

Chapter 351 - Reduction in Force

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SUBCHAPTER 1. GENERAL PROVISIONS

1-1. Purpose

This Chapter states OPM policy on those aspects of reduction in force which are discretionary within an agency. It must be used in conjunction with 5 CFR 351 and with any other contractual agreements and/or Memorandums Of Understanding (MOU) that may pertain to a particular RIF situation. Contact the Center for Human Capital Management Services to obtain additional information.

1-2. Coverage

The provisions of this Chapter apply to all OPM employees except employees in the Senior Executive Service (SES). Reduction in force for the SES is described in Chapter 920 of this handbook.

1-3. Management Authority and Responsibilities

a. Authority to initiate reduction in force is described in the Reservations and Delegations of Administrative Authority.

b. The advice of the Center for Human Capital Management Services should be sought when management is considering any organizational change. This consultation is especially important in cases where the abolishment of encumbered positions is proposed or where bargaining unit positions will be affected.

SUBCHAPTER 2. RETENTION FACTORS

2-1. Competitive Areas

- a. Competitive areas must be defined solely in terms of organizational unit(s) and geographical location(s). A competitive area may consist of all or part of an agency. It may be larger than the following definition of minimum competitive area but may not be smaller.
- b. In accordance with 5 CFR 351.402(b), competitive areas within OPM are defined as a unit that is headed by an executive reporting directly to the Director, other than the Office of the Director, Office of Congressional Relations, Office of Communications and Public Liaison, and the HR Line of Business Program Office, which are combined into a single competitive area.
- c. Each of the following Services organizational units will constitute the remaining, separate competitive areas: Division for Federal Investigative Services, Division for Human Resources Products and Services, Division for Strategic Human Resources Policy, Division for Human Capital Leadership and Merit System Accountability, Management Services Division, Office of the Chief Financial Officer, Office of General Counsel, and Office of the Inspector General.
- d. Employees of these organizations located within a commuting area compete in a reduction in force. Therefore, employees of an organization whose duty locations are outside the Washington, DC, Metropolitan Area, are in a different competitive area from the employees in that same organization located in the Washington, DC, Metropolitan Area; and employees of different organizations located in the same commuting area are in different competitive areas. For example, employees of the Division for Human Resources Products and Services in Macon, GA, are in a different competitive area from employees of the Division for Human Resources Products and Services in the Washington, DC, Metropolitan Area.
- e. Information on the geographic locations which constitute the normal commuting area is available in the Center for Human Capital Management Services.
- f. OPM approval is required if a competitive area is in effect for less than 90 days prior to the RIF date.

2-2. Competitive Levels

- a. The Center for Human Capital Management Services is responsible for defining the competitive levels of positions, maintaining the level definitions and designated codes, and assigning correct codes to individual positions.
- b. Separate competitive levels are required by service (i.e., separate levels shall be established for positions in the competitive service and for those in the excepted service), by appointment authority for excepted service positions, by pay schedule, by type of work schedule, by trainee status.

2-3. Credit for Performance

- a. Credit for performance is based on the last three annual performance ratings of record the employee received during the 4-year period prior to either the date of issuance of specific RIF notices or an Agency established cutoff date, i.e., a specified number of days prior to the issuance of RIF notices. The ending date of the rating cycle will be used to determine whether a rating is considered to have been received within the 4-year performance credit period.
- b. Only the following ratings of record are annual ratings of record for RIF purposes. Interim ratings and those ratings of record listed in Section c. may not be used.
- (1) Ratings given, according to the schedule in the plan contained in Chapter 430 of this manual or an approved exception, at the end of the appraisal cycle (normally on an annual basis, exceptions are given in Section c);
 - (2) ratings which are given after the appraisal cycle has been extended for the minimum appraisal period, according to the plan in 430;
 - (3) ratings of record prepared under 5 CFR 531.404 (a)(1) to provide a more current rating of record for within-grade determinations
- c. The following ratings of record are not considered to be scheduled annual ratings of record for RIF purposes:
- (1) improved ratings following an opportunity to demonstrate acceptable performance as provided in 5 U.S.C. 4302 (b)(6) and 4302a (b)

(2) ratings of record under 5 CFR 531.409 (b) prepared at the lower grade level for within-grade determinations, after an employee has been demoted for unacceptable performance; and

(3) ratings of record given for the purpose of career ladder promotions.

