



# UNIFORMED SERVICES UNIVERSITY OF THE HEALTH SCIENCES



## SUBJECT: Reduction in Force, Transfer of Function, and Furlough

SEP 13 2000

### Instruction 1426

(CHR)

#### ABSTRACT

This Instruction implements Office of Personnel Management (OPM) regulations governing reduction in force, transfer of function, and furlough. It also incorporates information from OPM and the Department of Defense (DoD) to provide guidance in carrying out these actions at the Uniformed Services University of the Health Sciences (USUHS) and the Armed Forces Radiobiology Research Institute (AFRRI).

**A. Reissuance and Purpose.** This Instruction reissues USUHS Instruction 1426<sup>a</sup> and establishes policies and procedures by which reduction in force, transfer of function, and furlough actions will be conducted.

**B. References.** *See Enclosure 1.*

**C. Applicability.** This Instruction applies to all USUHS and AFRRI General Schedule (GS), Federal Wage System (WG), and Administratively Determined (AD) employees in the Competitive and Excepted Service.

**D. Definitions.** *See Enclosure 2.*

**E. Policy.** It is USUHS and AFRRI policy that:

1. Employees be kept informed regarding reductions in force, transfers of function, and furloughs in order to prevent adverse effects on employee morale and to enable employees the opportunity to plan for the future.

2. Regulations, policies, and procedures found in 5 CFR, Part 351<sup>b</sup> and DoD Directive 1400.20-1-M<sup>c</sup> shall be followed.

3. The separation of employees by reduction in force will be used only after all other available and feasible placement efforts have failed.

**F. Responsibilities.**

1. The President, USUHS shall:
  - a. Ensure that advance planning is done to consider alternatives that will minimize the impact of reductions in force, transfers of function, and furloughs whenever possible.
  - b. Ensure that reductions in force are not used inappropriately (e.g., to resolve performance problems).
  - c. Establish competitive areas for the USUHS in conjunction with the Director, Civilian Human Resources (CHR) Management Directorate.
  - d. Assist the CHR in establishing competitive levels.

2. The Director, Civilian Human Resources shall:

a. During a Reduction In Force:

(1) If appropriate, notify Department of Labor organizations and DoD offices.

(2) Furnish information and specific steps to follow.

(3) Prepare retention registers of all persons affected by a reduction in force, indicating any job offers or proposed separations.

(4) Review Official Personnel Folders (OPFs) to determine assignment rights, and to ensure employees are given proper performance credit for reduction in force competition.

(5) Prepare and deliver notices to affected employees.

(6) If necessary, prepare revised or cancellation notices and deliver them to employees.

(7) Maintain consolidated listings to record all acceptances and declinations of job offers or other changes, and adjust listings and notices of proposed actions.

(8) Counsel all affected employees during the entire cycle of the reduction in force and provide outplacement assistance for eligible persons desiring continued employment.

(9) Take action to enter names of separated employees on the USUHS Reemployment Priority List (RPL), register employees in the DoD Priority Placement Program (PPP), and the Defense Outplacement Referral System (DORS).

(10) Maintain all records pertaining to a reduction in force.

b. During a Transfer of Function:

(1) Prepare notices of functional transfers and deliver them to identified personnel.

(2) Prepare separation notices for delivery to employees who decline to transfer with their function.

(3) Take action to register those eligible employees who decline to transfer with their functions outside the commuting area in the USUHS RPL, DoD PPP, and DORS.

(4) Maintain all records to the transfer of function.

c. During a Furlough:

(1) Furnish guidance in the determination of applicability of furlough action.

(2) Use activity-furnished lists of positions as a guide to determine the employees to be furloughed.

(3) Prepare and distribute furlough notices.

(4) Prepare letters to furloughed employees notifying them of recall to duty.

(5) Maintain all records pertaining to furlough actions.

3. Department Chairs and Activity Heads shall:

a. During a Reduction In Force:

(1) Consult with CHR to ensure that the proposed action is in fact a reduction in force and that all advance requirements are met.

(2) Determine which positions are surplus.

(3) Determine the effective date of the reduction in force.

(4) Furnish CHR a list of positions to be abolished at least 90 days before the effective date of the reduction in force.

b. During a Transfer of Function:

(1) Forward to CHR copies of authorizations for the transfer along with a list of functions identified for transfer.

(2) Consult with CHR on the identification of employees with the

transferring function.

(3) Distribute advance notices of functional transfers and collect and forward signed notices to CHR within the time period specified for reply.

(4) Prepare and issue travel orders when required.

c. During a Furlough:

(1) Confer with CHR to determine whether a furlough is the applicable action.

(2) Ensure that all advance approvals have been obtained prior to initiating furlough actions.

(3) Furnish CHR with a list of positions to be affected by the furlough.

(4) Determine the duration of the furlough.

(5) Notify CHR and provide Requests for Personnel Action (SF-52) for all positions to be filled by recall of furloughed employees.

