



Washington Headquarters Services

ADMINISTRATIVE INSTRUCTION

NUMBER 71
March 5, 2008

WHS/HRD

SUBJECT: Reduction in Force

- References:
- (a) Administrative Instruction No. 71, "Reduction in Force," July 20, 1984 (hereby canceled)
 - (b) Part 351 of title 5, Code of Federal Regulations
 - (c) "DoD Priority Placement Program Operations Manual," July 1998¹
 - (d) DoD 1400.25-M, "Department of Defense Civilian Personnel Manual," Subchapter 1703, "Retraining and Outplacement Assistance," March 20, 2005

1. PURPOSE

This Administrative Instruction (AI) reissues Reference (a) to disseminate policies and update responsibilities and procedures for use in effecting a reduction in force (RIF).

2. APPLICABILITY

2.1. This AI applies to DoD civilian employees within all organizational entities of the Office of the Secretary of Defense, the Office of Chairman of the Joint Chiefs of Staff, the Defense Agencies, and the DoD Field Activities serviced by the Washington Headquarters Services (WHS).

2.2. The provisions of this AI do not apply to employees in the Senior Executive Service or those covered by the National Security Personnel System or the Defense Civilian Intelligence Personnel System.

2.3. The scope of competition for RIF purposes includes organizational entities and geographical locations (competitive areas) in which employees compete. For the purpose of this AI, a competitive area is defined as each organizational entity that is assigned to WHS for administrative support and is geographically located inside the Washington, D.C., metropolitan area.

¹ Available at http://www.cpms.osd.mil/care/care_ppp.aspx

2.4. Separate competitive areas are assigned to those organizational entities whose local commuting area is geographically located outside of the Washington, D.C., metropolitan area.

3. DEFINITIONS

Surplus Employee. A permanent competitive service employee in tenure group I (career) or tenure group II (career conditional) who has an official notice from their agency stating that their position is no longer needed.

4. POLICY

4.1. Maximum advance planning shall be conducted before a RIF is ordered and every effort extended to ensure minimum adverse effect on employees. Employees impacted by a RIF shall be afforded placement opportunity consistent with their rights and sound management.

4.2. Positions may not be abolished for the sole purpose of removing unsatisfactory employees.

4.3. Successor positions of those abolished will not be established for a period of 6 months.

4.4. Separate competitive levels will be established for competitive and excepted service employees.

4.5. Surplus competitive service employees shall be reassigned administratively to a vacancy in a competitive level into which they can bump or retreat, or to a vacancy in a competitive level in which the employee they would displace could bump or retreat, provided they are qualified for that vacancy.

4.6. Surplus employees may be considered for other vacant positions; however, placement in such positions is at management's option.

5. RESPONSIBILITIES

5.1. The Director for Human Resources (HRD), WHS, under the Director, WHS, shall:

5.1.1. Determine retention rights, identify employees affected by RIF, and effect necessary personnel, position, or pay actions.

5.1.2. Maintain the records necessary to determine the retention standing of competing employees.

5.1.3. Keep employees and management informed of when and where retention registers may be examined, what the appeal procedures are, and provide applicable reference material upon request.

5.2. Supervisors shall:

5.2.1. Organize work and assign duties and responsibilities to subordinates. This is relevant because job duties in the organization undergoing RIF may change considerably, shift to another location, or be eliminated entirely. Employees may be assigned to new supervisors and/or assigned new job duties.

5.2.2. Determine which organizations and positions are affected by changes in authorization, mission, and skill requirements.

5.2.3. Reduce the adverse effects of RIF on employees to a minimum.

5.2.4. Keep employees informed of RIF plans and actions that affect them on their jobs.

5.2.5. Prevent the use of RIF to remove unsatisfactory employees.

5.2.6. Submit a Standard Form 52, "Request for Personnel Action (RPA)," to the Director, HRD, for each position to be abolished.

6. PROCEDURES

6.1. Upon receipt of an RPA to abolish a position or positions, the Director, HRD, shall identify the appropriate competitive area and request retention registers.

