UNITED STATES OFFICE OF PERSONNEL MANAGEMENT
Washington, DC 20415

MEMORANDUM

To:	Chief Human Capital Officers
From:	Veronica E. Hinton, Associate Director, Workforce Policy and Innovation
Date:	November 16, 2026
Subject:	Implementing the Revised Reduction in Force Regulations: Updated Workforce Reshaping Handbook

The U.S. Office of Personnel Management (OPM) is releasing the revised Workforce Reshaping Handbook: A Guide for Agency Management and Human Resource Offices. The handbook helps agencies plan and carry out reshaping actions, such as transfer of function and reduction in force (RIF), in compliance with merit system principles, laws, and regulations.

This edition reflects OPM's revised RIF regulations, published at 91 FR 49178 (August 3, 2026), and corrected at 91 FR 54794 (August 25, 2026) and 91 FR 58363 (September 15, 2026). The regulations took effect September 2, 2026. Agencies that issue RIF notices on or after September 2, 2026, must apply the revised regulations. RIFs for which notices were issued before September 2, 2026, continue under the prior regulations (see Appendix R, Section 7). Key points for agency planning include:

- Retention order: Performance credit is now the primary retention factor, followed by veterans' preference points, tenure subgroup, and length of service.
- Notice: Each competing employee must receive at least 60 days' specific written notice of a RIF action, including separation, demotion, and furlough, unless OPM has approved a shorter notice period at the agency's request because the RIF is caused by circumstances not reasonably foreseeable.
- Competitive areas: Establishing or materially changing a competitive area within 90 days of RIF notice issuance requires written justification and OPM approval.
- Planning and records: Agencies should use the Annual Staffing Plan to plan reshaping in advance and must keep RIF registers and records for at least 2 years.

The handbook follows the reshaping process from start to finish, with chapters on management and human resources roles, RIF procedures, post-RIF programs, and transfer of function. It also includes appendices with checklists and Voluntary Early Retirement Authority (VERA) and Voluntary Separation Incentive Payment (VSIP) guidance. The attached Navigation Guide summarizes the handbook's chapters and appendices to help readers find what they need. Additional RIF resources and templates are available at RIF Resources and Templates.

OPM encourages agencies to review the handbook and incorporate it, as appropriate, into their reshaping policies and procedures. OPM also encourages agencies to train RIF teams on the revised regulations and confirm that any automated RIF system reflects the regulations in effect on the date notices will be issued.

OPM offers reimbursable support, including access to the Workforce Reshaping Tool, RIF consultation, and training (see Appendix Q).

For additional information or technical assistance, agency headquarters human resources offices may email WPIntake@opm.gov.

cc: Agency Chiefs of Staff, Deputy Chief Human Capital Officers, and Human Resources Directors

Attachments: Workforce Reshaping Handbook; Workforce Reshaping Navigation Guide

Workforce Reshaping Handbook

Navigation Guide

Use this guide to find the part of the handbook you need. Chapters I–IX explain the roles, rules, and procedures for workforce reshaping and reduction in force (RIF). The appendices provide checklists, program details, quick-reference tables, and a glossary that supports the chapters.

Page numbers are the starting pages shown in the handbook's table of contents.

Purpose and Chapters

Chapter	Page	Summary
Purpose of the Workforce Reshaping Operations Handbook	6	Explains that the handbook helps agencies considering or carrying out reshaping (reorganization, furlough, transfer of function, or reduction in force) and names its audience of leaders, managers, and human resources (HR) staff. It reflects the Office of Personnel Management's (OPM's) revised RIF regulations effective September 2, 2026, and shows how the handbook follows the reshaping process.
Chapter I: Management's Role and Responsibilities	8	Walks managers through the early steps of reshaping: analyzing mission requirements, weighing critical management considerations, and minimizing the need for a RIF. It then covers deciding whether to implement a RIF and communicating the effort.
Chapter II: The Office of Human Resources' Role and Responsibilities	20	Describes the HR office's role: establishing the RIF team, taking preliminary actions, preparing retention registers, determining rights to other positions, issuing notices, and counseling employees. Each topic is brief and points to the detailed procedures in Appendices A, D, and I–L.
Chapter III: Reduction in Force – Coverage and Retention Standing	30	Sets out which actions and employees the RIF regulations cover, and how a RIF differs from reorganization, misclassification, or job erosion. It explains competitive areas and levels, retention registers, and how retention standing is set through tenure group, performance, veterans' preference, and length of service.

