

**INDEX Request #:
HQ-2024-02560-F**

Final Response to Lama Elsharif for:

1. "...copies of all delegations of authority to authorize, approve, or initiate a reduction in force; to implement a reduction in force; to define, establish, or identify one or more competitive areas; or to define, establish, or identify one or more competitive levels."

DOE has completed its search and located one (1) document responsive to your request and is *being released in its entirety*.



Department of Energy
Washington, DC 20585

NOV 2 2017

**MEMORANDUM FOR HUMAN RESOURCES DIRECTORS OF SERVICING HUMAN RESOURCES OFFICES
AND SHARED SERVICE CENTERS**

FROM:

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OFFICE OF THE CHIEF HUMAN CAPITAL OFFICER

SUBJECT:

POLICY MEMORANDUM #62
REDUCTION IN FORCE

PURPOSE. To establish the Department's policy on Reduction-In-Force (RIF). This policy identifies the process and requirements to reshape the DOE workforce (in the competitive and excepted service) when the Department's mission, resources, and priorities change due to budget shortfall, changes in program priorities, reorganizations, transfer of functions, or the abolishment of some positions.

This policy supplements the requirements identified in the Department's Order on Acquiring and Positioning Human Resources, for Reduction-In-Force (DOE O 320.1, Chapter IV). This policy must be used in combination with the order, applicable Merit System Protection Board (MSPB) requirements, and applicable Collective Bargaining Agreements (CBAs).

APPLICABILITY. This policy is applicable to all Department of Energy (DOE) positions in the competitive and excepted services. Accordingly, this policy applies when the following actions are required:

- RIF;
- Transfer of Functions (TOF);
- Reorganization and/or Consolidation;
- Job Erosion;
- Furlough of more than 30-days; and/or
- Furlough for more than 22-discontinuous (non-consecutive workdays).

Actions taken in accordance with this policy must adhere to the regulatory and procedural requirements of Title 5 and applicable collective bargaining agreements.

The Administrator of the National Nuclear Security Administration (NNSA) should issue NNSA-specific guidance for the demonstration project and the EN exclusive authority, consistent with the provisions of this policy.

AUTHORITIES AND REFERENCES.

- A. 5 USC § § 3501 - 3504 (Employment and Retention);
- B. 5 USC § 63 (Leave);
- C. 5 CFR 302 (Reemployment Priority for Excepted Service Employees);
- D. 5 CFR 330, subpart B, D, E, and F (Recruitment, Selection, and Placement);
- E. 5 CFR Part 351 (Reduction In Force);
- F. 5 CFR 752 (Adverse Actions);
- G. 5 CFR 550, subpart G (Severance Pay);
- H. DOE O 331.1 (Employee Performance Management and Recognition Program);
- I. DOE O 320.1, Chapter VI (DOE Career Transition Assistance Plan);
- J. Executive Order 10450, Security Requirements for Government Employees; and
- K. <https://www.opm.gov/policy-data-oversight/workforce-restructuring/reshaping/implementing-reshaping-options/>

EXCLUSIONS. This policy does not apply to positions in the Senior Executive Service (SES).

REQUIREMENTS.

- A. Before initiating formal RIF procedures, Heads of Departmental Elements must make a concerted effort to reassign adversely affected employees. In such case, Heads of Departmental Elements should contact their Servicing Human Resource Office (SHRO) or Shared Service Center (SSC) to discuss alternative placement options.
- B. **ALTERNATIVE OPTIONS TO RIF.** Prior to announcing a major reorganization, transfer of function, or RIF, Heads of Departmental Elements are required to consider other alternatives to mitigate the effect. A careful analysis of alternative solutions should be considered to accomplish workforce priorities. Final decisions (if any) should be in the order of the least to greatest adverse impact on employees and the program mission/priorities. The most common alternatives to RIF are:
 - Administrative Furloughs;
 - Freeze hiring and promotion actions;
 - Not filling vacant, surplus positions;
 - Phased Retirement;
 - Reassignments and In-Service Placement Options;
 - Reducing discretionary spending;
 - Reimbursable details to other organizations;
 - Voluntary Early Retirement Authority (VERA) and/or Voluntary Separation Incentive Payment (VSIP) to reduce the number of employees on the rolls; and

- Voluntary Reduction in Work Hours.

In some cases, implementing some or all of these alternatives to a RIF may accomplish substantial savings and avoid the necessity for a RIF. It also may reduce the number of employees affected. Furloughs, however, are not a viable option if the workforce reshaping analysis reveals that the lack of work or funds is projected to be long-term or permanent.

C. PRIOR NOTIFICATION OF REDUCTION IN FORCE (RIF). Departmental Elements that plan to conduct a RIF or any other action associated with a RIF must notify the Office of the Chief Human Capital Officer (OCHCO), Director, Office of Human Capital Management, or the equivalent for NNSA as far in advance (of the anticipated effective date) as possible, but not less than six (6) weeks before the date when the actual RIF notices are due to the employees. The notification must include:

- a. The proposed effective date and specific reason for the RIF;
- b. The number of competitive and excepted service employees adversely impacted by the RIF and or related actions (i.e., downgraded, reassigned, etc.);
- c. The estimated date that employees will receive the advance notification to include those employees in non-pay status;
- d. The estimated costs in terms of severance pay, lump-sum annual leave entitlements and any estimated salary savings through the remainder of the fiscal year; and
- e. A copy of the Federal Employee Transitional Plan (*as described in section "D"*).

If the RIF includes a TOF the following additional information must be included in the written notification:

- a. The unit or function being transferred;
- b. The losing and gaining organization(s);
- c. The geographic location of the gaining organization;
- d. The reason for the TOF;
- e. The proposed effective date of transfer;
- f. The number of employees affected;
- g. An estimated number of employees who will accompany the function; and
- h. The list of positions (title, series, and grade) along with the names of the employees who encumber each of those positions.

D. FEDERAL EMPLOYEE TRANSITION PLAN. Heads of Departmental Elements are required to submit Federal Employee Transition Plans to the Director, Office of Human Capital Management along with the notification of a RIF (*described in section C*). The purpose of this plan is to identify actions the Element will take to mitigate the adverse impact of the organization's workforce reshaping efforts. The plan must include a timeline of activities and actions needed to address each employee's transition from their current position to the next phase of employment or retirement. If actions occur at more than one geographic location, the plan must reference each site office as well as any cross-impact with other program offices within the Element. The organization's federal employee transition plan serves as a

supplement to the overall Department's Career Transition Assistance Plan (CTAP). Accordingly, the plan must identify strategies to manage and mitigate the impact of the pending workforce reshaping plan to include the following:

- A list of the potentially impacted employees (names, title, series, grade and service, i.e., competitive or excepted) and a description as to how the organization will mitigate the adverse impact of the workforce reshaping plan;
- Communication strategy for updates, developments and changes to internal employment opportunities;
- Considerations/proposals to reassign surplus employees to other positions;
- How the organization plans to partner with the Servicing Human Resources Office (SHRO)/Shared Service Center (SSC) to facilitate Employee Assistance Program assistance, career transition counseling, retirement and benefits information, etc.
- Identify the dates and efforts made to release/separate temporary employees (e.g., intermittent);
- Target dates of completion and milestone dates;
- The continuation of essential functions until the site/office/function closure;
- Use of available flexibilities and support systems to assist employees; and
- VERA/VSIP proposals.

E. FILLING VACANT POSITIONS PENDING A RIF. Heads of Departmental Elements must suspend all recruitment activities upon notifying the OCHCO of a RIF. All vacant positions must be placed on hold until otherwise notified as certain vacant positions may be used to satisfy RIF assignment rights.

F. COMPETITIVE AREAS. Competitive areas are determined by the Departmental Element's sub-agency code and geographic location. A competitive area may not be established based on grade levels or occupational series. SHROs/SSCs should refer to the Department's CHRIS-HR Admin Manual (14.2 and 14.30) for a comprehensive list of the Department's competitive area codes and determine assigned sub-agency codes.

1. Generally, competitive areas are assigned as follows:

- a. Each Headquarters first-tier organization, such as all employees of the organization that are duty stationed in Washington, DC and Germantown, MD (e.g., EM-DC);
- b. Each field element that is operationally and functionally independent of other DOE organizations (e.g., EM and NE) that are within the same commuting (e.g., Nevada) must establish separate competitive areas for each organizational element (EM-NV and NE-NV); and
- c. Each field element that is not independent of other DOE activities in the commuting area must be considered a field activity of that particular Headquarters office and assigned to a separate competitive area.

