



## UNITED STATES OFFICE OF PERSONNEL MANAGEMENT

Washington, DC 20415

The Director

Tuesday, November 23, 1999

CPM 99-4

### MEMORANDUM FOR: Human Resources Directors

FROM: Henry Romero Associate Director

Subject: Pay and Leave Entitlements for Federal Employees Involved in Y2K  
Conversion Efforts over the New Year's Day Weekend

Federal agencies and employees have devoted an extraordinary amount of time and effort toward making sure that the Government's computer systems will be ready for the new millennium. As we approach the Y2K "rollover" weekend, many Federal employees will be required to perform long hours of additional work outside their normal working hours to monitor the Y2K conversion process and ensure a smooth transition to the new year. While it is true that many employees will be subject to statutory limitations on the compensation they receive for these efforts, the Office of Personnel Management (OPM) has previously advised agencies about certain flexibilities that may assist them in providing an appropriate level of compensation for these efforts.

For example, OPM Director Janice Lachance advised department and agency heads in March 1998 to waive the biweekly premium pay limitation in favor of an annual limitation for Y2K conversion efforts. This action permits an employee to receive overtime pay in excess of the biweekly limitation for a given pay period, as long as the total basic pay and premium pay received by the employee during the calendar year does not exceed the annual rate for GS-15, step 10, including any applicable locality payment. In addition, agencies are authorized to recognize the work of Y2K employees through the use of various kinds of monetary and nonmonetary awards. We encourage agencies to consider the judicious use of available award programs to reward and provide incentives for employees working on Y2K conversion efforts.

Many technical questions are likely to arise regarding the pay and leave entitlements of Federal employees over the New Year's Day weekend. The attached questions and answers are designed to help you respond to the most frequently asked questions about pay and leave administration during a holiday period. They are based on current statutes and regulations governing pay and leave for Federal employees and on guidance previously issued by OPM. No new policies are established here.

**The questions and answers will also be posted on OPM's Internet web site at [www.opm.gov/oca/compmemo/1999/NewYrQA.htm](http://www.opm.gov/oca/compmemo/1999/NewYrQA.htm).**

Regulations and guidance previously issued by OPM to assist agencies with Y2K conversion efforts include the following:

1. A memorandum from the Director of OPM to heads of departments and independent agencies on staffing to resolve the year 2000 computer conversion, including guidance on applying the annual premium pay limitation (March 30, 1998). This memorandum is posted on OPM's Internet web site at [www.opm.gov/oca/compmemo/1998/cpm98y2k.htm](http://www.opm.gov/oca/compmemo/1998/cpm98y2k.htm).
2. Interim regulations providing discretionary authority to pay retention allowances of up to 10 percent of an employee's rate of basic pay (up to 25 percent with OPM approval) to a group or category of employees in certain limited circumstances (63 FR 34119, June 23, 1998). The regulations are posted on OPM's Internet web site at [www.opm.gov/fedregis/1998/63r34119.pdf](http://www.opm.gov/fedregis/1998/63r34119.pdf).
3. Final regulations providing authority to restore excess annual leave forfeited by employees who are unable to schedule and use their leave as a result of Y2K computer conversion efforts (64 FR 46257, August 25, 1999). The regulations are posted on OPM's Internet web site at [www.opm.gov/fedregis/1999/64r46257.pdf](http://www.opm.gov/fedregis/1999/64r46257.pdf).
4. A memorandum from the Director of OPM to heads of departments and independent agencies on emergency dismissal or closure procedures for adverse weather conditions, possible Y2K work disruptions, and other emergency situations (October 4, 1999). The guidance is posted on OPM's Internet web site at [www.opm.gov/oca/compmemo/1999/dismissal.htm](http://www.opm.gov/oca/compmemo/1999/dismissal.htm).

For further information, please contact the Pay and Leave Administration Division, Office of Compensation Administration, at (202) 606-2858 or email [payleave@opm.gov](mailto:payleave@opm.gov). Additional information about other OPM Y2K initiatives can be found on OPM's web site at [www.opm.gov/y2k/index.htm](http://www.opm.gov/y2k/index.htm).

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- To [Questions and Answers on Pay and Leave Administration for the New Year's Weekend](#)
  - To [Compensation Administration Home Page](#)