MEMORANDUM FOR SEE DISTRIBUTION

SUBJECT:  Interim Change to USFK Regulation 690-1 Pertaining to Leave and Pay Administration of USFK Korean Employees


2. The referenced regulation is changed as follows. These changes have been coordinated with all members of the USFK Joint Labor Affairs Committee.

3. Effective immediately, the following interim changes are made to the referenced regulation. The changed leave accrual provisions in Chapter 7 will be applicable to employees starting to take childcare leave on or after 29 May 2018.

   a. Subparagraph 2-6e is changed to read as follows:

   e. An employee can apply for a vacancy announcement IAW this regulation even though the employee has less than six months in his/her current position (see Chapter 2, subparagraph 2-7h(2)(b)), except when the employee has voluntarily moved to the current position involving payment of a relocation allowance within six months. USFK NAF employees newly hired on or after 1 July 2004 will be required to serve no less than one year in the position to which they are initially hired before they can voluntarily accept any other position unless approved by management.

   b. Subparagraph 7-5c is changed to read as follows:

   c. Accrual reduction rate for nonpay absences. When a full-time employee’s nonpay status totals one full pay period (for example, 160 hours), the annual leave credit will be reduced by the full amount of normal leave accrual depending upon the leave accrual category. Employees on an alternate tour of duty and on tours of duty including standby time will have their leave reduced by the full amount of normal leave accrual depending upon the leave accrual category when they have been in a nonpay status for a period of time equal to the number of hours in a normal pay period. All nonpay periods (except absences during partial pay periods in which no leave is accrued) within the leave year are added together for applying leave reduction rates, but no hours in a nonpay status are carried forward into the following leave year. This does not apply if the employee was receiving compensation from the IACIP during the absence for a work connected injury or disease, or when the employee was on maternity leave or childcare leave (to include employees on part-time childcare leave). The total period of nonpay status will be considered as the period of attendance at work for leave accrual purposes.
c. **Subparagraph 7-9i is added to read as follows:**

   i. Absence for Infertility Treatment. Employees who want to receive infertility treatment such as artificial insemination or IVF (In Vitro Fertilization) will be authorized to be absent from duty for three work days per leave year. Out of the three work days authorized, the first one day will be excused without charge to leave or loss of pay regardless of the number of an employee’s scheduled working hours. The other two work days will be charged to the employee’s leave, as appropriate. Supervisors may require an employee to submit a medical certificate indicating the employee’s receiving treatments for fertility problems.

d. **Subparagraph 7-12j is changed to read as follows:**

   j. The period of childcare leave without pay will be included in the employee’s total creditable service for RIF and severance pay purposes and for crediting service for the appropriate annual leave category. Bonus computation, and step increase during the period of childcare leave without pay will be administered in the same manner as for nonpay status as specified by the applicable provisions of this regulation.

e. **Subparagraph 7-12n is changed to read as follows:**

   n. Procedures applicable to part-time permanent status employees will apply to employees on part-time childcare leave for purposes of pay computations, and within grade step increase during the period of part-time childcare leave.

4. Effective 1 July 2018, the following interim changes are made to the referenced regulation. All other relevant provisions denoting “44 hours of non-overtime regular work week” in Chapters 6 and 8 will be changed to read “40 hours of non-overtime regular work week”.

   a. **Subparagraph 6-3f(4) is changed to read as follows:**

      (4) Under the 5-4/9 CWS schedule, CWS employees are paid for 40 hours vs. 36 hours during the 36-hour CWS workweek, and are paid for 40 hours vs. 44 hours during the 44-hour CWS workweek. In other words, the CWS employees are paid based on adjusted hours through CWS time earned and used (not based on actual hours). For that reason, overtime hours to be paid in excess of 40 hours a week will be determined based on adjusted hours instead of actual hours.

      Example 1: An employee (whose CWS scheduled workdays for the first week are CWS day off on Monday, 9 hours each, Tuesday thru Friday, totaling 36 hours for the week) worked 8 hours on Saturday. The employee actually worked 44 hours, but should be paid 48 hours for the week. Therefore, the employee will be paid for 40 hours (the weekly threshold) at the regular rate and 8 hours (exceeding the 40 hours) at the overtime rate.
Example 2: The employee in the above example (whose CWS scheduled workdays for the second week are 8 hours on Monday, and 9 hours each Tuesday thru Friday, totaling 44 hours for the week) worked 8 hours on Saturday. The employee actually worked 52 hours, but should be paid 48 hours for the week. Therefore, the employee will be paid for 40 hours (the weekly threshold) at the regular rate and 8 hours (exceeding the 40 hours weekly threshold) at the overtime rate.

