



## Department of the Navy Civilian Benefits Center

Date: 19 July 2012

From: DON Benefits Officer  
To: All civilian employees

Subj: Phased Retirement

1. The President signed Public Law 112-141, the "Moving Ahead for Progress in the 21st Century Act," on July 6, 2012 which includes authorization for Phased Retirement.
2. Phased Retirement is not an automatic employee entitlement. Activities will use Phased Retirement as a tool to ensure continuity of operations and to facilitate knowledge management but must consider budgetary and resources constraints when determining the most effective way to use the authority.
3. The main purpose of Phased Retirement is to enhance the mentoring and training of employees who will fill the positions of more experienced employees who are preparing for full retirement. It is intended to encourage experienced employees to remain, in at least a part-time capacity, until less experienced employees are fully equipped to fulfill the same duties and responsibilities as those employees who wish to retire.

Phased Retirement will in essence permit an individual to retire from part of their employment, but to continue working and earning additional retirement benefits proportionately based upon the additional less-than-full-time employment.

4. Department of Defense (DoD) is waiting for the final Office of Personnel (OPM) Regulations to be issued and will determine if there is a need for additional guidance. Once any DoD guidance is received procedures to implement Phased Retirement within Department of the Navy will be developed.
5. OPM questions and answers about Phased Retirement are available at <http://www.public.navy.mil/donhr/Benefits/retirement/Pages/PhasedRetirement.aspx> Additional information about Phased Retirement will be posted to the OCHR Web site as it becomes available.

Thank you.  
Mary E. Foley