2. All requests for competitive areas must be approved by the OCHCO, Human Capital Policy and Accountability Division, using the Department's Competitive Area Request Form (*see 4.1.9 of the CHRIS-HR Admin Manual*). Requests must include the request form, proposed effective date (i.e., date when the competitive area should be established) and a written justification explaining the organization's need to establish a new competitive area. Requests for new and/or changes to existing competitive areas must be approved at least 120-days in advance of a proposed RIF. Requests must include:
 - a. A detailed explanation as to why a new or modified competitive area is required and how it will impact or mitigate the pending RIF or other workforce shaping activities;
 - b. A list of the employees assigned to the new or modified competitive area; and
 - c. An indication that each employee's collective bargaining union representatives were notified of the new and/or modified competitive area, pending RIF.
3. Under no circumstances will a competitive area be created or modified less than 90-days of a pending RIF, unless there are unusual, unavoidable circumstances (e.g., approved telework agreements for cases of reasonable accommodations, etc.). Such instances must be approved by the Director of Human Capital Policy and Accountability and if approved, the request will be sent to OPM.
4. All competitive area codes must be submitted annually by July 1st to the Human Capital Policy and Accountability Division for review.
5. For the purpose of a RIF ONLY, employees who are on permanent telework agreements must be assigned to a competitive area based on the reporting work site of the first line supervisor for the position of record.
 - a. This provision is required ONLY for those who are on permanent telework agreements and/or working from remote locations.
 - b. This does not change OPM's requirement to define competitive areas based on the geographic location when working remotely/teleworking.

G. COMPETITIVE LEVELS. No RIF is allowed until every position in the affected competitive area is assigned to an appropriate competitive level. Competitive levels must be assigned and grouped in accordance with the Departmental policy (*Policy Memorandum #9, Establishing and Maintaining Competitive Levels, and Appendix I attached to this policy*).

1. SHROs/SSCs (along with managers and supervisors) are required to ensure position descriptions (PD) of all positions potentially impacted by a RIF are properly classified and

properly assigned a competitive level. Immediate action is required for positions that are not properly classified or when it has been determined that an employee of the organization (facing a RIF or a TOF) is assigned to the wrong PD. Changes or corrections to PDs must be in accordance with the Department's Order for Position Management and Classification (*DOE O 325.2*).

2. Competitive level determinations should be reviewed whenever there is a change in classification or position description (i.e. duties, responsibilities, qualifications, etc.).
3. Separate competitive levels must be established for positions in the excepted service. The competitive level for excepted service appointments must be determined by the appointing authority (e.g., Veteran Recruitment Appointment, Recent Graduate, Interns, etc.) followed by the assigned pay plan, series, etc.
4. Separate competitive levels are required for positions with unique pay plans and requirements (examples of unique pay plans are EN, EJ, EK, ET, ER, BB, AD, etc.).
5. Competitive level codes must be documented on the PD cover sheet (OF-8) and any system (manual or automated) used to maintain PDs.
6. The basis for competitive level determinations must be defined in writing and made a matter of record. A narrative justification for competitive level determinations must be written when:
 - a. There are positions in the same series and grade/pay bands with similar duties and qualification requirements that are on different PDs, assigned to the same competitive level.
 - b. Positions in the same series and grade that are assigned to different competitive levels.
 - c. SHROs/SSCs are required to conduct a comprehensive review of all positions (PDs) that are assigned to "a general series position" such as 0301, 1101, etc., to determine the required knowledge and skills needed to sufficiently determine which positions have an interchangeable skill set.

H. RECORDS UPDATE. To provide adequate time to determine retention standing during a RIF or related action, SHROs/SSCs must notify employees of their ability to update personnel information for inclusion in the Electronic Official Personnel File (eOPF). SHROs/SSCs must provide sufficient time to allow employees to submit the updated information and ensure that the timeline (to include a cut-off date) is widely publicized. Employees must be reminded of the cut-off date at least 30-days before the deadline for receipt of information.

I. RETENTION REGISTERS. SHROs/SSCs must establish retention registers before releasing employees by RIF. A retention register is required for each employee affected in a distinct competitive level by applying the following four factors: tenure group, veterans' preference, length of service, and performance. SHROs/SSCs will group the list in descending order, using

the following groups: Group I, Group II, and Group III. Once established, this list aids SHROs/SSCs in determining the proper order for releasing employees from their competitive level and assignment rights therein. Employees who hold excepted service appointments must compete for retention with other excepted service employees serving under the same appointing authority.

1. Tenure Groups. Tenure groups are determined according to the type of appointment.
 - a. **Group I** - Career employees who have completed their probationary period; and excepted service employees whose appointments carry no restriction or conditions such as conditional, indefinite, term-limited, or trial period.
 - b. **Group II** - Career employees who are serving on a probationary period and career-conditional employees; and excepted service employees serving a trial period or whose tenure is equivalent to a career-career conditional appointment in the competitive service in agencies having such excepted appointments.
 - c. **Group III** - Career employees serving on term and similar non-status appointments such as status-quo and provisional appointments; and excepted service employees who are serving on a non-permanent appointment after completing one (1) year of current continuous service with no break-in-service of one (1) workday or more.
2. Subgroups. Subgroups are determined according to veterans' preference entitlements.
 - a. **Subgroup AD** includes preference eligible with a compensable service-connected disability of 30-percent or more (CPS).
 - b. **Subgroup A** includes all other preference eligibles who are not listed in subgroup AD, to include employees with derived preference.
 - c. **Subgroup B** includes all employees not eligible for veterans' preference.
3. Employees serving in excepted service appointments must be grouped based on their particular appointment. For example, an employee serving on a Veteran Recruitment Appointment (VRA) must be grouped with other VRA appointees in accordance with D-1, and likewise, an employee serving on a Recent Graduate Appointment competes with other Recent Graduate Appointees.
4. Employees serving on temporary appointments in the competitive or excepted services are not competing employees for RIF purposes, and are not listed on the retention register. Such employees must be separated from their positions before releasing an employee from groups I, II or III.
5. While temporary employees (in both the competitive and excepted services) must be separated from their positions before separating competitive or excepted service employees in groups I, II and III, the timing of the separation of temporary employee is at management's discretion.

6. Length of Service. Employees in each tenure subgroup are ranked for the purpose of RIF retention by their service computation dates. RIF service computation dates begin with all creditable civilian and military service, and are then adjusted due to additional service credit for performance ratings (see paragraph 7 below). Employees with more creditable service are ranked ahead of those with less service in each subgroup. For example, an employee with service computation date of August 1, 1974, is listed higher than an employee with a service computation date of January 15, 1981.
7. Performance. Employees are able to receive additional RIF service credit for performance based on the average of their last three ratings of record over a four year period. When preparing retention registers, credit will be provided for additional years of service as follows (*refer to Appendix L for formulas and modal rating requirements*):
 - a. 20-years for Significantly Exceeds (SE);
 - b. 16-years for Exceeds Expectations (EE); and
 - c. 12-years for Meets Expectations (ME).

J. **RETENTION STANDINGS.** Retention standing is the right of a DOE employee to retain his or her position when similar positions are being abolished, and other employees are being reassigned, demoted or separated in the competitive service. When positions are abolished during a RIF, the employee with the lowest position on the register must be removed (released) from the register. Retention Register Standings for the excepted service will be handled in the same manner of the competitive service. As such:

1. Employees are released in reverse order of their retention standing, from the lowest to the highest standing employee.
2. Employees in receipt of a written decision of removal due to unacceptable performance will be listed at the bottom of the respective retention register; and are not eligible for competition in a RIF.
3. Employees in receipt of a written decision to demote due to unacceptable performance are allowed to compete for retention in a RIF; however, the competition will be for the grade level to which he/she will be demoted.
4. Excepted service employees who are released from their competitive level may be considered for another excepted service vacant position (as described *under the RIF Procedural Requirements, Assignment to Vacant Position*), or for placement into another excepted service position using a bump or retreat "like" process.
5. Heads of Departmental Elements who intend to use the bump and retreat "like" process for excepted service employees must indicate their intent to use this provision in the proposed Federal Employee Transition Plan (described in paragraph D above).

6. Excepted service employees who are released from their competitive level may be reassigned to another vacant position without regards to the bump and retreat "like" process. Under this provision, the employee must be assigned to another excepted service position in which he/she must meet the minimum qualification requirements. Additionally, the employee may also be placed in a competitive service position only IF the following requirements are met and/or satisfied:

- Must have reinstatement eligibility to the competitive service (based on career tenure previously acquired).
- Employee has previously occupied a position at the grade level (or equivalent) of the position (or higher) on a permanent basis.
- All released competitive service employees have been placed in other positions or voluntarily separated via VERA/VSIP.
- This provision is not allowed if there are released competitive service employees who are pending separation due to the inability to acquire another position.

K. BREAKING TIES FOR RELEASE FROM A COMPETITIVE LEVEL. When employees in the same retention subgroup have identical service computation dates and are tied for release from a competitive level, the employee with the least amount of service with DOE must be released first.

L. CREDITING PERFORMANCE. The Department will comply with the following requirements in crediting performance to establish an employee's service computation date (SCD) for retention standing during a reduction in force.