b. Subparagraph 6-4c(2) is changed to read as follows:

(2) Overtime services of employees on regular tour of duty meeting a 40-hour workweek may be utilized up to 12 hours per week only in the event of an unusual emergency, for example, unforeseeable situations involving immediate action required to maintain mission capability; for the preservation of health, welfare, and safety of personnel, or the protection of government property; or for unique operating requirements when overtime is more economical than hiring additional personnel or incurring demurrage or other charges. For employees scheduled to work more than 40 hours per week, overtime services will be restricted to the extent that the total number of work hours for the week will not exceed 52 hours. Under special circumstances, exceptions may be submitted to the CPD, USFK for approval after obtaining the consent of the employees.

c. Subparagraph 6-4c(3) is changed to read as follows:

(3) Overtime rates will be paid for all time actually worked in excess of 8 hours in any workday or 40 non-overtime hours in any workweek. Overtime computation for hours worked in excess of 40 hours per week will be based on the number of non-overtime hours actually worked since the beginning of the administrative workweek. Refer to subparagraph 6-3f for payment of overtime rates for employees under the CWS schedule.

d. Subparagraph 8-8d is changed to read as follows:

d. Authorized absences from work in a pay status up to 8 hours a day will be counted as hours actually worked and will count toward the weekly threshold (i.e., 40 hours) at which overtime rates begin. When hours in excess of 40 hours a week occur while an employee takes authorized absences from work in a pay status, the hours will be paid at non-overtime regular rates. These hours need to be reported on the T&A report as EW.

Example: When an employee, whose scheduled tour of duty is 8 hours a day, 6 days per week, Monday through Saturday, took 8 hours of annual leave on Friday and Saturday, the 8 hours of annual leave taken on Friday will be counted as actually worked hours toward the weekly threshold. The total hours from Monday through Friday (8 hours each) will reach the 40 hours weekly threshold, and therefore, the total 40 hours for the week will be reported as regular work hours on the T&A reports. The other 8 hours of annual leave taken on Saturday will be reported as EW.
5. Effective 1 January 2020, the following changes for bonus payment are made to the referenced regulation. The reduced bonus amount will produce a corresponding increase in base pay.

a. Paragraph 8-12 is changed to read as follows:

8-12. Bonuses

a. Eligible employees will be paid the following bonuses:

(1) April bonus: A bonus of one month’s pay will be paid in April to personnel employed as of end of February who have six months’ continuous service, from 1 September through the end of February.

(2) October bonus. A bonus of one month’s pay will be paid in October to personnel employed as of 31 August who have six months’ continuous service, from 1 March through 31 August.

b. Eligibility.

(1) Full-time, part-time, and intermittent employees are eligible.

(2) New employees with at least one month (30 days) of continuous service during the 6 months immediately prior to the eligibility date will be paid one sixth of the bonus payment for each 30 days of service to their credit. Those employed during the entire month of February will be considered to have met the minimum requirement of one month for eligibility.

(3) An employee who is separated for reasons other than resignation or removal and/or separation for cause will be paid the prorated value of the appropriate bonus based on pay status as of the date of separation.

(4) Employees will have their creditable service for bonus payment reduced when they were in a nonpay status for more than two weeks during the 6-month period. For total nonpay status of more than two weeks but not over six weeks, bonus amount is reduced by one month. For total nonpay status of more than six weeks but not over 10 weeks, a 2-month reduction is made. For total nonpay status of more than 10 weeks but not over 14 weeks, a 3-month reduction is made. For total nonpay status of more than 14 weeks but not over 18 weeks, a 4-month reduction is made. For total nonpay status of more than 18 weeks but not over 22 weeks, a 5-month reduction is made. For total nonpay status of more than 22 weeks, no bonus is authorized.

(5) A break in service of no more than three calendar days between NTE appointments or between NTE and an indefinite appointment will not be considered to interrupt otherwise continuous service for bonus eligibility.
(6) An employee who retires and is reappointed is deemed to have a break in service for bonus eligibility. The reappointed retiree begins a new service period for bonuses.

(7) Creditable service is transferable between APF and NAF, among Eighth Army activities and any other USFK activities which have their own CHRA/HRO/CPO except for invited contractor employment. Bonuses will not be liquidated at the time of change in employment (for example, from APF to NAF). Changes in employment between APF and NAF without a break in service will not be considered a change in employment conditions. No transfer of funding will be made. **Note:** When an employee transfers between activities, the following offices listed below will be responsible for actions as indicated below.

