

# Management Instruction

## Annual Leave Sharing Program

This management instruction sets forth the policy guidelines and standard procedures for administering the Annual Leave Sharing Program referenced in ELM 512.64.

### Policy Guidelines

#### Annual Leave Sharing Program

The Postal Service Annual Leave Sharing Program (LSP) allows career and transitional postal employees to share leave by donating or receiving earned unused annual leave. This leave may be shared as set forth in the *Employee and Labor Relations Manual*, this management instruction, and national bargaining unit agreements. There are no guarantees as to the number of hours that will be donated to an eligible recipient. Participation in this program is strictly voluntary.

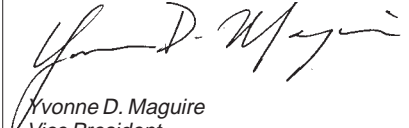
#### Privacy

Eligible leave recipients waive any right of access provided by law (including the Privacy Act of 1974) to obtain information about leave donors. Except as required for program administration, the Postal Service will keep confidential the names, Social Security numbers, and identities of leave donors; the fact that specific employees have or have not donated leave; and other similar information. The recipient's name and/or a brief description of his or her personal health condition may be disclosed in the notice requesting annual leave donations only if the recipient wishes it to be. Information about the recipient must be disclosed to postal managers, supervisors, and other personnel who need it to perform their duties.

#### Prohibition to Intimidation

No employee may directly or indirectly intimidate, threaten, or coerce, or attempt to intimidate, threaten, or coerce, any other employee for the purpose of interfering with any right that employee may have with respect to donating, receiving, or using leave under the LSP. For the

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purposes of this policy, the term *intimidate, threaten, or coerce* includes conferring or promising to confer any benefit, or effecting or threatening to effect any reprisal.

## Eligibility to Receive Donated Leave

### How Eligibility Is Established

To be eligible to receive donated leave, a career or transitional postal employee:

1. Must be incapacitated for available postal duties due to a serious personal health condition, which includes an incapacitating pregnancy. Medical and/or appropriate other documentation may be required.

**Note:** Conditions that may be the subject of workers' compensation claims, *nonincapacitating* prenatal or postnatal conditions, and the need or desire to care for newborn or adopted children are not qualifying.

2. Must be known or expected to be absent from work 40 hours more than his or her own earned sick leave and/or annual leave balances will cover. This 40 hours of leave without pay (LWOP) need not be consecutive, but must be due to the qualifying health condition.
3. Must request leave recipient eligibility by submitting a completed Form 3970-R, *Request to Receive Donated Leave*, to his or her immediate supervisor for processing and approval. The request may be submitted before sick leave, annual leave, and/or 40 hours of LWOP are exhausted. If the employee is unable to complete or submit the Form 3970-R to request eligibility, the form may be completed or submitted by any other person acting on the employee's behalf.

### When Eligibility to Use Donated Leave Begins and Ends

The dates eligibility actually begins and ends are determined as follows:

1. Eligibility begins either when the request is approved, earned unused sick leave and annual leave balances are exhausted, and 40 hours of LWOP are accumulated due to the qualifying health condition; or, on the date the Form 3970-R is date-stamped in the personnel office, whichever is later.
2. If the recipient has been approved for advanced sick leave, he or she has the option of discontinuing use of the approved advance sick leave immediately or waiting until the advance has been used before using any donated leave.

3. Eligibility terminates when the recipient separates from the Postal Service for any reason or returns to his or her normal work schedule and is no longer affected by the qualifying health condition for which the eligibility was established. Use of donated leave is allowed during recovery periods or periods of relapse due to a qualifying health condition, even though the recipient is working intermittently or on a part-time schedule.

## **Donation of Leave**

### **To Whom May Leave Be Donated**

With certain restrictions noted below, career and transitional employees may donate earned annual leave to eligible recipients employed by the Postal Service.

### **How Much Leave May Be Donated**

An individual may donate up to a total of one-half of the hours of annual leave the donor will earn during the current leave year, based on the donor's leave category at the time the leave is being donated.

1. For a part-time flexible employee, the determination is based on the donor's leave category assuming that he or she will have the same leave earnings as a full-time employee with comparable service.
2. For a part-time regular employee, the determination is based on the donor's leave category and limited four hours at the time the leave is being donated.

### **Restrictions**

The following restrictions apply to annual leave donations:

1. Most bargaining unit national agreements allow employees to donate leave only to employees within a specified geographical area or facility, except for donations to an eligible parent, spouse, or child who is a career or transitional postal employee at any facility.
2. The donor may not donate leave to his or her supervisor.
3. Individual annual leave donations must be for 8 or more whole hours of annual leave that has been earned. Fractions of an hour or amounts less than 8 hours may not be donated.
4. The donor may not reduce or cancel the donation after the Form 3970-T, *Donated Leave Transfer*, has been processed. An employee may donate additional hours to the same recipient by completing an additional Form 3970-D. The restriction of 8 or more whole hours, however, applies to each Form 3970-D submitted.