1. Additional service credit is based on an employee's three (3) most recent ratings of record within a four (4) year period of time within and outside the Department. The four (4) year "review" period is the last four (4) performance ratings from the previous fiscal year. For example, if the "official effective date" of the RIF is in fiscal year 2017, then the four year review period for performance ratings should be based on the ratings from 2013 – 2016.
2. SHROS/SSCs must consult with the Human Capital Policy and Accountability Division to determine if ratings of record received within the last four (4) years from another federal agency (that are not covered by 5 CFR 430) are considered as "equivalent ratings of record" for the purpose of applying RIF procedures.
3. The performance summary rating of record is defined as one that is assigned at the end of the rating cycle, was signed, approved, and issued to the employee by the appropriate management official or a rating of record assigned following completion of a performance improvement period and filed in the employee's eOPF.
4. Final performance ratings must be submitted to the SHRO/SSC 30-days prior to the issuance of specific notices. Ratings must be in accordance with Departmental policy and for the purpose of workforce reshaping, must be issued in accordance with DOE O

331.1D. Rating of records received after the cut-off date will not be used to determine retention standing.

5. Ratings of record and summary level patterns used to define service credit for performance are defined in the attached appendix "J".
6. The three (3) most recent performance ratings of record within the four (4) year period ending on the cut-off date for receipt of ratings of record will be used for performance credit.
7. An employee who has received one but fewer than three (3) previous ratings of record during the four (4) year period must receive credit for the sum of each rating of record received divided by the number of actual ratings of record received (fractional rating rounded to the next higher whole number).
8. Modal Rating. An employee who did not receive any ratings of record during the four (4) year period must receive performance credit based on the modal rating as indicated below:
 - a. Latest rating of record assigned for the summary level that applies to the affected employee's position.
 - b. Most frequently given performance rating within the employee's competitive level.
 - c. On record for the most recently completed appraisal period prior to the cut-off date for receipt of any new ratings prior to issuance of a RIF notice.
 - d. SHROs/SSCs are required to identify and determine what the modal rating will be before applying RIF procedures. This information must also be communicated to the employee(s).

M. EXCEPTIONS TO THE NORMAL ORDER OF RELEASE FROM COMPETITIVE LEVEL.

1. SHROs/SSCs are required to allow mandatory exceptions to the order of release from competitive areas for employees entitled to Armed Forces restoration rights; and specific reasons described in paragraph 3 below.
2. The OCHCO, Director of Human Capital Management retains the right to authorize exceptions to the temporary order of release. Decisions to grant exceptions are discretionary and are determined on a case-by-case basis, in the best interest of the Department. If approved, exceptions will be granted only to the extent permitted by law.
3. Temporary exceptions may be allowed to:
 - a. Continue an activity/function in the losing competitive area without causing undue interruption. This exception cannot exceed 90-days.

- b. Satisfy a Government obligation to the retained employee without regard to the 90-day limit.
 - c. Retain an employee with high retention standings (i.e., high performers) whose duties cannot be assigned or assumed by another employee, without causing undue interruption within 90-days.
 - d. Extend an employee's separation date beyond the effective date of the RIF when the temporary retention of a lower standing employee does not adversely affect the right of any higher standing employee who is released ahead of the lower standing employee.
 - e. Fulfill previously submitted/requested sick leave. As such, an employee in lower standing who is on approved sick leave on the effective date of the RIF for a period not to exceed the date the employee's sick leave is exhausted.
 - f. Retain a lower standing employee who will attain first eligibility for an immediate retirement benefit under 5 U.S.C. 8336, 8412, or 8414, and/or establish eligibility under 5 U.S.C. 8905 to carry health benefits coverage into retirement during the period represented by the amount of the employee's accrued annual leave. This exception may not exceed the date the employee first becomes eligible for immediate retirement or continuation of health benefits into retirement, except that an employee may be retained long enough to satisfy both retirement and health benefits requirements.
 - Accrued annual leave for this purpose includes all accumulated and accrued annual leave, restored annual leave, and annual leave donated to the employee as of the effective date of the RIF, in addition to annual leave earned and available to the employee after the effective date of the RIF.
 - The Department may not advance annual leave or consider any annual leave that might be credited to an employee's account after the effective date of the RIF other than annual leave earned while in an annual leave status. The Department may not approve an employee's use of any other type of leave after the employee has been retained under a temporary exception authorized by paragraph ii of this section.
4. Requests for temporary exceptions to the normal order of release must be based on a sound business need that is in the best interest of the Department. All requests must be sent in writing to the Director, Office of Corporate Human Resources Operations (in the OCHCO) for review, concurrence and routing to the Director of Human Capital Management (who holds the final approval authority). The Human Capital Policy and Accountability Division may be consulted as needed.

- a. The Director of Corporate Human Resources Operations (or designee) must provide written notification to each higher standing employee in the same competitive level (who is within reach for release) when an exception is approved for more than 30-days.
 - b. The notification must explain the reasons for the exception, and the date the lower standing employee's retention will end; and list opposite the employee's name on the retention register the reasons for the exception and the date the employee's retention will end.
5. SHROs/SSCs are required to make temporary exceptions without prior approval from the OCHCO in order to retain an employee who is being involuntarily separated by RIF or separated by adverse action for declining a reassignment or transfer of function outside of the local commuting area; or, who elects to use annual leave on or after the expected date of separation in order to become eligible for retirement; or to continue health benefits coverage into retirement.
6. Liquidation Exceptions. When all positions in a competitive area will be abolished within 180 days, the Department must release employees in accordance with the retention standing (i.e., group and subgroup order). However, the Department is not required to use the employee's retention standing within the subgroup except when an employee must be retained under a mandatory exception. When the Department releases employees under these provisions, the SHRO/SSC must provide written to the employees citing this authority and the date the liquidation must be completed.

REDUCTION-IN-FORCE PROCEDURAL REQUIREMENTS.

- A. The OCHCO, Director, Office of Human Capital Management must approve the organization's proposal for RIF before SHROs/SSCs can take any action under the RIF authority. Once the Director of Human Capital Management approves the RIF, SHROs/SSCs must ensure organizations are prepared to conduct a RIF in accordance with statutory, regulatory, and Departmental requirements. Due to the number of mission critical occupations in both the competitive and excepted services, the procedures thereof, are required when running a RIF for the competitive and excepted services. Accordingly, this policy establishes the requirement to run a RIF for competitive and excepted services concurrently.
 1. The official date of the RIF (i.e., the start of the administrative process), may be effective on or after the date in which the RIF proposal is approved. Once the official (effective) date of the RIF is determined, SHROs/SSCs must use that date to determine the rights of each competing employee.
 - a. Accordingly, SHROs/SSCs must also use the "official RIF date" to determine the appropriate eligibility for released employees such as career tenure status, service computation dates (SCDs), service time at DOE and other pertinent

factors (aiding in determining assignment rights). *For example, tie-breaking rights and service credit for time spent at the DOE is determined from the date the employee entered-on-duty at DOE through the "official" date of the RIF as described in this section.*

- b. This "official effective date" for the beginning of the administrative process for (for RIF purposes) is separate from the actual "notification" date as later described in this policy.
2. SHROs/SSCs are required to run a "Mock RIF" using the official effective date of the RIF (as described above) in an effort to "forecast" the number of employees who may be released from competitive registers and to determine if the RIF system (e.g., automated or manual) produces accurate results. Further, this will give SHRO/SSC an opportunity to identify pitfalls, systematic glitches and/or corrections needed to personnel records. Results of the mock RIF must be maintained on record along with the actual RIF results. *Note: Mock RIF results may also be helpful in determining who should receive VERA or VSIP offers.*
3. After the Mock RIF is completed and discrepancies are addressed, SHROs/SSCs must initiate the first round of RIF competition by applying the four retention factors to determine which employee(s) will be released from their competitive level.
4. Once the first round of the RIF is completed, SHROs/SSCs are required to run the second round to determine the "released" employee(s) assignment rights through the bump and retreat placement process.
5. Master Retention Lists (MRL). To simplify the second round RIF process, SHROs/SSCs must develop a MRL for competitive service employees and excepted service employees appointed under like authorities.
 - a. The MRL is used to combine the names of employees in the competitive area who are in reach for release from various registers identified in the first round RIF. The list will help ensure that employees are released in the proper order. MRL must be prepared in the following manner:
 - Each MRL must identify released employees in the absolute order of the employees' retention standing without regard to grades, classification, or PD.
 - Separate MRL are required for different tours of duty. Thus a MRL is required for released employees on full-time schedules, and another list for those on part-time schedules, etc.
6. Qualification Updates to Assist with Assignment Determination. SHROs/SSCs must allow affected employees an opportunity to submit updated resumes no later than 60 calendar days prior to the target date to issue specific notices.

- a. This will assist the SHROs/SSCs in:
 - determining the employees' qualifications for assignment to other positions;
 - providing up-to-date information and supporting documentation as appropriate on veterans' preference, education and experience;
 - verifying information to establish retention registers; and
 - identifying potential errors or areas of concern.

