



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

DEC 20 2011

PERSONNEL AND
READINESS

MEMORANDUM FOR SECRETARIES OF THE MILITARY DEPARTMENTS
CHAIRMAN OF THE JOINT CHIEFS OF STAFF
UNDER SECRETARIES OF DEFENSE
DEPUTY CHIEF MANAGEMENT OFFICER
COMMANDERS OF THE COMBATANT COMMANDS
ASSISTANT SECRETARIES OF DEFENSE
GENERAL COUNSEL OF THE DEPARTMENT OF DEFENSE
DIRECTOR, OPERATIONAL TEST AND EVALUATION
DIRECTOR, COST ASSESSMENT AND PROGRAM EVALUATION
INSPECTOR GENERAL OF THE DEPARTMENT OF DEFENSE
ASSISTANTS TO THE SECRETARY OF DEFENSE
DIRECTOR, ADMINISTRATION AND MANAGEMENT
DIRECTOR, NET ASSESSMENT
DIRECTORS OF THE DEFENSE AGENCIES
DIRECTORS OF THE DOD FIELD ACTIVITIES

SUBJECT: FY2012 Department of Defense Voluntary Early Retirement Authority/Voluntary Separation Incentive Pay (VERA/VSIP)

On March 14, 2011, the Secretary directed the elimination or downgrading of approximately 200 civilian Senior Executive Service or equivalent (Civilian Senior Executive/Equivalent (CSE)) positions as part of the Department's Efficiency Initiative. Following that memorandum, the Military Departments and the Fourth Estate have been dedicated to the placement of all impacted CSEs. In August of 2011, to further assist with those efforts, the Voluntary Early Retirement Authority and Voluntary Separation Incentive Payments (VERA/VSIP) were offered to CSEs throughout the Department.

At this time, the Department has decided to open up an additional window for the VERA/VSIP authority. This VERA/VSIP authority is being granted for all Civilian Senior Executives during FY 2012 subject to the limitations below. As a reminder, in accordance with DoDI 1400.25 V1702, "DoD Civilian Personnel Management System: Voluntary Separation Programs," all CSE VERA/VSIP offers require the pre-approval of the Principal Deputy Under Secretary of Defense (Personnel and Readiness).

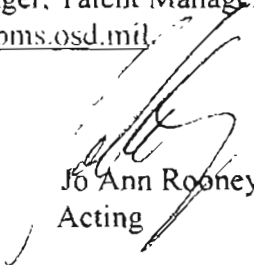
I am approving the use of VERA/VSIP authority for the Senior Executive and Senior Professional workforce under the following guidelines:

1. Components may exercise VERA/VSIP authority up to their current FY2012 allocations;
2. All individuals accepting an offer of VERA/VSIP must separate and be off the rolls no later than March 31, 2012;

3. The application and use of the VERA/VSIP must be tied directly to the CSE positions impacted by the Department of Defense Efficiency Initiative or used for workforce restructuring.
4. Workforce restructuring VERA/VSIPs may be used to correct skill imbalances or to reduce managerial or supervisory positions. Position restructuring is restricted to the vacancy created by application of the buyout. The resulting vacancy shall reflect a change in grade, pay band, dominant position duties, occupation, or supervisory status; and
5. All vacancies created through the use of VERA/VSIP must be filled using the procedures set forth in the Deputy Assistant Secretary of Defense, Civilian Personnel Policy (DASD(CPP)), memorandum of March 21, 2011 (copy attached).

Components are directed to ensure the judicious and strategic use of these authorities to support the ongoing workforce reshaping efforts that are necessary to achieve the mission centered workforce needed to support the Department's national security mission.

I understand the difficulties of this undertaking within the current fiscal constraints, and appreciate your support in helping us achieve the Department's efficiency initiatives. My POC on this matter is Suzie Torres, Manager, Talent Management and Succession Planning at 703-696-1327 or Suzanne.torres@cpms.osd.mil.



Jo Ann Rooney
Acting

Attachment:
As stated



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

PERSONNEL AND
READINESS

MAR 21 2011

MEMORANDUM FOR: SEE DISTRIBUTION

SUBJECT: Civilian Senior Executive/Equivalent (CSE) Efficiency Implementation Plan

On March 14, 2011, the Secretary, as part of the Department of Defense Efficiency Initiative, approved the elimination or downgrading of approximately 200 civilian Senior Executive Service or equivalent (Civilian Senior Executive/Equivalent (CSE)) positions, and designated the Under Secretary of Defense, Personnel and Readiness (USD(P&R)) to lead the implementation of this reduction. At the direction of Dr. Stanley, I will be providing detailed guidance regarding the procedures to be followed in achieving the efficiencies as directed by the SecDef. This office will provide oversight to ensure the procedures are implemented in a consistent manner across the Department.

For the position eliminations approved by the SecDef, Civilian Personnel Policy (CPP) shall execute an implementation strategy to place affected personnel over the next 24 months. Every effort will be made to retain key talent in the Department and minimize impact to personnel and the mission. To ensure that Components are provided the opportunity to implement internal strategic manning plans, they will use the first 12 months to implement retention strategies. A DoD implementation team with Component representation has been created to assist with potential hurdles and to ensure that all necessary steps are being taken to guarantee minimal impact for our affected CSE. At the end of the 12-month mark, analysis will be conducted to determine if a more aggressive approach is necessary.

Based on the Department's historical retirement, reassignment and separation rates, it is not anticipated that a Reduction in Force (RIF) or the use of Voluntary Early Retirement Authority/Voluntary Separation Incentive Payments (VERA/VSIP) will be necessary, and that all impacted career CSEs would receive an offer of assignment. In the event a RIF or the use of VERA/VSIP is determined to be necessary, this would be raised to DoD leadership prior to taking any action, to ensure a Department-wide approach.

Additionally, to ensure we reach our targeted number, I am instituting several steps in our hiring process that must be incorporated immediately into your internal procedures when filling any vacancy, regardless of tier except where stated:

- As a first step, review internal Component candidates ensuring that all internal Component personnel affected in the reduction of positions are considered.
- As a second step, review the DoD-wide roster of personnel affected in the reduction of positions.

- As a third step, call for DoD-wide slates from across the Department (not required for Tier 1 positions).

In the rare event a mission-critical requirement arises that requires an exception to the above process, or a position cannot be filled after exhausting the steps above, a justification must be provided to the USD(P&R). This justification should include an explanation of the reasons why the position must be filled and the mission impact if it is not. It should also include why the position could not be filled using the process outlined above. All submissions should be sent to me for review before submission to the USD(P&R). This process will ensure that consistent processes are used and equitable consideration is provided to all CSEs affected in the reduction of positions.

Thank you for your continued support as we embark on a complicated but necessary endeavor. Every effort will be made to retain key talent in the Department and minimize impact to personnel and the mission.

A handwritten signature in black ink, appearing to read "P.M. Tamburrino, Jr.", with a large, stylized flourish at the end.

P.M. Tamburrino, Jr
Deputy Assistant Secretary of Defense
Civilian Personnel Policy

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