

CHAPTER 5. DEPARTURE OR NON-PAY STATUS OF EMPLOYEES GRANTED THIS BENEFIT

5.1 FORFEITURE OF SERVICE CREDIT

1. An employee who received service credit under the parameters of this Handbook for prior non-Federal or active duty military experience, but **does not complete one full year of continuous service at HUD** prior to separation or transfer from HUD, **will forfeit such credit**. Prior to separating from HUD, the employee's service computation date (SCD) will be recomputed to subtract the additional service credit previously given to the employee under this Handbook, and a new SCD will be established.
2. Upon PBRD decision to adjust the SCD based on forfeiture, a remark will be added to the separation SF-50.

5.2 NONPAY STATUS, TRANSFERS AND SEPARATIONS

1. If an employee meets the conditions set forth in this Handbook and receives credit for the prior non-Federal or active duty military skills and experience, the service time will become a permanent part of the employee's record. **If the employee fails to complete one continuous year at HUD before separation or transfer:**
 - a. Any service credit granted to the employee under the provisions of this Handbook **must** be subtracted from his/her total creditable service. **A new SCD for leave accrual purposes must be calculated prior to the employee's separation or transfer.** An SF-50 must be processed to change the SCD, and the change must be documented in the employee's OPF.
 - b. If an employee accrues or accumulates any annual leave as a result of receiving credit under the conditions of this Handbook, but separates prior to completing one continuous year of service at HUD, **that leave will remain to the employee's credit and shall not be reduced or forfeited.** HUD must:
 - i. Transfer the annual leave balance to the new employing agency, if the employee transfers to another federal agency; or
 - ii. Make a lump-sum payment for any unused annual leave if the employee is separating from Federal service or is transferring to a position where annual leave cannot be transferred.
2. If an employee is placed in a leave without pay status during the 1-year period of continuous service required by this Handbook, the 1-year period of continuous service must be extended by the amount of time in a leave without pay status unless:

- a. The employee separates or is placed in a leave without pay status to perform service in the uniformed services (as defined in 38 U. S.C. Section 4303 and 5 C.F.R Section 353.102) and later returns to civilian service through the exercise of a reemployment right provided by law, Executive order, or regulation.
 - b. The employee separates or is placed in a leave without pay status because of an on-the-job injury with entitlement to injury compensation under 5 U.S.C. Chapter 81 and later recovers sufficiently to return to work.
3. If an employee loses service credit for non-Federal or active duty military experience because she/he failed to serve one full year of continuous service with the appointing agency, **but is later reappointed to Federal service after a break of at least 90 days**, HUD may choose to provide service credit to the employee for that period of time.