7. Placement Process (Bump and Retreat). Assignments via Bump and Retreat process must be to a position currently occupied by another employee in a different competitive level or with less service in the same retention subgroup.
 - a. Employee(s) must be able to perform the job duties in accordance with qualification standards. SHROs/SSCs are required to review the employee's most recent resume and performance standards to determine qualifications.

 - b. Placement via the bump and retreat process must be to a position no lower than 3-grade levels (or 3-grade intervals) of the current position of record; and not more than 5-grade levels for disabled preference eligibles with a service connected compensable injury of 30 percent or more.

 - c. Employee(s) must submit an updated resume/application within ten (10) business days of being notified of a potential RIF. Otherwise, the SHRO/SSC may use the resume/application that is on file to determine qualifications.

 - d. An employee in the excepted service does not have assignment rights to another competitive service position through the bump and retreat process when released from his or her competitive level.

 - e. However, assigning a released (excepted service) employee using a bump and retreat "like" process is possible. The potential to bump and retreat rights under this provision must be to another excepted service position under the same appointing authority (e.g., an Attorney could bump another Attorney in a different competitive level).

 - f. If an employee's right of assignment is to a sensitive position for which the employee does not possess the necessary access authorization, the appropriate action to obtain the authorization must be undertaken as soon as possible. The RIF assignment cannot be delayed or denied because the employee does not currently have an appropriate access authorization. Until the appropriate authorization is obtained, the employee may instead be:
 - Assigned to perform only the non-sensitive duties of the position;
 - Detailed to a non-sensitive position or set duties;

- Granted leave (only upon the employee's request); or
- If appropriate, suspended under Executive Order 10450.

g. Physical Requirements. Physical requirements must be determined based on available information. If a released employee may potentially be assigned to a position requiring physical requirements or performance tests (which must be reflected on the PD), then SHROs/SSCs, may require the employee to undergo a medical evaluation.

- Reasonable accommodations must be considered when determining placement rights for positions in which the released employees are otherwise qualified for.
- Once it is determined that an employee is not qualified for the position with or without accommodation, then the next employee within reach may be considered for the assignment. SHROs/SSCs must document cases in which the employee does not meet the physical requirements of the position.
- Documented justifications are also required for cases in which preference eligibles or eligibles with a compensable injury of less than 30 percent are not assigned to a position due to physical requirements.
- If the SHRO/SSC believes that an employee with a compensable disability of 30 percent or more is not physically qualified for a position, the case must be sent to the Human Capital Policy and Accountability Division for review and routing to OPM for final approval.

8. Bump and Retreat Assignment Rights for Employees Assigned to Career Ladder (grade interval) Positions.

- a. DOE's policy is to grant bump and retreat assignment rights not more than three (3) grade levels below the position of record and five (5) grade levels for disabled preference eligibles with compensable injury of 30% or more.
- b. However, employees assigned to career ladder positions are entitled to assignments (via bump or retreat) not lower than the lowest grade of the career ladder assigned. For example, ABC was hired for a GS-0801-5/7/9/11 position, and is in reach for release on the GS-801-11 register, then ABC may be assigned to a position not lower than the GS-5 grade level.

9. Modified Qualifications. To mitigate or avoid the impact of a RIF (or release from retention register) SHROs/SSCs may request to modify (or waive) minimum qualification requirements (i.e., specialized or general experience) to place (or assign) a released employee into a vacant position. This exception must be applied in a fair and equitable

manner and must be based on the relative retention standing of all the released employees.

- a. Modified qualifications are permissible if the Human Capital Policy and Accountability Division determines the employee has the capacity, adaptability, and special skills needed to perform the duties of a vacant position.
- b. This process may be used when releasing an affected employee to another position or when offering an affected employee a voluntary change to lower grade.
- c. The placement must be to a vacant position only. Modified qualifications to an occupied position is not allowed.
- d. Modified qualifications are not allowed for positions requiring minimum educational requirements. In such cases, the employee is required to meet the minimum educational (or certification) requirements thereby, allowing a waiver of specialized or general experience requirements only.
- e. All requests for modified qualifications must be sent to the Human Capital Policy and Accountability Division for consideration and must include a detailed justification explaining why the employee has the capacity, adaptability and special skills needed in the position. The justification should also include a statement that the employee is likely to be successful in the position.

10. Offer of Assignment to Vacant Positions.

- a. In lieu of releasing an employee from a retention register via RIF, management has a right to fill current/existing vacant positions with employees in reach for release in retention groups I or II. To satisfy the employee's right to an assignment. *Note: This is the only point when organizational elements are allowed to fill positions that were otherwise placed on "hold" or "frozen" until further notice.*
- b. The vacancy must be in the same competitive area and within three (3) grades (or grade intervals) of the employee's position of record and five (5) grades for disabled preference eligibles with compensable related injury of 30 percent.
- c. When a vacant position is filled under this process, the placement must follow subgroup retention standings. Therefore, if two employees qualify for the position and one has RIF veterans' preference and the other does not, the employee entitled to veterans' preference must be offered the position first.

- d. The position must be permanent and similar to the position vacated. Temporary positions are not an option. Management has the right to request (via SHRO/SSC) to modify (or waive) minimum requirements.
- e. If an employee is offered a vacant position at the grade to which he/she has bump or retreat rights, and the employee subsequently declines, then the Department has satisfied the released employee's right to assignment for RIF purposes.
- f. When assignment rights can be satisfied by more than one position, SHROs/SSCs will determine which position is in the best interest of the employee. If a better offer of assignment becomes available to a released employee before the employee is separated by RIF, the SHRO/SSC must make the better offer of assignment to the employee (even if the employee previously accepted or declined a previous offer of assignment).
- g. When two or more positions are in different pay schedules, SHROs/SSCs must determine the equivalent grade (by applying the representative rate rule) to determine the best offer of assignment for a released employee.

11. Reasonable Offers in Lieu of Separation or other RIF Actions.

- a. If possible, SHROs/SSCs may offer an employee a reasonable offer in lieu of separation or any RIF action. For this purpose, a reasonable offer must be:
 - offered to the employee in writing;
 - to a position for which the employee meets the minimum qualifications;
 - In the local commuting area; and
 - In the same tenure and work schedule, no more than two (2) grades lower than the employee's current position of record.
- b. This provision is separate and distinct from the "Assignment to Vacant Position" requirements.
- c. If an employee is offered a position under the "reasonable offer" provision and subsequently declines, then the Department has satisfied the released employee's right to assignment for RIF purposes.
- d. Reasonable offers at this juncture may be offered to permanent (no time limit) employees released from excepted service appointments, provided the employee meets the appointment qualifications for either another excepted service position.

- e. SHROs/SSCs must determine a reasonable time to allow an employee to respond to a "reasonable job offer" based on the provision stated in section A-11 above. A reasonable time for this purpose should be not less than 14 calendar days.

12. Notifications.

- a. Notification to Bargaining Units. The appropriate collective bargaining unit representative must be notified in accordance with local collective bargaining agreements, but no later than the same time the actual employee is notified.
- b. General Informational Notice. Once it becomes evident that a RIF may be necessary, SHROs/SSCs must issue "Informational Notices" to the potentially affected employees. The purpose of the informational notification is to "alert" employees that a RIF may be forthcoming and if warranted, provide proactive suggestions to prepare employees for possible placement activities. For example, the informational notification can be used as a tool to encourage employees to update resumes/applications, spot check eOPFs, update personnel records (particularly for veterans). In addition, at this juncture, organizational elements may share information from their perspective Federal Employee Transition Plans regarding restructuring strategies and alternatives. The informational notification may be provided to employees up to one (1) year in advance of the potential RIF. Note, this notification does not serve as the official notification of a RIF or certification of expected separation; and may not be used to apply for Discontinued Service Retirement (DSR) or other placement priority programs.
- c. Certification of Expected Separations (CES). SHROs/SSCs must issue a Certification of Expected Separation notification at least six (6) months in advance of taking RIF action. DOE employees in receipt of CES are considered "At-Risk" employees and should receive priority consideration for positions in which they qualify.
- d. Management Directed Reassignments. SHROs/SSCs must provide a general notice to an employee proposing a management directed reassignment outside of the local commuting area (due to position abolishment, site/facility closure, or other RIF actions). The notice must allow the employee 30 calendar days to respond indicating whether he/she accepts or declines the directed reassignment.
 - When surplus, displaced or at risk employees accept a management directed reassignment outside of the local commuting area, the losing organization (i.e., the office that the employee is being separated from) must offer relocation expenses consistent with the policy governing payment of relocation expenses. As such, the notice provided to the employee must clearly state that relocation expenses will be offered.