(a) CHRA/HRO/CPO of the gaining activity will ensure that the employee’s creditable service for bonus payment is properly indicated in the remarks section of the NPA/SF 50 before transmittal to the servicing payroll office.

(b) Servicing payroll office of the losing activity will provide pay records of the transferring employee to the servicing payroll office of the gaining activity to compute proper amount of bonus pay. The pay records must include payroll information (i.e., earnings, deductions, and number of paid hours per pay period) for the last 12 months. The record of leave data (SF 1150) will be accompanied with this pay record.

(c) Servicing payroll office of the gaining activity will compute the proper amount of bonus pay, based on the qualifying 6 months’ average work hours. The servicing payroll office must make every effort to compute the proper amount, and the amount must not exceed the maximum amount (i.e., 200% of 1-month pay) per year.

(8) Creditable service for bonuses is not transferable between USFK direct employment and USFK invited contractor employment. Therefore, creditable service for bonuses will be liquidated on change from USFK direct hire to USFK invited contractor hire or vice versa (e.g., from USFK invited contractor hire to AAFES-Korea).

(9) Periods of LWOP due to job-related disability (e.g., compensation cases under FECA or under workers’ compensation insurance plans or under the ROK IACIP) for more than 2 weeks are not creditable for bonus pay purpose.

c. Computation.

(1) The 1-month bonus payment equals the hourly basic pay rate multiplied by the normally scheduled work hours per 4-week pay period multiplied by 1.0875. For employees under monthly pay periods, the 1-month bonuses are computed by multiplying the scheduled hourly basic pay rate by the average number of work hours for the six months’ continuous service periods as defined in paragraph 8-12a.

(a) The hourly basic pay rate is the scheduled rate applicable at the end of the pay period which includes the bonus eligibility date. In cases where the prorated bonus is payable
FKCP
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on separation, the basic pay rate at the time of separation will be used.

(b) “Normally scheduled work hours per pay period,” as the term applies to bonus computation, will be the average number of work hours for the six pay periods (or 12 pay periods for employees under bi-weekly or semi-monthly pay periods) including the pay period that contains the bonus eligibility date as defined in paragraph 8-12a. Any fractional number of work hours for the six pay periods (or 12 pay periods for employees under bi-weekly or semi-monthly pay periods) will be rounded up to the next whole number. This may not exceed 40 regular (non-overtime) hours per week and 224 hours per four-week pay period for employees on special tours of duty.

(c) In those cases when a full-time employee is working a schedule that results in less than 40 non-overtime hours per week (e.g., 4 ten-hour days), bonus computation will be based on 40 hours per week.

(2) Prorated bonuses will be computed as follows:

(a) “Normally scheduled work hours per pay period” for new employees on the rolls less than six full pay periods (or 12 pay periods for employees under bi-weekly or semi-monthly pay periods), will be the number of average work hours for the full pay periods during the six months’ continuous service periods in paragraph 8-12a. For eligible employees separated involuntarily (see subparagraph 8-12b(3)), the “normally scheduled work hours per pay period” will be the number of regular hours for the last full pay period prior to separation. For eligible employees (with at least 30 days of continuous service) separated involuntarily before completing one full pay period for the month, the “normally scheduled work hours per pay period” will be the number of regular hours for the last four weeks.

(b) Service for each month (30 days) during the bonus eligibility period will carry the fractional value of one-sixth of the full bonus amount.

b. Subparagraphs 8-13c(2)(a) and (b) are changed to read as follows:

(a) Individual amounts will be computed by multiplying the average number of non-overtime hours (i.e., NTE 40 hours per week for non-special tour of duty, and 224 hours per 4-week period for special tour of duty) in the employee’s established weekly tour of duty for the last three full pay periods (12 weeks prior to effective date of PCS or request for advance payment), times the hourly base pay rate applicable to the last pay period worked, times 4.55 for employees without dependents, or 9.1 for employees with dependents.

(b) The maximum authorized payment regardless of the grade and step of the position held is the hourly base pay rate for step 10 of KGS-7 multiplied by 40 (hours per week), times 4.55 for employees without dependents, or 9.1 for employees with dependents.
c. **Subparagraph 19-9e is changed to read as follows:**

   e. Invited contractors may establish eligibility periods for bonuses that are different than those specified in Chapter 8, subparagraph 8-12a, if necessary, to facilitate budgeting and other administrative processes. However, each bonus eligibility period must provide for 6 months continuous service prior to the bonus payment date. No changes will be made in the method of computation.

6. Point of contact for this action is Ms. Choe, Song Won at 755-2422, e-mail: songwon.choe.ln@mail.mil.