6.2. Retention registers group competitive and excepted employees separately by competitive level and, within each competitive level, by group and subgroup. Competing employees (those serving with satisfactory or better performance ratings under appointments not limited to 1 year or less) are classed in groups and subgroups on the basis of tenure of employment and veterans' preference as required by part 351 of title 5, Code of Federal Regulations (Reference (b)). The descending order of retention standing by group is group I, group II, and group III. Within each group, the order is subgroup AD, subgroup A, and subgroup B. Within each subgroup, the order begins with the earliest service computation date. The following groups and subgroups are applicable to the competitive service:

6.2.1. Group I includes each career employee who is not serving a probationary period. An employee's tenure may not be changed because he or she is serving a probationary period as a supervisor or manager.

6.2.2. Group II includes each career employee serving an initial appointment probationary period and each career-conditional employee.

6.2.3. Group III includes each employee serving under a term or similar non-status appointment.

6.2.4. Subgroup AD includes each preference-eligible employee who has a compensable service-connected disability of 30 percent or more.

6.2.5. Subgroup A includes each preference-eligible employee not included in subgroup AD.

6.2.6. Subgroup B includes each non-preference-eligible employee.

6.3. The groups identified in paragraphs 6.3.1. through 6.3.3. are applicable to employees in the excepted service. Subgroups for excepted employees are the same as those for employees in the competitive service.

6.3.1. Group I includes each permanent employee who has completed a trial period or is not required to serve a trial period whose appointment carries no restriction, condition, or time limitation.

6.3.2. Group II includes each employee serving a trial period.

6.3.3. Group III includes each employee not covered in paragraphs 6.3.1. or 6.3.2.

6.4. Within a subgroup, length of service is the primary basis for ranking employees. The service computation date may be modified based on the average of the last three ratings in a 4-year period.

6.5. Employees are released from their competitive level by order of their group and subgroup in inverse order, from low to high, such as group IIIB before IIIA, all group III before group II.

6.6. When group III employees are separated, they have no further retention rights.

6.7. Groups I and II competitive service employees begin second-round competition when reached for release from their competitive level. A group I or II employee must be assigned with his or her consent to a continuing position for which he or she is qualified, or be furloughed or separated, in that order.

6.8. The right of an employee in the competitive service to a position in another competitive level depends on:

6.8.1. The existence of a position occupied by another employee in a lower subgroup whom the affected employee can displace; and

6.8.2. The affected employee's qualifications for the other position. When both conditions are met, the employee must be offered that position or one of equal grade and tenure. An employee has no right to a position at a higher grade.

6.9. When a better offer is not possible, a group I or II competitive service employee may retreat to a position from which or through which he or she was promoted, and which is occupied by an employee with a later service computation date. During the exercise of retreat rights, a group I or II employee can displace an employee with a lower retention standing in the same subgroup. Employees are entitled to the best offer possible in a RIF. The best offer is a position that requires no reduction or the least possible reduction in representative rate. Employees are entitled to only one offer in a RIF. If that offer is declined, the employee may be separated. Whether an offer is declined or not, if it becomes possible to make a better offer to an employee during the RIF notice period, the better offer will be made. Employees do not, however, get a choice in a RIF offer.

6.10. For the excepted service, when an employee in a competitive level is surplus, the employee who is lowest on the retention register is reached for a RIF. The employee affected may not bump or retreat as is permitted for employees in the competitive service.

6.11. Each employee reached for release from his or her competitive level shall receive a written notice at least 60 days in advance of such release.

6.11.1. The employee's notice shall contain:

6.11.1.1. The reason for the action.

6.11.1.2. The specific action intended.

6.11.1.3. The effective date of that action.

6.11.1.4. The employee's competitive area, competitive level, subgroup, service computation date, and the three most recent annual performance ratings of record received in the last 4 years.

6.11.1.5. The location where the retention regulations and other RIF documents may be inspected.

6.11.1.6. An explanation of why any lower-standing employee is retained in his or her competitive level, if applicable.

6.11.1.7. A notice of appeal rights to the Merit Systems Protection Board (MSPB), or a right to grieve under a negotiated agreement, as applicable; the time limits for MSPB appeal or grievance; and where to send the appeal or grievance.

