



UNITED STATES OFFICE OF PERSONNEL MANAGEMENT  
Washington, DC 20415

The Director

Wednesday, October 12, 2011

CPM 2011-17

**MEMORANDUM FOR: Human Resources Directors**

FROM: Angela Bailey, Associate Director, Employee Services

Subject: End of Leave Year Implications for Early January 2012 Retirements

This is to inform you of important end of leave year implications for early January 2012 retirements.

This year is an unusual one in that the leave year for most Federal employees ends on the same day as the calendar year—December 31, 2011. (See our [Leave Year Beginning and Ending Dates](#) fact sheet for more information.) As required in the U.S. Office of Personnel Management’s regulations, an employee must schedule his or her annual leave by the third pay period prior to the end of the leave year (i.e., November 19, 2011 for most Federal employees) to avoid forfeiture of his or her annual leave.

It is extremely important that Civil Service Retirement System (CSRS) and CSRS Offset employees who plan to retire on January 1, 2, or 3, of 2012, schedule their “use or lose” annual leave to avoid forfeiture. For example, if an employee’s “use or lose” annual leave—any leave above the employee’s leave ceiling (e.g., 240, 360, or 720 hours are the common leave ceiling categories)—is not used prior to December 31, 2011, the annual leave will be forfeited. If the annual leave is forfeited and does not meet the requirements for restoration, it will not be included in the employee’s lump-sum payment for annual leave. (See our [Restoration of Annual Leave](#) fact sheet for more information.)

Please ensure that all employees contemplating an early January 2012 retirement date are aware of this so that they can schedule their annual leave appropriately and understand the implications for any lump-sum payment for annual leave that they may anticipate receiving upon retirement.

**Additional Information**

For further information, employees should contact their agency’s human resources office. If there are further questions or concerns, the appropriate headquarters-level agency human resources office may contact Pay and Leave at OPM at [pay-leave-policy@opm.gov](mailto:pay-leave-policy@opm.gov). Requests from individual employees or retirees will be returned or forwarded to the appropriate agency human resources office.