**G. USUHS Competitive Areas.** *See Enclosure 3.*

**H. Procedures.** *See Enclosure 4.*



Charles L. Rice, M.D.  
President

Enclosures:

1. References
2. Definitions
3. USUHS Competitive Areas
4. Procedures

**REFERENCES**

- (a) USUHS Instruction 1426, "Reduction in Force, Transfer of Function, and Furlough," dated March 24, 1999 (hereby cancelled)
- (b) Title 5, Code of Federal Regulations, Part 351, "Reduction in Force"
- (c) DoD Directive 1400.20-1-M, "DoD Program for Stability of Civilian Personnel," dated January 10, 1989
- (d) USUHS Instruction 1100A, "Appointment, Promotion and Tenure of Faculty," dated August 27, 2003
- (e) USUHS Instruction 1423, "Faculty Performance Management System," dated March 24, 1999
- (f) USUHS Instruction 1436, "Performance Management Program," dated May 28, 1993



## DEFINITIONS

1. Competitive Area: The organizational and geographic boundaries within which employees compete for retention under reduction in force procedures. Annexes, auxiliary stations, branch offices, divisions, satellite personnel offices or other organizational components of activities may be considered as separate competitive areas or combined with another competitive area, including the host activity. Competitive areas must be established 90 days prior to the effective date of a reduction in force.

2. Competitive levels: A group of positions with the same classification. The positions are similar enough in duties, qualification requirements, pay schedules, and working conditions so that the incumbent of any position can successfully perform the critical elements of any other position in the level. Employees reassigned within their competitive level should be able to perform

successfully without any loss of productivity beyond that normally expected in the orientation of any new, but fully qualified employee.

3. Excepted Service: An appointment or a position that OPM has exempted from the competitive service. For example, USUHS faculty positions, USUHS positions paid from grant funds, appointments of the handicapped, student employment, etc.

4. Retention Register: A listing of all employees by competitive level according to tenure status, veterans preference, length of service, and performance rating of record. Separate registers must be maintained for employees in the competitive service and excepted service, for excepted service positions filled under different appointing authorities, and for positions under different work schedules.

## USUHS COMPETITIVE AREAS

USUHS competitive areas are as follows:

1. Washington Metropolitan Area.
  - a. USUHS departments and offices under the administrative authority of the USUHS.
  - b. USUHS organizations under separate administrative authority (i.e., the Armed Forces Radiobiology Research Institute).
2. Outside the Washington Metropolitan Area.
  - a. USUHS offices serviced by other civilian human resource offices.
  - b. USUHS offices serviced by the USUHS CHR.

## PROCEDURES

**A. Reduction in Force.** This occurs when one or more employees are to be released from a competitive level by a separation, a change to a lower grade, a furlough for more than 30 days, or a reassignment involving displacement. Causes for this action can be:

1. A lack of work.
2. A shortage of funds.
3. An insufficient personnel ceiling.
4. Reorganization.
5. The exercise of reemployment rights or restoration rights.
6. Reclassification of an employee's position due to an erosion of duties.

Additional provisions for the separation of faculty members are contained in USUHS Instruction 1100A<sup>d</sup>. Actions listed above will involve the following:

7. **Notice.** Employees serving under appointments without time limitation, including employees who are paid with extramural funds, will be given a minimum of 60 full days' specific advance notice during which they will be in an active duty status. Notices of reduction in force shall be in writing and will include information in section A.2. below. When a significant number (50 or more) of DoD employees are released by a reduction in force, they are entitled to a minimum of 120 full days' specific written notice. In an emergency, when the activity lacks work or funds for all or part of the notice period, it may, with or without the employee's consent, place the employee in an annual leave, leave without pay, or non-pay status. The placement of an

employee in a leave without pay or non-pay status in such cases may require the use of furlough procedures. The 60 day specific notice period applies to employees being separated, reduced in grade, or required to accept assignments beyond the commuting area in a transfer of function.

At management's discretion, an additional notice period beyond 60 days may be approved in an active duty status, annual leave, or leave without pay status for a total notice period of up to 90 days.

Specific reduction in force notices may be issued more than 90 days prior to a reduction in force action.

When the best offer that can be made is a change to a lower grade, the notice must specify a date (normally within 5 workdays) that the employee must accept or decline the offer.

Reduction in force and other termination notices that provide an effective date during the period December 15 through January 3 will not be issued or delivered to employees until after January 3. Exceptions to this policy will be made in accordance with DoD Directive 1400.20-1-M<sup>c</sup>.

Employees serving under temporary limited appointments and excepted limited appointments, including grant funded employees, should receive a reasonable termination notice of not less than 5 work days because of a lack of work or a lack of funds.

When 50 or more employees in a commuting area will be separated, special notices to Federal and nonfederal organizations are required as follows:

a. **Notice to Unemployment Insurance Service.** The Department of Labor requires that agencies provide notice as far in advance as possible.

b. Notice to other organizations. When 50 or more employees in a competitive area receive notices of separation by reduction in force, the agency must also notify the organizations listed below. These notices must be sent at the same time separation notices are issued to employees:

(1) State dislocated worker unit as designated or created under Title III of the Job Training Partnership Act.