- Employees who decline management directed reassignments (outside of the local commuting area) must receive a proposed removal by adverse action procedures 30-days before the date of separation.
- e. Specific RIF Notices. Must be issued 90-days before the employee is released from the competitive level by a RIF action. The content of the RIF notice must include the following:
- What kind of RIF action;
 - The reasons for the RIF action;
 - The effective date;
 - The employee's competitive area, level, subgroup, retention service date and annual performance ratings of record received during the last four (4) years;
 - Identify the place where the employee may inspect his/her records;
 - If applicable, the reasons for retaining a lower standing employee for purposes of mandatory exception for example;
 - The employee's rights to career transition services; and
 - The employee's appeal rights.
- f. SHROs/SSCs may not issue notices (general or specific) to employees during the dates of November 1st – January 3rd.

B. SEVERANCE PAY.

1. Severance pay is authorized for full-time and part-time employees who are involuntarily separated from Federal service and who meet other conditions of eligibility. To be eligible for severance pay, an employee must be serving under a qualifying appointment, have a regularly scheduled tour of duty, have completed at least 12-months of continuous service, and removed from Federal service by involuntary separation for reasons other than unacceptable performance or conduct.
2. The following appointments at the Department of Energy are eligible for Severance Pay
 - a. Career/Career Conditional Appointments;
 - b. Excepted Service Appointments (without time limitation);
 - c. Overseas Appointments (without time limitation);
 - d. Status Quo Appointments;
 - e. Foreign Service Appointments (with reemployment rights); and
 - f. Time-Limited appointments (or a series of time-limited appointments within the Department of Energy without any breaks in service).
3. DOE employees on the following types of appointments or who fall into one of the below circumstances are not eligible to receive severance pay:

- a. Rehired Annuitants who are receiving Dual Compensation and/or has an intermittent work schedule;
 - b. Employees serving on an emergency appointment;
 - c. Employees serving on Schedule C appointments;
 - d. Employees receiving workers compensation benefits; and
 - e. Employees who have recently declined a reasonable offer in lieu of separation.
 - f. Employees eligible upon separation for an immediate annuity from a federal civilian retirement system or from the uniformed services.
4. If an employee resigns after receiving a general or specific RIF or transfer of function notice, the resignation constitutes an involuntary separation for the purpose of severance pay eligibility. However if Heads of Departmental Elements (or designee, e.g., SHRO/SSC) notifies the employee that the specific or general written notice is being rescinded or canceled before the employee resigns; then the employee is no longer eligible to receive severance pay, should he/she move forward with the said resignation.
 5. SHROs/SSCs, must advise potentially impacted employees of their entitlement to receive severance pay to include the estimated amount of the severance pay entitlement.

C. APPEALS AND GRIEVANCE.

1. Right to Appeal to the Merit Systems Protection Board (MSPB). An employee who has been furloughed for more than 30 days, separated, or demoted by a RIF action has the right to appeal to the (MSPB) if he or she believes the Department did not properly follow the RIF regulations. The appeal must be filed during the 30-day period beginning the day after the effective date of the RIF action. SHROS/SSCS will advise affected employees of their appeal rights to the MSPB when the specific RIF notice is issued.
2. Right to Grieve. An employee who is in a bargaining unit covered by a negotiated grievance procedure that does not exclude RIF must use the negotiated grievance procedure and may not appeal the RIF action to MSPB unless the employee alleges the action was based on discrimination. The time limits for filing a grievance under a negotiated grievance are outlined in the collective bargaining agreement.
3. When it is decided that an action under this policy was unjustified or unwarranted and an individual is restored to the former grade or rate of pay held or to an intermediate grade or rate of pay, the restoration shall be made retroactively effective to the date of the improper action.

D. OFFICIAL PERSONNEL RECORDS.

1. SHROs/SSCs must review employee's personnel records (i.e., electronic official personnel folder – eOPF) to ensure the file contains the most recent, updated, and accurate personnel records.

2. eOPFs must be reviewed in sufficient time to ensure any corrections needed are processed at least 90-days before the proposed effective date of the RIF.
3. At minimum, the eOPF must include all documentation used to determine the retention standing for each employee.
4. SHROs/SSCs must retain all records and documents used to determine retention standings for a minimum period of 1-year.
5. Employees (and their union representatives) are entitled to review the complete retention register used to determine the retention standings of competing employees.

ROLES AND RESPONSIBILITIES:

Office of the Chief Human Capital Officer will:

1. Ensure all available options are used to minimize the adverse impact of RIF on employees.
2. Determine when to request the Secretary's approval to evoke Title 42.
3. Inform OPM and other local entities of the intent to reduce the Department's workforce; and inform appropriate officials responsible for executing the requirements under Title I of the Workforce Investment Act of 1998.
4. Notify OPM when the Department expects to separate 50 people or more under RIF procedures.
5. Develop a communication plan for the Secretary's (or designee) approval.

Human Capital Policy and Accountability Division will:

1. Prepare, update, and propose Departmental policies relating to RIF.
2. Provide subject matter expertise in key elements of the RIF process.
3. Review and provide final recommendations for requests and proposals requiring the Office of the Chief Human Capital Officer or OPM's approval.

Office of Corporate Human Resources Operations:

1. Work with Heads of Departmental Elements to ensure workforce reshaping strategies are compliant and in the best interest of the Department.
2. Ensure RIF is carried out in accordance with 5 CFR Part 351, the provisions of this policy and applicable collective bargaining agreements.
3. Delegate and assign as appropriate designated personnel to implement various components of the RIF process.

POINT OF CONTACT: Direct questions pertaining to the content of this policy to the respective subject matter expert in the Human Capital Policy and Accountability Division.

Attachments:

Appendix A - Key Terms and Definitions

- Appendix B - Reorganizations
- Appendix C - Transfer of Functions
- Appendix D - Furlough of 30-days or more
- Appendix E - Job Erosion
- Appendix F - Position Abolishment/Site Closure
- Appendix G - Career Transition Assistance Plan (CTAP)
- Appendix H - Discontinued Service Retirement
- Appendix I - Competitive Level Codes
- Appendix J - Retention Register Example
- Appendix K - Service Credit Example
- Appendix L - Service Credit for Performance Example
- Appendix M - Sample Running Registers

APPENDIX A
KEY TERMS AND DEFINITIONS.

1. Assignment Rights. The regulatory right of an eligible DOE competitive or excepted service employee to be assigned to a position in a different competitive level, within the same competitive area, or to a position held by another employee with lower standing on a retention register.
2. Bump Rights. Allows a competitive (or excepted) service (tenure group I or tenure group II) employee (who is in reach for release) to displace “i.e. bump” an employee in the same competitive area who: is assigned to a different competitive level in a lower tenure group, or in a lower subgroup. For example, an employee in tenure group I can bump an employee in tenure groups II or III; and an employee in subgroup IAD can bump someone in subgroups IA or IB. Note: in order for the employee to bump another employee, he/she must be minimally qualified for the position.
3. Competing Employee. An employee in tenure group I, II, or III whose position is involved in a RIF. Employees compete for positions in RIF based on their retention standing (which is a combination of tenure (type of appointment), veterans’ preference, and service credit (to include service credit adjusted for performance) *see definition of retention register*).
4. Competitive Area. The geographical and organizational limits for RIF competition. DOE’s competitive area is determined by the organizational element (sub-agency) and the duty station within the particular organizational element. For example: WA/KL (hence, Western Area Power Administration – Killeen Texas). Therefore, all employees who are assigned to WAPA and duty stationed in Killeen Texas, should be assigned to the same competitive area.
5. Competitive Level. The level established by DOE which consists of all positions in a competitive area which are in the same grade (or occupational level) and classification series, and which are similar enough in duties, qualification requirements, pay schedules, and working conditions so that the Department may reassign the incumbent of one position to any of the other positions in the level without undue disruption. Separate competitive levels must be established for: competitive and excepted service positions; positions in different pay schedules, work schedules, and trainee status.
6. Competitive Rounds of Competition. Refers to the various stages of competing for position retention during a RIF. For example, the first round of competition involves employees who are competing to stay in their competitive level in order to retain their position; and in the second round of competition, employees with assignment rights compete for assignment to positions in different competitive levels. Competitive rounds for competition on retention registers are typically used when the workforce is downsizing which may result in some employees being released from their position. In such cases, the register is used to determine which employees may be released from their competitive level, and in what order they are to be released.

