6122(b).)

- **When May Credit Hours be Earned?**

The definition of *credit hours* in law (5 U.S.C. 6121(4)) provides that credit hours may be earned only within an employees flexible work schedule. This means that an employee may earn credit hours only by working within the flexible time bands established by the agency or union agreement. Hours that will count toward the basic work requirement may not be considered credit hours. For example, if an employee would otherwise complete 9 hours of his or her 80-hour basic work requirement on a workday, the ninth hour is not a credit hour. If the agency's flexible time bands are broad enough, the agency may permit the employee in this situation to work a 10th hour voluntarily and earn 1 credit hour.

- **May Employees be Permitted to Earn Credit Hours on Saturday or Sunday?**

Yes, agency policies or an applicable union agreement may permit employees to earn credit hours on Saturdays or Sundays. An agency that wishes to permit employees to earn credit hours on Saturday or Sunday must establish flexible time bands on Saturdays or Sundays.

- **Are Credit Hours Regularly Scheduled?**

No. Credit hours are worked voluntarily by employees in excess of their regularly scheduled 80-hour biweekly basic work requirement, which may include flexible hours. (See 5 CFR 610.111(d).)

- **What is the Maximum Number of Credit Hours that may be Carried Over to the Next Pay Period?**

For a full-time employee, only 24 credit hours may be carried over to the next pay period. For a part-time employee, not more than one-fourth of the hours in the employee's biweekly basic work requirement may be carried over to the next pay period. An agency policy or union agreement may place stricter limitations on how many credit hours may be accumulated or carried over.

Only 1 credit hour is earned for each hour of voluntary work in excess of the basic work requirement. (See 5 U.S.C. 6126(a).)

- **May Employees Use Credit Hours before they are Earned?**

No. There is no authority in law or regulation to advance credit hours. Time cannot be charged against credit hours until credit hours have been earned. For this reason, some agencies do not permit employees to use credit hours until the pay period following the one in which they are earned.

Even if an agency has such a policy, the agency may still permit supervisors to approve changes in the time when employees will work flexible hours (part of the basic work requirement) after the beginning of a week or a pay period. For example, an employee may be permitted or required to shift some flexible hours from the first week of a pay period to the second week of the pay period. As long as the employee

completes his or her 80-hour basic work requirement during the pay period, this can be done without any charge to leave. (See OPM [Handbook on Alternative Work Schedules](#), Flexible Work Schedules, Overtime Work Determinations, paragraph 2).

- **What Happens to Earned Credit Hours if an Employee Leaves Federal Employment or Transfers to Another Federal Department or Agency?**

A full-time employee receives pay for a maximum of 24 unused credit hours at his or her current rate of basic pay when Federal employment ends, when the employee transfers to another *agency* (as defined in 5 U.S.C. 6121(1)), or when the employee otherwise is no longer subject to an agency's flexible work schedule program. A part-time employee who is no longer subject to an agency's flexible work schedule program receives basic pay for accumulated credit hours that are not in excess of one-fourth of the hours in the employee's biweekly basic work requirement. Agencies should have policies for determining whether employees continue to be subject to an agency's flexible work schedule program after other personnel actions or work schedule changes occur. (See 5 U.S.C. 6126.)

The premium pay limitations in 5 U.S.C. 5547 do not apply to payment for credit hours even though they apply to payments for unused compensatory time off.

- **May Credit Hours be Earned for Travel?**

Typically, credit hours may not be earned for travel since travel is always ordered by an agency. Travel hours are not hours that an employee elects to work with supervisory approval. Subject to agency policies or the provisions of negotiated agreements, agencies should consider placing employees on standard work schedules during extended periods of travel. (See OPM [Handbook on Alternative Work Schedules](#), Flexible Work Schedules, Travel, paragraph 5.) Under certain conditions, an agency may permit an employee to earn credit hours by performing productive and essential work while in a travel status. For example, while traveling, employees may use a laptop computer to write speeches and draft or edit reports and other correspondence. Since travel itself does not generally constitute hours of work, the work that is done must be approved and verified by a supervisor. All of the following conditions must be met to allow an employee to earn credit hours while in a travel status are:

1. The employee must be under a flexible work schedule;
2. The employee must perform work within designated hours when credit hours may be earned under the agency's flexible work schedule policy (see 5 U.S.C. 6122(a)(2));
3. The employee must elect to perform the work voluntarily;
4. The hours of work must be in excess of the basic work requirement for the employee;
5. Travel must be scheduled during the regularly scheduled working hours for the employee to the maximum extent practicable (see 5 U.S.C. 6101(b)(2) and 5 CFR 610.123); and
6. The agency must ensure that a policy permitting employees to earn credit hours for working during travel time is consistent with applicable legal and regulatory requirements, as well as with agency policies.