6.11.2. Generally, employees shall be kept in duty status during the notice period. For employees separated outside the continental United States who are entitled to return transportation, the travel time may be counted as all or part of the notice period.

6.11.3. Employees who receive an advance notice of their separation as a result of a RIF shall, upon their request, be carried in an annual leave or a leave without pay status for such additional time as is necessary to provide a 90-day notice period before separation.

6.12. Employees are eligible for the following rights and benefits:

6.12.1. An employee who is reached for RIF action may be eligible for and elect an immediate retirement annuity if he or she is age 50 and has at least 20 years of creditable service or, regardless of age, if he or she has 25 years of creditable service of which at least 5 years is civilian service. For Civil Service Retirement System employees, there shall be a 2 percent reduction in the annuity for each full year the employee is under age 55. To be eligible, the employee must not have declined a reasonable offer for which qualified. A reasonable offer is a position:

6.12.1.1. In the employee's commuting area (unless serving under a mobility agreement).

6.12.1.2. Of the same tenure and work schedule.

6.12.1.3. Not more than two grades below the employee's current grade or pay level.

6.12.2. An employee who is changed to a lower grade by a RIF action is entitled to retained grade if he or she has held a higher grade position for at least 52 calendar weeks. Employees who do not meet this requirement may be entitled to pay retention.

6.12.3. Basic and optional life insurance coverages terminate as of the date of separation. However, coverage (not accidental death or dismemberment) continues for 31 days thereafter. This temporary continuation of coverage is granted to give the employee an opportunity to convert to an individual policy without evidence of insurability. Health benefits terminate on the last day of the pay period in which separation occurs. However, like life insurance, a 31-day extension is granted.

6.13. Placement assistance is provided as follows:

6.13.1. Reemployment priority lists shall be maintained for employees in group I for 2 years and group II for 1 year.

6.13.2. As required by the DoD Priority Placement Program Operations Manual (Reference (c)), employees in the competitive service or in the excepted service with personal competitive status, subject to involuntary separation due to RIF or those who declined a transfer of function (TOF), shall be registered in the DoD Priority Placement Program. Employees in receipt of RIF notices offering changes to lower grade with entitlement to grade retention are

eligible to be registered into Program "A" during the specific notice period. They may be registered for their current grade and up to three grades below their current grade, down to but not including the RIF demotion grade, for referral to vacancies within and outside the employees' commuting area. At the expiration of this specific notice period, the employee shall be deleted from Program "A" and registered in Program "R." Employees scheduled for separation under RIF, or declination of a TOF outside the commuting area, shall remain in the Priority Placement Program until placed, otherwise deleted, or for 12 months after the date of separation, whichever occurs first. Program "R" registrants remain registered as long as they retain eligibility for retained grade.

6.13.3. Competitive service employees in tenure groups I and II who have received a specific notice of separation by RIF are eligible for placement assistance in the Interagency Career Transition Assistance Plan as required in Reference (c) and Subchapter 1703 of the DoD Civilian Personnel Manual (Reference (d)). This program provides employees with consideration for vacant positions in other Federal agencies in the local commuting area.

7. APPEALS

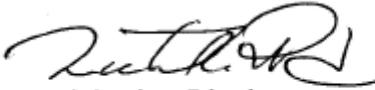
An employee who has been furloughed for more than 30 days, separated, or demoted by RIF and who believes that RIF procedures have not been applied properly may appeal the action to the MSPB. Such an appeal must be in writing and must be submitted to the appropriate office of the MSPB within 30 calendar days after the effective date of the action.

8. RELEASABILITY

UNLIMITED. This Instruction is approved for public release. Copies may be obtained through the Internet from the DoD Issuances Web Site at <http://www.dtic.mil/whs/directives>.

9. EFFECTIVE DATE

This AI is effective immediately.



Michael L. Rhodes
Director