5. The donor may not donate annual leave that would otherwise be forfeited under applicable leave scheduling and/or by the annual leave carryover limit (i.e., leave in excess of the maximum carryover that the employee would not be permitted to use before the end of the leave year).

## Recipient's Use of Donated Leave

### When Donated Leave May Be Used

Donated leave may be used:

1. During the leave recipient's eligibility period, and as long as there is a balance of donated leave available.
2. When the recipient would be in a normal pay status except for the incapacitation due to the qualifying health condition.
3. To retroactively replace the 40 hours that is the LWOP requirement to be eligible to receive donated leave.
4. Only after earned annual and sick leave is exhausted. If use of donated leave is requested when the recipient has an earned annual or sick leave balance, leave is charged in the following order: first, earned sick leave; second, earned annual leave; and third, donated leave.

The dates of donated leave may be adjusted to dates immediately following the last day actually worked when the following conditions are met:

1. OPM has approved the employee's application for disability retirement due to his or her qualifying health condition.
2. The employee has not returned to work.
3. Donated leave has been used intermittently between the last day actually worked and OPM's approval of disability retirement.

For example, an employee who has been out of work for the qualifying condition since November 15 and has used donated leave intermittently (e.g., December 1, January 5, February 10) is approved by OPM for disability retirement in March. In such a case, a Form 2240, *Pay, Leave, or Other Hours Adjustment Request*, may be processed to change the December 1, January 5, February 10 absences to November 16, 17, and 18.

Such an adjustment could possibly affect payments for holidays, either positively or negatively.

**Note:** Donated leave should normally be used as soon as it is available and the employee meets the criteria for use.

## How to Use Donated Leave

Use of donated leave is requested by submitting a Form 3971, *Request for or Notification of Absence*, noting "Donated Leave" in the remarks section. If the employee is unable to complete or submit the Form 3971 to request use of donated leave, the form may be completed or submitted by the supervisor or others acting on the employee's behalf.

Standard absence request and approval policies and procedures apply under the Annual Leave Sharing Program, including those listed in ELM 514, *Leave Without Pay*, and ELM 568, *Management-Initiated Disability Retirement Procedures*.

Although requests may be made before 40 hours of LWOP are accumulated; the date eligibility begins is established in accordance with *When Eligibility to Use Donated Leave Begins and Ends* on page 2.

## Pay Status for Donated Leave

The period for which an employee uses donated leave is considered to be paid leave status, except that employees do not earn sick leave or annual leave on the donated leave hours used. All mandatory and optional payroll deductions, allotments, and net checks to banks continue.

A donated leave balance appears on the recipient's earnings statement after donations have been successfully transferred. The donated leave balance continues to appear on the earnings statement until there is no longer a balance or the employee separates from the Postal Service.

## Disposition of Unused Donated Leave

If all of the leave donated to a recipient is not used, the donated leave:

1. Remains in the recipient's donated leave account and may be used to cover subsequent absences for new periods of donated leave eligibility.
2. Is carried over from one leave year to the next without limit.
3. May not be returned to the donor.
4. May not be donated to another employee.
5. May not be transferred to another governmental agency.
6. May be used to offset negative sick and annual leave balances caused by serious personal health conditions.

7. Is included in the employee's terminal leave check upon separation. Except for separation for death or disability, it is first applied to negative sick leave balances, then to negative annual leave balances, if any, and then to the terminal leave payment. If the recipient separates and then is reemployed with the Postal Service before the period covered by the lump-sum payment for terminal leave expires, unused donated leave must be reccredited to the recipient's account. The employee must refund in full the payment for the overlapping period.

## Procedures and Responsibilities

### Assigning an LSP Coordinator

- |   |     |  |
|---|-----|--|
| <b>District<br/>HR Manager</b>              | ___ | Designate an Annual Leave Sharing Program (LSP) coordinator for all LSP cases in the district.                                       |
| <b>Manager,<br/>Corporate<br/>Personnel</b> | ___ | Designate an Annual Leave Sharing Program (LSP) coordinator for all LSP cases in Postal Service Headquarters and related facilities. |