7. **Discontinued Service Retirement.** An employee who is involuntarily separated from the service (such as a job abolishment) and who has at least 25-years of service (at any age) or who is age 50 with 20-years of service may retire on an immediate annuity. A CSRS annuity or the CSRS component of a FERS retirement is subject to an age reduction if the employee is under the age of 55.
8. **Early Optional Retirement.** An employee who meets the criteria may retire voluntarily on an immediate annuity during a period when the agency is undergoing a major RIF, reorganization or realignment, or transfer of function as determined by OPM. A CSRS annuity or the CSRS component of a FERS retirement s subject also to an age reduction if the employee is under the age of 55.
9. **Excepted Service.** Positions such as Veterans Recruitment Act appointments, attorney positions, appointments made under 5 CFR Part 213, and other exclusive Departmental Excepted Service Hiring Authorities that are established under a separate competitive level. Employees occupying these expected service positions do not compete in a RIF with employees in the competitive service. Employees in the excepted service are listed separately on a retention register in terms of appointing authorities made under pay plans such as: ARPA-E's ET and ER, EJ, EK, EN, and appointments such as Exceptionally Well Qualified (EWQ) appointments.
10. **Modal Rating.** The summary rating level assigned most frequently among the actual ratings of record that are: (1) assigned under the summary level pattern that applies to the employee's position of record on the date of the RIF; (2) given within the same competitive area of the employee; and (3) on record for the most recently completed appraisal period prior to the date of issuance of the RIF notices or the cutoff date for including any new ratings in the record.
11. **Reduction-In-Force (RIF).** A uniformed and systematic process to execute organizational changes. Specifically, RIF procedures must be used when a Departmental Element (or organization) releases an employee from a competitive level by separation, furlough (of more than 30-calendar days), demotion, position abolishment, or directed reassignment that requires displacement from the local commuting area.
12. **Retention Register (Competitive List).** A list of employees classified in descending order within a complete level after the four retention factors (tenure, veterans', preference, length of service, and performance) are applied.
13. **Retreat Rights.** The right of a competitive or excepted service employee to displace an employee in the same competitive area and in the same tenure group and subgroup; who has less service. For example, an employee assigned to subgroup IA may be able to retreat to the position of another IA employee who has less service.
14. **Surplus Positions.** Positions or functions that have been identified as excess to the needs of an organization. Attempts must be made to absorb the surplus within the immediate organization before seeking placement assistance from other organizations and using RIF procedures.

15. Title 42: authorizes the United States Code 7237, which implements the Department's flexibility to establish unique priority placement, job placement, retraining, and counseling programs for the United States Department of Energy employees affected by reduction-in-force.

APPENDIX B REORGANIZATIONS

Reorganization is the planned elimination, addition, or redistribution of functions or duties of an organization. This process should be considered when organizational missions, work priorities and other functional responsibilities shift (or change) within an organization. In such cases, some reorganizations or "reorgs" may result in a site/facility closure, and/or a realignment of work. In cases when the reorganization results in a realignment (i.e., redistribution of functions of duties of an organization), Departmental Elements in coordination with their Human Resource Business Partners (HRBPs) must consult with the Human Capital Policy and Accountability Division, and HRBPs must:

- Inform local bargaining units in accordance with Collective Bargaining Agreements (CBAs);
- Ensure position descriptions (PDs) are reflective of the recent information (resulting from the reorganization);
- Ensure new or modified competitive areas and levels are established; and
- Determine when an employee must be realigned or reassigned. In cases of reassignment, the employee must be placed on the new PD.
- Identify the positions and/or staff that will be realigned (both gaining and losing organizations).

HRBPs must also work with the Element to determine whether the reorganization may result in the realignment or reassignment of duties, in which case, new PDs must be established.

APPENDIX C TRANSFER OF FUNCTIONS (TOF).

A TOF occurs at the DOE when a specific function of an organizational element or an entire organization ceases to perform a function in one competitive area and transfers the function (i.e. duties, mission, etc.) to another competitive area. When such action occurs, Heads of Departmental Elements and SHROs/SSCs must apply RIF procedures as described in this policy. As such, a current DOE employee who works in the same competitive area as the transferring function, but does not work for the function at the time of the announced transfer, may not arbitrarily transfer to the new function through these procedures.

Additionally, an employee may transfer with the function only if the alternative to not transfer is separation or downgrade via RIF procedures.

1. Heads of Departmental Elements must notify the Office of the Chief Human Capital Officer (or designee) when a TOF is probable. The notification must include the items identified under the Initial Requirement section "B."
2. Canvas letters must be issued to all affected employees in the competitive area of the transferring function when the function (or organization) is moving to another commuting area. The letter must be issued at least 90-days in advance, and must allow employees 30-days to respond the offer of transfer. The letter must explain to those who accept the transfer that he/she will be in competition for their position in the gaining competitive area, through RIF procedures; and to those who decline the offer that he/she is at risk of separation through adverse action.
3. SHROs/SSCs may allow volunteer reassignments to the transferring function from employees in a different competitive area, if such action does not interfere with the placement of a competing employee. Therefore, SHROs/SSCs must ensure that all competing employees have either accepted the transfer; declined the transfer or otherwise found other means of employment before accepting volunteer offers of reassignment from other employees.
4. Separation through adverse action is required for an employee who declines (or refuses) to transfer when the function is moving outside of the current local commuting area. In such case, an employee who declines to transfer to a different commuting area is considered as an "At-Risk" employee and is eligible for surplus eligibility through DOE's Career Transition Assistance Program (CTAP).
5. An employees who declines or refuses to transfer with a function that remains in the local commuting area does not get an opportunity to compete as a "surplus" At-Risk employee as described above.
6. SHROs/SSCs are required to issue canvas letters to potentially affected employees in the competitive area of the proposed transfer.

APPENDIX D
FURLOUGHS of 30-DAYS or MORE

FURLOUGHS OF 30-DAYS OR MORE. A furlough temporarily places an employee in non-duty, non-pay status due to the lack of work, funds, or other non-disciplinary reasons. Regulations governing the furlough process are determined by the number of proposed days. Furloughs less than 22 discontinuous (non-consecutive) work-days or 30-continuous calendar days are governed by adverse action procedures. While, furloughs for 30-continuous calendar days or more (or 22 discontinuous work-days) are governed under RIF procedures.

1. Heads of Departmental Elements who determine that a Furlough is the best solution in lieu of permanent displacement must notify:
2. The Director of the respective SHRO/SSC when planning for a temporary furlough lasting less than 30-consecutive calendar days or 22 discontinuous work-days; or
3. The Office of the Chief Human Capital Officer (or designee) as stated in the section for "General Requirements A and B" of this policy.
4. Requirements for implementing a furlough that is expected to last more than 30 continuous calendar days or 22 discontinuous (non-consecutive) workdays is covered under the RIF procedural requirements.

APPENDIX E JOB EROSION

Instances of job erosion may occur at the DOE when job duties have gradually regressed and have slowly drifted away through an extended period of time. When this occurs, management has no defined reason of why the duties have regressed and cannot identify a specific time frame of when the grade-controlling duties changed. Job erosions are different from the reclassification process due to a reorganization. When a job erosion is required, SHROs/SSCs must follow the Department's RIF Procedural Requirements:

1. The job erosion will result in a downgrade after the Department has announced a RIF in the same competitive area of the downgraded position; and
2. The RIF will occur within 180-days from the date of the proposed downgrade.

APPENDIX F
POSITION ABOLISHMENT DUE TO OFFICE/SITE/FACILITY CLOSURES.

Generally, position abolishment is a result of workforce downsizing, restructuring or site/facility closure. In such cases, when the Heads of Departmental Elements determines that a particular site/facility is closing and/or the function of a particular site or facility is no longer needed, certain interactive placement procedures are required for those employees who are "at risk" of losing their positions.

If it is determined (after a careful analysis of workforce reshaping options) that only a particular function or specific component of the organization will be eliminated/abolished, then Heads of Departmental Elements must make an effort to place impacted employees within the same organization. To this extent, a thorough analysis of the current organization's workforce must be assessed to determine if placement is probable within the current organization. This is required before any displacement procedures are considered.

Results of the workforce reshaping analysis and its consideration of placing potentially displaced employees must be submitted to the Director of Human Capital Management and identified in the organization's transition plan (as described in under "D" of this section.

As such, organizational elements are required to freeze all recruitment activity to allow sufficient time to analyze the current workforce structure to determine placement of employees whose positions will be abolished/eliminated. This may require reassigning some employees to other functional components of the organization. At this juncture, management has the right to authorize management directed reassignments (outside of the local commuting area) for potentially impacted employees. In doing so, Heads of Departmental Elements (in combination with SHROs/SSCs) must notify the employee that the function or position is no longer required or supported and as a result, they are being directed by management to reassign to another duty location; and thereby inform the employee of the following:

- Option of accepting VERA/VSIP if eligible; and
- Option to accept or decline the directed reassignment annotating the process if the employee decides to decline the reassignment outside of the local commuting area.

Management directed reassignments (outside of the local commuting area) are subject to 5 CFR 351 and 751 procedures should the employee opts to decline the offer.

Management directed reassignments within the local commuting area are considered "reasonable offers" and therefore, are not subject to 5 CFR 351 and 751 procedures should the employee opts to decline the reassignment.

**APPENDIX G
CAREER TRANSITION SERVICES.**

SHROs/SSCs must assist employees with locating employment in the Department as well as other Federal agencies through the Career Transition Assistance Program (CTAP). Through the CTAP, eligible employees can receive career counseling on how to effectively market their skills, prepare employment applications, and undertake a job search. In addition, SHROs/SSCs must ensure eligible employees receive special selection priority for vacant positions, prior to RIF separation, in accordance with the Department's policy for Priority Selection and Placement, Reemploy Priority List and CTAP.