If work is required during travel time outside of the employees basic work requirement, overtime pay must be paid for work that is ordered in excess of 8 hours in a day or 40 hours in a week. (See 5 U.S.C. 6121(6).)

- **May Credit Hours be Earned for Training?**

No, credit hours cannot be earned if training or homework is required by an agency. If training is required, it does not constitute hours that an employee elects to work with supervisory approval. (See the definition of *credit hours* in 5 U.S.C. 6121(4).)

Agencies may place employees on a standard work schedule (8 hours a day, 5 days a week, Monday through Friday) during a period of training or on a work schedule that corresponds to the hours of training. Employees must be notified of changes in their basic work schedule in advance of the agency's administrative workweek.

- **May Employees Earn Overtime Pay or Compensatory Time Off for Credit Hours?**

No overtime pay or compensatory time off may be paid when employees earn credit hours or when credit hours are liquidated because Federal employment ends. (See 5 U.S.C. 6123(b) and 6126.)

- **May GS Employees Earn Night Pay when Credit Hours are Earned or Used?**

No night pay may be paid when credit hours are earned. That is because when employees earn credit hours, they are not performing regularly scheduled work. By contrast, night pay is authorized for work performed at night during an employee's regularly scheduled tour of duty. See 5 U.S.C. 5545(a).

No night pay may be paid for credit hours that are used at night to be absent from the employee's basic tour of duty. This is because under 5 U.S.C. 5545(a) and OPM regulations, employees must generally perform work at night to earn night pay. There is no provision of law or OPM regulations that permits night pay to be paid when credit hours are used to be absent from regularly scheduled nightwork.

For requirements on entitlement to night differential when credit hours are earned by wage (prevailing rate) employees and employees employed under title 38, United States Code, see 5 U.S.C. 6123(c)(2).

- **May Employees Receive Sunday Premium Pay when they Earn or Use Credit Hours?**

No. Credit hours may be earned only when employees work voluntarily, with supervisory approval, in excess of their regularly scheduled basic work requirement. Sunday premium pay is paid only when full-time employees are required to work during a Sunday tour of duty that is part of their regularly scheduled basic work requirement. Sunday premium pay is limited to 8 hours for each regularly scheduled basic tour of duty that begins or ends on Sunday. Thus, Sunday premium pay may not be paid when employees earn credit hours.

Also, employees may not receive Sunday premium pay if they are permitted to use credit hours in order to be absent from their regularly scheduled basic work requirement on a Sunday. Employees may not receive Sunday premium pay for any period of time when they do not actually perform work on Sunday. (See Section 624 of the Treasury and General Government Appropriations Act, 1999, which is a permanent restriction.)

- **May Employees Earn Hazardous Duty Pay when they Earn or Use Credit Hours?**

When a GS employee performs work during any part of a day for which hazardous duty pay is authorized, the employee is entitled to hazardous duty pay for all hours in a pay status on that day. (See 5 CFR 550.905). This means that if an employee is entitled to hazardous duty pay during any part of a day when credit hours are earned or used, the employee must be paid hazardous duty pay for the credit hours as well. Subject to the provisions of any applicable negotiated agreement, an agency may establish a policy that employees cannot earn and/or use credit hours on any day when the employee is entitled to hazardous duty pay.

- **May Employees Earn Credit Hours During Excused Absence, Such as Hours when they are Excused from Work because of a Weather Emergency?**

No. Excused absence means that employees are excused from their basic work requirement on that day. As explained in the answer to the first question above, credit hours are hours worked voluntarily by employees in excess of their basic work requirement, with supervisory approval.

If employees work during the hours of their basic work requirement despite having been excused from work, they are not entitled to any additional compensation or to credit hours. However, if permitted by agency policies or negotiated agreements, supervisors may approve requests from employees under flexible work schedules to earn credit hours for work in excess of their basic work requirement on a day when excused absence is granted.

- **May Employees Earn or Use Credit Hours on Holidays?**

Employees may not earn any additional compensation or credit hours for working voluntarily during holiday hours. If permitted by agency policies or negotiated agreements, supervisors may approve requests from employees under flexible work schedules to earn credit hours for work in excess of their basic work requirement on a holiday.

Full-time employees under flexible work schedules are excused only from 8 hours of their basic work requirement because of a holiday. (See 5 U.S.C. 6124.) Therefore, an agency may find it desirable to schedule only 8 hours of an employee's basic work requirement on a holiday. Flexible work schedules may be changed to accommodate this policy. If an employee is scheduled to complete 9 or 10 hours of his or her basic work requirement on a holiday, the agency may permit the employee to use previously accrued credit hours or annual leave in order to be absent with pay during the 9<sup>th</sup> and 10<sup>th</sup> hours.

If employees under flexible work schedules are required by an agency to work during holiday hours (their basic work requirement if not for the holiday), they are entitled to holiday premium pay for a maximum of 8 hours.

## References

- [OPM Handbook on Alternative Work Schedules](#)