d. When an employee transfers to an organization within OPM with a different appraisal cycle, the new organization will rate the employee according to its schedule (taking into account any "interim" ratings in the previous organization) if the employee has served for the minimum appraisal period in the new organization. If the employee has not served for the minimum appraisal period at the time scheduled for ratings in the new organization, then the appraisal period may be extended until the required minimum is met.

e. An employee may have more than one annual rating of record for any given 12-month period depending on the scheduled appraisal cycle(s) of the organizations(s) to which assigned.

f. Annual ratings of record may not be prepared retroactively to cover periods for which no appraisal is available. This means that annual ratings of record must be completed and communicated to the employee before the next rating is due. A rating cannot be prepared for a prior rating cycle at the time a subsequent rating is due.

g. When appraisal records do not contain three annual performance appraisals, the Center for Human Capital Management Services will inform the employee and give him/her the opportunity to provide the missing appraisal(s). The actual appraisal or a duplicate must be provided. Certifying statements will not be accepted.

h. An employee may not be assigned to a new rating of record for the sole purpose of affecting his or her retention standing.

i. OPM will use the following formula for assigning performance credit for employees in competitive areas where multiple rating patterns exist:

	Level 1 (Unacceptable)	Level 2 (Minimally Satisfactory)	Level 3 (Fully Successful)	Level 4 (Exceeds Fully Successful)	Level 5 (Outstanding)
Rating Pattern A	0	n/a	16 years	n/a	n/a
Rating Pattern B	0	n/a	14 years	n/a	18 years
Rating Pattern C	0	n/a	14 years	17 years	n/a
Rating Pattern D	0	0	16 years	n/a	n/a
Rating Pattern E	0	n/a	12 years	16 years	20 years
Rating Pattern F	0	0	14 years	n/a	18 years
Rating Pattern G	0	0	14 years	17 years	n/a
Rating Pattern H	0	0	12 years	16 years	20 years

SUBCHAPTER 3. RELEASE FROM COMPETITIVE LEVEL

3-1. Breaking Ties

a. When two or more employees on a retention register have the same service computation date and at least one, but not all, of the tie employees has to be released from the competitive level, employees will be released:

(1) in order of the total amount of performance credit for RIF from lowest to highest; or, those being equal,

(2) in order of the last digit of the social security number from the lowest to highest (zero being low). For example, an employee with a Social Security number ending in "8" will be placed on the register ahead of an employee with a Social Security number ending in "0." If the last digit of the Social Security number does not break the tie, then each preceding digit will be compared in the same way until the tie is broken.

3-2. Permissive Temporary Exception to Regular Order Of Release

As provided in 5 CFR 351.608, a permissive temporary exception to the order of release may be used to allow an employee to remain on the Agency's rolls, past the effective date of the RIF, in an annual leave status if, in doing so, the employee would retain retirement eligibility or eligibility to carry health benefits into retirement.

SUBCHAPTER 4. ASSIGNMENT RIGHTS

4-1. More Than One Available Position

If more than one position is available to satisfy an employee's assignment right, the agency will decide which position to offer.

4-2. Excepted Service

Employees in the excepted service will not be afforded assignment rights.

Reservations and Delegations of Administrative Authority

Revised November 2022
Supersedes previous releases

The reservations and delegations of administrative authority provided here are effective November 12, 2022.

Organized by area of administrative function.

Except as otherwise reserved, authorities delegated below may be redelegated in writing. Any authority not delegated below is reserved to the Director. Items delegated to the OPM Deputy Director revert to the Director when the Deputy Director position is vacant, except as otherwise noted. The Director may redelegate at his or her discretion.

III. Human Resources Management

J. Other Human Resources Management Authorities

1. The Director reserves authority to:
 - a. Approve reductions in force
 - b. Determine competitive areas as provided for in 5 CFR 351.402
2. Approve the furloughing of OPM employees. Associate Directors/Office Heads are delegated authority to approve outside employment or any other activity referenced in 5 CFR § 4501.103 of OPM employees within their organizations, after consultation with the Designated Ethics Official
3. The Human Resources Director is delegated authority to:
 - a. Designate employees to administer oaths to new employees and oaths to witnesses in matters relating to OPM business
 - b. Conduct reductions in force
 - c. Approve the separation or change to lower grade of Group I returned veterans still within the retention period after mandatory restoration
 - d. Conduct furloughs of OPM employees
 - e. Manage the OPM work-life programs