1. The RPL affords eligible employees placement priority for vacancies in the same local commuting area in which they are separated (or may be separated from). Such employees must express interest in receiving priority placement by registering for the RPL.
2. To be considered for a vacant position through the RPL process, an employee must be determined as well-qualified with an annual performance rating of record of at least fully successful.
3. SHROs/SSCs must implement a "registration" process to allow eligible employees who are interested in priority placement an opportunity to express their interest and submit their application (or updated resume).
4. The RPL is managed and maintained at the Department level by the Human Capital Policy and Accountability Division. SHROs/SSCs must immediately report the name(s) of any surplus, displaced or at risk employee (at or below the GS-15 grade level or equivalent) to the Human Capital Policy and Accountability Division, who will place the employee's name on the RPL no later than 10-calendar days after receipt of the employee's application.
5. A surplus, displaced or at risk employee is a competitive or excepted service employee who:
 - Is at risk of separation due to position abolishment via site/facility closure;
 - In reach for separation from competitive Group I;
 - In reach for separation from competitive Group II; and/or
 - Has received a specific RIF notice or notice of proposed removal for declining a directed reassignment or transfer of function outside of the local commuting area.
6. The RPL must be cleared before filling vacant positions and must be documented in accordance with departmental policy.
7. Priority selection is required through the RPL process for any surplus, displaced or at risk employee who applies for a vacancy and is determined well-qualified for a position that has no greater promotion potential than the position from which he/she is being (or may be) separated, submits proof of his/her eligibility for selection priority, and has a current performance rating of record of at least fully successful for equivalent.

APPENDIX H DISCONTINUED SERVICE RETIREMENT

Discontinued Service Retirement (DSR) provides an immediate, possibly reduced annuity for employees who are separated against their will for purposes other than misconduct or delinquency. To qualify for DSR, an employee must receive a qualifying notice of a proposed separation due to:

- Reduction-In-Force (RIF);
- Position Abolishment;
- Lack of funds;
- Expiration of incumbent's term of office;
- Transfer of Function outside commuting area; and
- Directed reassignment outside commuting area (if the employee is not on a current mobility agreement). *Note the official notice of the directed reassignment is considered a qualifying notice for the purpose of DSR eligibility.*

A qualifying a notice must:

- Inform the employee that he/she faces involuntary separation from his or her position or from Federal service;
- Inform the employee that he/she faces involuntary separation from their position or from federal service;
- Specify the reason for the proposed action that is; and
- State the official date of the proposed action.

An employee is not eligible for DSR if he/she has declined a reasonable offer. For this purpose, a reasonable offer is:

- A position for which the employee meets the minimum qualifications;
- In the local commuting area; and
- In the same tenure and work schedule, no more than 2 grades lower than the employee's current position of record.

The employee must meet the following eligibility requirements in addition to receiving a qualifying notice of separation or directed reassignment:

Civil Service Retirement System.

The employee must meet one of the age and service requirements below at and Service separation:

- Age 50 with 20 years
- Any age with 25 years

If the employee is under age 55 at the time of retirement, the annuity rate is reduced two percent a year if under age 55.

If an employee has the minimum 5 years of creditable civilian service, creditable military service may be used to meet the balance of service necessary for DSR.

Exceptions to the order of release (as described in this policy memorandum) are allowed for employees who are involuntarily separated; and request to use their annual leave to achieve initial eligibility for retirement and/or continued health benefits coverage.

Federal Employee Retirement System (FERS)

The employee must meet one of the age and service requirements below at and Service separation:

- Age 50 with 20 years
- Any age with 25 years

Note: There is no annuity reduction in FERS for employees who retire on a discontinued service annuity under the age of 55. FERS annuity supplement is payable when the employee reaches their Minimum Retirement Age (MRA).

Directed Reassignments Outside of the Local Commuting Area.

An employee may be eligible for DSR when offered a directed reassignment outside of the commuting area unless the employee is under a mobility agreement.

Mobility Agreements.

An employee who accepts a position that has a mobility requirement is not eligible for a DSR if he or she subsequently declines a position outside the commuting area.

A separation is qualifying for DSR if:

A mobility agreement is added to an employee's position description after he/she accepts a position and the employee subsequently declines reassignment outside his or her commuting area.

A separation is **not** qualifying for discontinued service retirement If:

After the mobility agreement is added, the employee accepts one reassignment outside of the commuting area and the employee subsequently declines geographic reassignment.

APPENDIX I COMPETITIVE LEVEL CODES

Competitive (comp) levels must be established for all positions within a competitive area which are in the same grade (occupational level and classification series), and are similar enough in duties, qualification requirements, pay schedules, and working conditions so that an incumbent may be reassigned from one position to another (within the comp level), without undue interruption. The assignment of positions to comp levels must be based on the employee's official position description, not the employee's individual qualifications.

The key is to identify those positions where the work is related and requires like skills that could be learned within 90-days, in the event an employee has to be reassigned to another position within the comp level.

Other factors may also include an employee's official tour of duty (e.g., full-time, part-time, seasonal, or intermittent work schedules), formally designated training or developmental programs, supervisory or non-supervisory status, competitive and excepted service appointments. Such factors must be examined within each competitive area separately.

Examples of the above mentioned requirements are:

1. **Work schedule(s) – Tour of Duty:** Otherwise identical full-time and seasonal positions are placed in separate comp levels even when the organization conducts a Reduction-In-Force (RIF) while the seasonal employee happens to be working a full-time schedule. Alternate work schedules, i.e. regular telework schedules, are not a factor in the comp level code process.
2. **Formal Training Programs:** Separate comp level codes must be established for positions filed as part of a formally designated trainee or developmental program.
3. **Appointment Type:** Employees who are in the competitive service, on temporary appointments must be identified separately (or have separate comp level codes) in this process. Excepted employees with temporary appointments of 1-year or less can be included in a comp level provided that they have completed more than 1-year of current continuous service under the same type of appointment.
4. **Supervisory and/or Managerial Positions:** Separate comp levels for supervisors and/or managers (as defined by OPM's General Schedule Supervisory Guide (GSSG)), and in 5 USC 7103 (a) (10 (and (11), shall not be assigned to a comp level that contains non-supervisory or non-managerial positions. Additionally, since the duties and responsibilities of the GSSG manager and supervisor and the 7103 supervisor and management official differ substantially, SSCs and SHROs may need to place employees in each of these categories in separate comp levels (if applicable).

The following provides procedural guidance on how to establish and maintain comp level codes:

- Use the organization roster to group like series (501, 801, 1102, etc.). Include the name and position descriptions of employees listed in the particular series.
- Group like series according to grade levels (example: group all GS-0501-12's together, or GS-0501-11's together, or GS-0501-09's together, etc.).
- Review position descriptions of the employees falling within the same series and same grade to determine whether the duties and/or job requirements are similar.
- Group positions with similar duties/job requirements that fall within the same series, grade, and commuting area in the same comp level code.
- Use the comp level code sheet to record the data.
- Maintain and save the comp level code sheets and record them in a comp level code book.

COMPETITIVE AREA:

OCCUPATIONAL SERIES:

GRADE:

COMPETITIVE LEVEL:

POSITION NUMBER	INCUMBENT	TITLE

**APPENDIX J
RETENTION REGISTER EXAMPLES
COMPETITIVE AND EXCEPTED SERVICE POSITIONS**

Establishing Retention Registers

After grouping interchangeable positions into competitive levels, the SHRO/SSC must apply the four retention factors in establishing separate "Retention Registers" for each competitive level that may be involved in the RIF. The terms "Competitive Level" and "Retention Register" generally have the same meaning. "Retention Register" is the ranking of employees in the competitive level after applying the four retention factors.

The name of each employee must be listed on the retention register in the order of the employee's relative retention standing. For example, the employee with the highest standing is at the top of the register, and the employee with the lowest standing is at the bottom of the register. Retention Registers are prepared by using the four Key Elements: Tenure, Veterans' Preference, Length of Service and Performance.

Determining Retention Standing Tenure by Groups:

Group I - Includes career employees who are not serving on probation. A new supervisor or manager who is serving a probationary period that is required on initial appointment to that type of position is not considered to be serving on probation if the employee previously completed a probationary period.

Group II - Includes career-conditional employees, and career employees who are serving a probationary period because of a new appointment.

Group III - Includes employees serving under term and similar non-status appointments.

STEP 1: LIST BY TENURE GROUP	
Competitive Level: GS-201-11	
Bob	I
Carol	I
Ken	I
Susan	I
Jim	II
Alice	II
Tom	III

Determining Retention Standing-Veterans' Preference. Once the tenure groups are established, each of the three tenure groups are then placed into three subgroups based upon employees' entitlement to veterans' preference for RIF purposes:

1. Subgroup AD - Includes veterans who are eligible for RIF preference and who have a compensable service-connected disability of 30% or more.
2. Subgroup A - Includes veterans eligible for RIF preference who are not eligible for subgroup AD (including eligible spouses, widowers or widowers, and mothers of veterans).
3. Subgroup B - Includes nonveterans and others not eligible for RIF preference in subgroups AD and A.