### Establishing Eligibility for a Recipient of Donated Leave

- |   |      |   |
|---|------|---|
| <b>Employee</b>                                 | ___1 | Complete part I of Form 3970-R, <i>Request to Receive Donated Leave</i> .   |
|   | ___2 | Submit Form 3970-R to your immediate supervisor for processing and approval. The request may be submitted before you have exhausted earned annual leave, sick leave, and/or 40 hours of LWOP, even though you will not be able to use the leave until those requirements are met.<br><br><b>Note:</b> If you are unable to complete or submit the Form 3970-R, any other person may complete or submit it on your behalf. |
| <b>Requesting<br/>Employee's<br/>Supervisor</b> | ___1 | Verify the requesting employee's eligibility. Review <i>Eligibility to Receive Donated Leave</i> on page 2.   |
|   | ___2 | Complete part II of Form 3970-R and forward the documentation in a sealed envelope marked "Restricted" to the LSP coordinator at the personnel office for processing.   |
| <b>LSP Coordinator</b>                          | ___1 | Establish an individual recipient restricted case file by employee name for each qualifying health condition. The Form 3970-R and a copy of the notice are maintained in this file. (No medical information may be kept in this file.)  |

- \_\_\_2 Ensure that Form 3970-R is date-stamped. Review and verify the information provided, and complete part III. If additional information is needed from the employee or supervisor, date-stamp the original 3970-R before requesting the additional information to ensure that the beginning eligibility date is properly established.
- \_\_\_3 Establish the eligibility date as either the date the Form 3970-R is date-stamped, or the date the recipient meets the eligibility requirements, whichever is later.
- \_\_\_4 Establish a LSP case number for the file:

For ...	Use...
Field offices,	<ul style="list-style-type: none"> <li>– The last 2 digits of the current fiscal year.</li> <li>– The recipient's office BA code.</li> <li>– The district code.</li> <li>– A 3-digit serial number beginning with 001 for the first case number issued for that office in the current fiscal year.</li> </ul> <p><i>Example:</i> For Baltimore: 99-2D-210-001.</p>
Headquarters and Headquarters field units,	<ul style="list-style-type: none"> <li>– The last 2 digits of the current fiscal year.</li> <li>– The recipient's office BA code.</li> <li>– The first three numbers of the ZIP Code of the personnel office.</li> <li>– A 3-digit serial number beginning with 001 for the first case number issued for that office in the current fiscal year.</li> </ul> <p><i>Example:</i> For the Minneapolis ASC: 99-6F-551-001.</p>

- \_\_\_5 Establish a second restricted file for each LSP case number for maintenance of donor information. Forms 3970-D are maintained in this file.

## Posting the Notice of the Request

- LSPCoordinator** \_\_\_1 Prepare the notice, if authorized for release by the employee, requesting annual leave donations. The notice may include only the information authorized for release by the recipient on the Form 3970-R.
- Also include in the notice the LSP case number, where a donor Form 3970-D may be obtained, and the address where completed forms are to be returned. Postings for recipients who are members of bargaining units must include the union representative as a source for the donor form.
- \_\_\_2 Distribute the notice for posting in postal installations within the geographical area serviced by the district Human Resources manager or within other jurisdictional areas specified in the applicable national bargaining agreement.
- \_\_\_3 Provide a copy of the notice to the local unions and management organizations.

## Donating Leave

- Donor** \_\_\_1 Complete part I of Form 3970-D, *Request to Donate Leave*, requesting transfer of a specified number of hours of earned unused annual leave to any eligible leave recipient who is not your immediate supervisor.
- \_\_\_2 Submit Form 3970-D to your immediate supervisor for processing and approval.
- Donor's Supervisor** \_\_\_1 Verify that the designated recipient is not the donor's regular immediate supervisor.
- \_\_\_2 Verify compliance with any jurisdictional area limits noted in national bargaining unit agreements when applicable.
- \_\_\_3 Verify that the leave being donated does not include any annual leave that otherwise would be forfeited under applicable leave scheduling and carryover limits (i.e., leave in excess of the maximum carryover that the employee would not be permitted to use before the end of the leave year).
- \_\_\_4 Complete part II of Form 3970-D and forward the completed form to the LSP coordinator noted on the posted request for donated leave or, if the donor desires to submit it through the union or management association, return it to the donor.



**Recipient's LSP  
Coordinator**

- \_\_\_1 Date-stamp the Forms 3970-D as they are received and review the forms to ensure that the donors and supervisors have completed and signed the forms.
- \_\_\_2 Ensure that each donor is donating to a recipient who is eligible to receive the donation. (See *To Whom May Leave Be Donated* on page 3.)
- \_\_\_3 Verify that the recipient is in your jurisdictional area. If the recipient is in your jurisdictional area, complete part III of each Form 3970-D and complete processing as outlined below. If the recipient is not in your jurisdictional area, forward the Form 3970-D to the LSP coordinator in the recipient's location for processing as outlined in this management instruction. That office processes the Form 3970-D and the Form 3070-T. Even though that location's finance office will not have access to the donor's records in DDE, that office can input the transfer of leave.
- \_\_\_4 Complete the Forms 3970-T and forward them to Finance through cc:Mail or in a sealed envelope marked "Restricted" for processing. Ensure that the recipient eligibility begin date is included on the form. Forms 3970-T are processed at locations that have access to the recipient's records in DDE. This is true, even though Finance does not have access to the donor's records in DDE.
- \_\_\_5 File the Forms 3970-D in a restricted, separate, donor LSP case file identified only by the LSP case number of the recipient and adding the letter "D" to the case number.
- \_\_\_6 Notify the donor of any unsuccessful leave transfer or change in amount of annual leave transferred, giving the reason, and complete Part III of form 3970-T.
- \_\_\_7 File the Forms 3970-T returned from Finance by pay period in the audit file with other DDE input forms.

