

OFFICE OF THE UNDER SECRETARY OF DEFENSE 4000 DEFENSE PENTAGON WASHINGTON, D.C. 20301-4000

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MEMORANDUM FOR: SEE DISTRIBUTION

SUBJECT: Voluntary Reduction in Force (VRIF)

Section 1101 of the National Defense Authorization Act for Fiscal Year 2006, Public Law 109-163 (January 6, 2006) amended Section 3502(f) of title 5, United States Code (U.S.C.) to extend the time limit for the Department of Defense (DoD) to use voluntary reduction in force separation provisions. This authority, which had expired on September 30, 2005, has now been extended until September 30, 2010.

Policy guidance for use of the VRIF authority is attached and is effective immediately. This guidance will be included in the DoD 1400.25-M, Civilian Personnel Manual, Subchapter 1702, "Voluntary Separation Programs," which is currently in coordination.

If you require additional information, please contact the Civilian Personnel Management Service, Civilian Assistance and Re-Employment Division at (703) 696-1799 (DSN: 426).

Patricia & Braddaw

Patricia S. Bradshaw Deputy Under Secretary Civilian Personnel Policy

Attachment: As stated DISTRIBUTION: ASSISTANT G-1 FOR CIVILIAN PERSONNEL POLICY (DEPARTMENT OF THE ARMY) DEPUTY ASSISTANT SECRETARY, CIVILIAN HUMAN **RESOURCES (DEPARTMENT OF THE NAVY)** DIRECTOR, PERSONNEL POLICY (DEPARTMENT OF THE AIR FORCE) DIRECTOR FOR MANPOWER AND PERSONNEL (J1) (JOINT CHIEFS OF STAFF) DIRECTOR. PERSONNEL AND SECURITY (DEPARTMENT OF DEFENSE INSPECTOR GENERAL) DIRECTOR, HUMAN RESOURCES MANAGEMENT (DEFENSE COMMISSARY AGENCY) CHIEF, HUMAN RESOURCES MANAGEMENT DIVISION (DEFENSE CONTRACT AUDIT AGENCY) CHIEF, CIVILIAN PERSONNEL DIVISION (DEFENSE THREAT REDUCTION AGENCY) DIRECTOR, CIVILIAN HUMAN RESOURCES MANAGEMENT (UNIFORMED SERVICES UNIVERSITY OF THE HEALTH SCIENCES) DIRECTOR FOR HUMAN RESOURCES (NATIONAL GUARD BUREAU) COMMANDER, HEADQUARTERS, (ARMY AND AIR FORCE EXCHANGE SERVICE) DIRECTOR, (CIVILIAN PERSONNEL MANAGEMENT SERVICE) DIRECTOR FOR CORPORATE RESOURCES (DEFENSE FINANCE AND ACCOUNTING SERVICE) DIRECTOR, MANPOWER PERSONNEL AND SECURITY (DEFENSE INFORMATION SYSTEMS AGENCY) CHIEF, OFFICE FOR HUMAN RESOURCES (DEFENSE INTELLIGENCE AGENCY) DIRECTOR, HUMAN RESOURCES OFFICER (DEFENSE SECURITY SERVICE) **EXECUTIVE DIRECTOR, HUMAN RESOURCES** (DEFENSE LOGISTICS AGENCY) DIRECTOR, HUMAN RESOURCES (NATIONAL GEOSPATIAL-INTELLIGENCE AGENCY) DIRECTOR, HUMAN RESOURCE SERVICES (NATIONAL SECURITY AGENCY) PERSONNEL DIRECTOR. (DEPARTMENT OF DEFENSE EDUCATION ACTIVITY) DIRECTOR FOR PERSONNEL AND SECURITY (WASHINGTON HEADQUARTERS SERVICES) EXECUTIVE DIRECTOR, HUMAN RESOURCES (DEFENSE CONTRACT MANAGEMENT AGENCY)

VOLUNTARY REDUCTION IN FORCE (VRIF) SEPARATION

1. **GENERAL**. Section 3502(f) of title 5, United States Code (U.S.C.) authorizes the Secretary of Defense to allow the release of an employee volunteering for separation in a RIF even if the employee is not otherwise subject to separation under RIF. The use of this provision allows Department of Defense (DoD) activities and installations to minimize the impact of downsizing by encouraging employees to volunteer for RIF separation instead of other employees who are scheduled to be involuntarily separated by RIF procedures. Some employees, who may afford to leave the Federal Service but whose retention standing prevents separation, may prefer to be separated by RIF to be eligible for entitlements such as severance pay or continued health benefits coverage. This program sets forth the framework under which an employee may volunteer to be separated to save other employees from RIF.