In other words: Employees in each tenure subgroup are ranked for RIF retention by their service computation dates. RIF service computation dates begin with all creditable civilian and military service, and are then adjusted due to additional service credit for performance ratings. Employees with more creditable service are ranked ahead of those with less service in each subgroup. For example, an employee with a service computation date of August 1, 1974, is listed higher than an employee with a service computation date of January 15, 1981.

STEP 2: ADD TENURE SUBGROUP	
Competitive Level: GS-201-11	
Tenure Group + Veterans' Preference = Tenure Subgroup	
Bob	I AD
Carol	I A
Ken	I B
Susan	I B
Jim	II A
Alice	II B
Tom	III B

**APPENDIX K
SERVICE CREDIT EXAMPLE**

Determining Retention Standing-Total Creditable Service

Within each subgroup, the next step involves ranking employees by their respective service dates. The Core RIF team places the employee with the most service at the top of the subgroup, and places the employee with the least service at the bottom of the subgroup.

Retention service credit includes all creditable Federal civilian and military service.

For this purpose, a retired member of the Armed Forces with 20 or more years of military service who is not eligible for veterans' preference under the RIF regulations receives retention credit only for Armed Forces service during a war, or service performed in a campaign or expedition for which the individual received a badge.

STEP 3: ADD SERVICE COMPUTATION DATE (SCD)		
Competitive Level: GS-201-11		
Bob	I AD	09-01-68
Carol	I A	02-01-92
Ken	I B	09-15-88
Susan	I B	05-31-90
Jim	II A	10-01-91
Alice	II B	08-03-88
Tom	III B	12-14-97

APPENDIX L
SERVICE CREDIT FOR PERFORMANCE EXAMPLE

The following performance rating results reflect the rating and RIF timeframe allotted for the Department of Energy. Employees receive extra retention service credit for performance based upon the average of their last three annual performance ratings of record received during the 4 year period prior to the date the agency either (1) issues specific RIF notices, or (2) at its option, freezes ratings before issuing RIF notices. If an employee received more than three ratings during the 4 year period, the agency uses the three most recent annual ratings of record.

Most employees receive performance ratings of record under one of eight possible summary rating patterns required by paragraph 5 C.F.R. 430.208(d) of the performance appraisal regulations (e.g., a two-level "Pass/Fail" pattern, a traditional five-level pattern, etc.) The RIF regulations cover situations when all employees in the competitive area are covered by a single rating pattern (e.g., all employees are covered by a five-level pattern), as well as situations when employees in the competitive area are covered by more than one summary rating pattern (e.g., some employees are covered by a five level pattern, while other employees are covered by a two-level "Pass/Fail" pattern).

The amount of extra retention service credit with a single rating pattern is:

1. **20** additional years for each performance rating of "**Significantly Exceeds/Outstanding**" or equivalent (i.e., Level V);
 2. **16** additional years for each performance rating of "**Exceeds Expectations/Exceeds Fully Successful**" or equivalent (i.e., Level IV); and,
 3. **12** additional years for each performance rating of "**Meet Expectations/Full Successful**" or equivalent (i.e., Level III).
- Therefore applying the following formula: $\text{Rating} + \text{Rating} + \text{Rating} / 3 = \text{number of additional years for service credit}$.
-
- For modal ratings (i.e., employees who have less than (or have not received) 3 ratings), the formula will be $(\text{ratings} / \text{number of ratings received} = \text{years of additional service credit})$.
 - For the purpose of the chart below, "L" refers to Last Rating.

STEP 4: ADJUST SCD				
Competitive Level: GS-201-11				
		SCD	PERFORMANCE CREDIT SCD	ADJUSTED
Bob	I AD	09-01-68	$L5+L5+L4=20+20+16=56\div3=19$	09-01-49
Carol	I A	02-01-92	$L4+L5+L4=16+20+16=52\div3=18$	02-01-74
Ken	I B	09-15-88	$L4+L5+L4=16+20+16=52\div3=18$	09-15-70
Susan	I B	05-31-90	$L5+L5+L5=20+20+20=60\div3=20$	05-31-70
Jim	II A	10-01-91	$L5+L3+L3=20+12+12=44\div3=15$	10-01-76
Alice	II B	08-03-88	$L3+L3=12+12=24\div2=12$	08-03-76
Tom	III B	12-14-97	$L4=16\div1=16$	12-14-81

Employees coming into the Department from Pass/Fail Rating Systems:

STEP 4: ADJUST SCD (Pass/Fail)				
Competitive Level: GS-201-11				
		SCD	PERFORMANCE CREDIT SCD	ADJUSTED
Bob	I AD	09-01-68	$P+P+P=12+12+12=36\div3=12$	09-01-56
Ken	I B	09-15-88	$P+P+P=12+12+12=36\div3=12$	09-15-76
Susan	I B	05-31-90	$P=12\div1=12$	05-31-78
Carol	I A	02-01-92	$P+P=12+12=24\div2=12$	02-01-80

DOE does not give any additional service credit for performance ratings below Fully Successful or equivalent (i.e., no additional retention service credit for a rating of record below Level 3).

For example, an employee with 3 years of Federal service has one outstanding rating of record, (20), and two Exceeds Fully Successful (16) ratings of record. The employee would receive additional reduction in force service credit based upon the three actual ratings of record: $20 + 16 + 16 = 52$, divided by $3 = 17.3$, rounded up to 18 years of additional retention credit for performance.

Always rounds up a fraction (e.g., 17.3 years) to the next whole number (e.g., 18 years) for the final value of the employee's additional retention credit for performance.

- **Multiple Rating Patterns.** If there are employees in a competitive area who have performance ratings of record under more than one of the eight possible summary rating patterns, at its option the agency may provide different amounts of additional retention service credit for employees who have the same summary level, but are under different patterns. The range of additional service credit is still limited from 12 to 20 years.

For example, the agency may elect to provide employees who have a Level 3 (Fully Successful or equivalent) rating of record under a two-level Pass/Fail pattern with 18 years of additional retention service credit, while electing to continue providing employees who have a Level 4 (Exceeds Fully Successful or equivalent) rating of record under a five-level pattern with 16 years of additional retention service credit.

- **Less Than Three Ratings of Record.** If an employee received one or two, but not three ratings of record during the applicable 4-year period, the agency gives credit for performance on the basis of the actual rating(s) of record divided by the number of actual ratings received.
- **Modal Rating.** If an employee did not receive any ratings of record during the applicable 4-year period, the agency gives retention credit on the basis of a single "**Modal Rating**" for the employee's summary level pattern.

The modal rating is the summary rating level given most frequently in the competitive areas. For example, if Level 4 (Exceeds Fully Successful) is the most frequent rating of record for employees covered by a five-level pattern, Level 4 is the modal rating for an employee under that pattern who did not receive any ratings of record.

APPENDIX M - RUNNING RETENTION REGISTERS
(Using the DOEs performance management system for the example)

STEP 5: PLACE IN RETENTION ORDER				
Competitive Level: GS-201-11				
		SCD	PERFORMANCE CREDIT SCD	ADJUSTED
Bob	I AD	09-01-68	$L5+L5+L4=20+20+16=56\div3=19$	09-01-49
Carol	I A	02-01-92	$L4+L5+L4=16+20+16=52\div3=18$	02-01-74
Susan	I B	05-31-90	$L5+L5+L5=20+20+20=60\div3=20$	05-31-70

STEP 6: EMPLOYEES RELEASED FROM COMPETITIVE LEVEL				
Competitive Level: GS-201-11				
		SCD	PERFORMANCE CREDIT SCD	ADJUSTED
Bob	I AD	09-01-68	$L5+L5+L4=20+20+16=56\div3=19$	09-01-49
Carol	I A	02-01-92	$L4+L5+L4=16+20+16=52\div3=18$	02-01-74
Susan	I B	05-31-90	$L5+L5+L5=20+20+20=60\div3=20$	05-31-70
		Ken	Released	
		Jim	Released	
		Alice	Released	
		Tom	Released	

STEP 6: EMPLOYEES RELEASED FROM COMPETITIVE LEVEL				
Competitive Level: GS-201-11				
		SCD	PERFORMANCE CREDIT SCD	ADJUSTED
Bob	I AD	09-01-68	$L5+L5+L4=20+20+16=56\div3=19$	09-01-49
Carol	I A	02-01-92	$L4+L5+L4=16+20+16=52\div3=18$	02-01-74
Susan	I B	05-31-90	$L5+L5+L5=20+20+20=60\div3=20$	05-31-70
		Ken	Released	
		Jim	Released	
		Alice	Released	
		Tom	Released	