(2) Local governmental official. The chief elected governmental official of local government(s) within which the separations will occur.

(3) OPM. Agencies should send a notice to the OPM area office with jurisdiction over the work site.

8. Content of Specific Notice. Specific reduction in force notices must contain the following information:

a. What reduction in force action is being taken (e.g., separation, demotion, furlough for more than 30 days, etc.).

b. The reasons for the reduction in force.

c. The effective date of the action.

d. The employee's competitive area, competitive level, retention subgroup, service date, and annual performance ratings of record received during the last three, or if applicable, four years.

e. The place where the employee may inspect the regulations and records pertinent to his or her case.

f. If applicable, the reasons for retaining a lower standing employee under a mandatory exception, a discretionary continuing exception, or a discretionary temporary exception.

g. If applicable, an explanation that employees are being separated under the liquidation procedures without regard to

retention standing within the subgroup, and the date the liquidation reduction in force will be completed.

h. As applicable, the employee's right to appeal the reduction in force to the Merit Systems Protection Board (MSPB) under the provisions of the Board's regulations.

i. Information on the DoD PPP, RPL, and the Interagency Career Transition Assistance Plan (ICTAP).

j. Information on how to apply for unemployment insurance through the appropriate state office.

9. Credit for Performance. An employee is given performance credit for reduction in force competition when his/her performance meets certain requirements. Credit is given by adjusting the employee's service computation date (SCD) for reduction in force purposes. Additional service credit is based on the mathematical average (rounded up to the next whole number) of the employee's last three annual performance ratings of record received during the four year period prior to the date specific notices of reduction in force are issued. When valid ratings are not available, or when the employee has less than four years of service, presumed ratings of Fully Successful (Level 3) are used. If an employee has more than three annual performance ratings of his/her record during the four years prior to the date of the specific notice, the three most recent ratings are used. Service credit (prior to averaging) is assigned as follows:

a. 20 additional years of service for each performance rating of Outstanding (Level 5).

b. 16 additional years of service for each performance rating of Exceeds Fully Successful (Level 4).

c. 12 additional years of service for each performance rating of Fully Successful



(Level 3).

d. No additional service credit is given for performance ratings below Fully Successful (Level 2).

To provide adequate time to determine employee retention standing, the cutoff date for use of new ratings of a record is set at 30 calendar days prior to the date of specific reduction in force notices. The rating cycle may not be changed for the purposes of affecting an employee's retention standing. Information on rating cycles and procedures for performance ratings are in USUHS Instructions 1423<sup>e</sup> and 1436<sup>f</sup>.

For faculty positions affected by a reduction in force, additional requirements may be imposed from time to time. Such requirements are contained in USUHS Instruction 1100A<sup>d</sup>.

10. Appeal. Employees furloughed for more than 30 days, separated, or demoted by a reduction in force action may appeal to the MSPB. Employees must be informed of their appeal rights and any time limits or other restrictions imposed in the appeal process. This notification shall be included in the specific reduction in force notice.

11. Early Retirement. OPM may authorize early optional retirement for employees of an activity or segment of an activity when it is determined that a major reduction in force, reorganization, or transfer of function is underway. Requests for voluntary early retirement must be approved by DoD and forwarded to OPM for final approval. When authorized, employees may retire at age 50 with 20 years of service, or at any age with 25 years of service.

12. Discontinued Service Retirement.

To be eligible for discontinued service retirement, the employee must have declined a reasonable offer of another position for which he/she was qualified. The position offered and declined cannot be lower than two grades or pay levels below the employee's current position and must be in the commuting area. The age and service requirements are the same as listed for Early Retirement.

13. Civilian Assistance. The DoD Civilian Assistance and Re-Employment (CARE) Program establishes policy and delegates authority for civilian separation incentives, retraining and outplacement assistance, transition entitlements, and benefits. The provisions of this program will be used to avoid the need for involuntary separations during a reduction in force and/or create vacancies for the placement of employees subject to RIF separation.

**B. Transfer of Function.** Transfer of function occurs when the performance of a continuing function is transferred from one competitive area to one or more other competitive areas, except when the function involved is virtually identical to functions already being performed in the other competitive areas(s); or, a competitive area is moved from one commuting area to another. Transfer of function actions must be processed and put into effect in accordance with provisions of this Instruction.

**C. Furlough.** Furlough occurs when one or more employees are placed in a temporary non-duty and non-pay status on a continuing basis (i.e., 10 consecutive days), or a discontinuous basis (i.e., 1 day a week). Reduction in force procedures must be followed to furlough an employee when the

#### **Enclosure 4**

furlough will be for more than 30 consecutive days (or more than 22 work days if done on a non-continuous basis) and is caused by one of the reasons listed in section A. above. Furlough is not used

unless it appears certain that the reduction is a temporary condition and that the furloughed employee(s) will be returned to duty within one year into the position from which furloughed.