2. **<u>POLICY</u>**. Under the authorities and conditions described below, activity heads may use this provision when acceptance of a volunteer shall result in saving an employee otherwise scheduled for RIF separation.

a. Voluntary separation through VRIF may be effected only during formal RIF, when official RIF notices have been issued.

b. Both employees must be in the same competitive area.

c. Matches of separation volunteers with those affected by the formal RIF shall be based on the similarity of their positions. Any position may be used for VRIF if the separation of the RIF volunteer would result in the cancellation of a RIF separation action, or the subsequent placement of a RIF-affected employee. The placement may not result in promotion. Activities shall determine the best match for placement, considering qualifications for placement in the volunteer's position, the ability of the RIF-affected employee to do the work of the similar position, and cost effectiveness.

(1) When there are more volunteers than needed and all are equally good matches for placement, activities shall process voluntary RIF applicants in order of seniority using the leave service computation date.

(2) When there are fewer volunteers than needed and all are equally good matches for placement, activities shall select RIF-affected employees for placement in order of RIF retention standing.

d. If, at any point in the RIF process, it is determined that the voluntary separation would not result in saving a RIF-affected employee, the voluntary separation shall be canceled. Volunteering for separation under the provisions of this policy does not confer RIF assignment rights.

e. Volunteering for RIF separation under these provisions is strictly a voluntary action on the part of any employee to whom this option is offered. An employee shall not be forced or coerced in any way to volunteer for RIF separation.

3. AUTHORITY

a. Installation commanders and activity heads are authorized to offer voluntary RIF separation to eligible individuals in accordance with the above policy.

b. This statutory authority expires as provided in 5 U.S.C. 3502(f)(5). The current expiration date is September 30, 2010.

4. ELIGIBILITY

a. Only U.S. citizen employees of the Department of Defense, who meet the definition of a competing employee in 5 CFR 351.203, are eligible for VRIF. In addition, RIF separation volunteers:

(1) Must be serving under an appointment without time limitation;

(2) May not be reemployed annuitants; and

(3) May not have a pending or approved application for disability retirement.

b. VRIF volunteers are ineligible for registration in the Priority Placement Program or for voluntary separation incentive pay. VRIF volunteers who are reemployed by the Federal Government are subject to the rules governing repayment of severance pay.

c. Generally, employees occupying critical or hard-to-fill positions, or with critical knowledge or skills, shall not be allowed to participate, unless an exception is made by the installation commander or activity head. Employee participation in the VRIF program is not an entitlement and is subject to the discretion of the heads of Military Departments, the Defense Agencies, and subordinate activities.

5. PROCEDURES

a. VRIF volunteers shall be issued RIF separation notices under this authority effective on the RIF effective date. The notice shall advise them of their entitlements under RIF.

b. Volunteers must sign a statement that they realize the action is irrevocable once they have been issued a RIF separation notice. However, activities may cancel the action if necessary.

c. VRIF volunteers shall be provided all entitlements available to an employee being involuntarily separated, except for the conditions outlined in 4.b., above.

5 U.S.C. § 3502. Order of Retention

(f)(1) The Secretary of Defense or the Secretary of a military department may—
(A) separate from service any employee who volunteers to be separated under this subparagraph even though the employee is not otherwise subject to separation due to a reduction in force; and

(B) for each employee voluntarily separated under subparagraph (A), retain an employee in a similar position who would otherwise be separated due to a reduction in force.

(2) The separation of an employee under paragraph (1)(A) shall be treated as an involuntary separation due to a reduction in force.

(3) An employee with critical knowledge and skills (as defined by the Secretary concerned) may not participate in a voluntary separation under paragraph (1)(A) if the Secretary concerned determines that such participation would impair the performance of the mission of the Department of Defense or the military department concerned.

(4) The regulations prescribed under this section shall incorporate the authority provided in this subsection.

(5) No authority under paragraph (1) may be exercised after September 30, 2005.

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