**Recipient's  
Finance Office**

- \_\_\_1 When appropriate notification is provided on Form 3970-T, input the recipient's eligibility begin date.
- \_\_\_2 Use the DDE/DR application for Leave Share (0320) to deduct the annual leave hours from the donor's earned annual leave account and credit the recipient's donated leave account as specified on the Form 3970-T.
- \_\_\_3 Complete part II of Form 3970-T with the appropriate remarks and return to the LSP coordinator.
- \_\_\_4 When appropriate notification is provided on Form 3970-T, close each recipient's case with an end date.

## Using Donated Leave

- Recipient**
- \_\_\_1 Pursuant to standard attendance policies, complete Form 3971, *Request for or Notification of Absence*, noting “Donated Leave” in the remarks section.
  - \_\_\_2 Submit Form 3971 to your immediate supervisor for processing and approval.
  - \_\_\_3 In order to use donated leave to replace the 40-hour LWOP eligibility requirement, follow the normal leave adjustment procedure. (Complete Form 2240 and submit it to your supervisor.)  
**Note:** If you are unable to complete or submit the information, your supervisor or any other person may complete or submit it on your behalf.
- Recipient’s Supervisor**
- \_\_\_1 Approve the request applying standard approval policies, including those in ELM 514, *Leave Without Pay*, and ELM 568, *Management-Initiated Disability Retirement Procedures*.  
**Note:** Although requests for establishing eligibility may be made before 40 hours of LWOP are accumulated, the date eligibility to use donated leave begins is established in accordance with *When Eligibility to Use Donated Leave Begins and Ends* on page 2.
  - \_\_\_2 Process requests to replace the 40-hour LWOP eligibility requirement through the normal leave adjustment procedures (Form 2240).
- Recipient’s Timekeeper**
- \_\_\_ Pursuant to standard timekeeping policies, process the Form 3971 on which recipients have requested use of donated leave (code 46).  
If a need arises to verify the employee’s sick, annual, or donated leave balance, contact the local DDE site. Leave balance is listed in DDE on segment A, page 2, of the OLQ (U01A), and donation information on page 4.
- Recipient’s Finance Office**
- \_\_\_1 When advised by the LSP coordinator on Form 3970-T, cancel previous transactions that were processed after the leave recipient eligibility period.
  - \_\_\_2 Process any leave adjustments required during the recipient’s eligibility period, including requests to replace the 40-hour LWOP eligibility requirement with donated leave.

## Terminating Leave Donation

- Recipient and/or Recipient's Supervisor** \_\_\_ Notify the LSP coordinator of return to work or of any change in eligibility or factors affecting it.
- LSP Coordinator** \_\_\_1 Withdraw bulletin board notices requesting annual leave donations and deactivate the LSP case files.
- \_\_\_2 Note the recipient's eligibility end date on the Form 3970-R.
- \_\_\_3 Notify Finance of the end date by preparing a Form 3970-T with the recipient's name, Social Security number, and termination date, and forwarding the completed form to Finance.
- \_\_\_4 Return to donors any Forms 3970-D received after the end date with a brief explanation of why the recipient is no longer eligible to receive donated leave. When the personnel office is notified late of the recipient's termination date of eligibility, ensure that Finance is immediately notified to cancel any donation transactions date-stamped after the termination date and recredit the donors.
- \_\_\_5 Store recipient and donor LSP case files for 3 years following the recipient's eligibility end date.

## Refunding Payment for Unused Donated Leave When Reemployed Before Terminal Leave Expires

- Employee** \_\_\_ If you separate and then are reemployed with the Postal Service before the period covered by your terminal leave expires, refund in full the payment for the overlapping period. Such unused donated leave is recredited to the recipient's account.
- Employing Personnel Office** \_\_\_ Review the terminal leave worksheet in the employee's official personnel folder (OPF) to determine (1) the period for terminal annual leave (if any) and (2) the period for terminal donated leave. This provides the total period covered by both payments. Then determine the overlapping period based on the effective date of reemployment or reinstatement. Credit any period that overlaps with donated or annual leave to that account.