Chapter	Page	Summary
Chapter IV: Reduction in Force – Release and Assignment Rights	63	Explains how employees are released from a competitive level and what follows. It covers determining and offering assignment rights, including vacancies, grades, representative rates, qualifications, trainee positions, security clearances, and administrative assignment options.
Chapter V: RIF Notices to Employees	95	Describes the specific RIF notice: what it is, what it must contain, and the notice period, plus amended and new notices. It also covers added requirements for separations, exceptions to the minimum notice period, certification of expected separation, and notices when a competitive area is abolished or employees do not compete.
Chapter VI: RIF Appeals	103	Explains who may appeal a RIF action to OPM (employees separated, demoted, or furloughed beyond stated limits), the 30-day filing window, and the appeal-rights information a decision notice must include. Notices issued before September 2, 2026, follow the Merit Systems Protection Board route.
Chapter VII: RIF Grievances	105	Explains when an employee covered by a collective bargaining agreement must use the negotiated grievance procedure instead of an appeal. It addresses time limits and the election of procedure when discrimination is alleged. It applies only to RIFs noticed before September 2, 2026.
Chapter VIII: Post-RIF Actions	106	Describes assistance for employees affected by a RIF: the Career Transition Assistance Plan (CTAP), the Interagency Career Transition Assistance Plan (ICTAP), the Reemployment Priority List, and retraining under the Workforce Innovation and Opportunity Act of 2014. Detailed procedures are in Appendices M, N, and O.
Chapter IX: Transfer of Function	114	Provides guidance on transfers of function: applicability, agency responsibility, and how to apply the regulations. It covers identifying affected employees and positions, the rights of employees in the losing and gaining agencies, transfer for liquidation, canvass letters, and appeals and grievances.

Appendices

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Appendix A: Assigning Responsibilities to Facilitate the RIF	122	Advises senior management to designate in writing the duties of everyone involved in a RIF and to set up a way to coordinate the teams. It describes the typical responsibilities of agency management, the HR office, and the RIF teams.
Appendix B: Management's Decision to Implement RIF	126	A checklist of management decisions needed before a RIF: obtaining approval, identifying abolished positions and post-RIF positions, and determining whether the whole competitive area will be abolished within 180 days. Use it to confirm the decision is documented before HR begins.
Appendix C: RIF Items Checklist	135	A one-table checklist of the RIF items and decisions covered in the handbook, with a column to mark those that apply. Use it as a master tracker that cross-references the other appendices.
Appendix D: RIF Team Preliminary Actions Checklist	140	Lists the preliminary tasks the RIF team completes before running a RIF, such as inventorying occupied and vacant positions in each competitive area and reconciling them with the personnel roster. It also covers documenting employees on nonpermanent assignments like details.
Appendix E: RIF Team Skills Inventory Checklist	150	A sample inventory for recording each RIF team member's downsizing skills and how they were gained (training, experience, or both). Agencies can use it to staff the teams and plan training, and may adapt it.
Appendix F: RIF Team Skills Update	155	Lists the knowledge a RIF team should have, including the RIF regulations in 5 CFR part 351. Topics include computing service computation dates, veterans' preference, crediting performance, qualifications for assignment, and which actions and employees are covered.
Appendix G: Voluntary Early Retirement Authority (VERA)	158	Explains VERA, which lets employees of an agency undergoing major change retire early. It covers employee retirement eligibility and how an agency requests OPM approval.

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Appendix H: Voluntary Separation Incentive Payment (VSIP)	161	Covers VSIP ("buyouts") in eight sections: definitions, overview, requesting OPM approval, offering VSIP to employees, agency management, OPM oversight, repayment on reemployment, and waiver of repayment. It notes that VERA approval does not automatically authorize VSIP.
Appendix I: Preparing and Using Retention Registers	171	Step-by-step guidance for the RIF team to prepare retention registers, identify employees released because of position abolishment, and check for rights to continuing positions on other registers. It lists the employee data to verify first, such as ratings of record and veterans' preference subgroup.
Appendix J: Determining Rights to Other Positions	176	Guides the RIF team in determining assignment rights for released employees. It covers establishing representative rates and each position's normal line of progression, then identifying the best available offers.
Appendix K: Issuing RIF Notices	184	Explains how the RIF team determines each released employee's benefit eligibility (such as grade and pay retention, severance pay, and retirement options) and builds the correct notice. It covers assembling, reviewing, and delivering notices.
Appendix L: Counseling Employees on Procedures and Options	191	Offers practical guidance on planning group and individual counseling sessions, including timing, length, and recordkeeping. It also describes outplacement counseling and the career transition services agencies provide under CTAP.
Appendix M: Career Transition Assistance Plan (CTAP)	193	Detailed CTAP procedures for surplus and displaced employees: qualifying conditions, start and end of eligibility, notification, order of selection, exceptions, and application. It also covers proof of eligibility, agency selections, and oversight and appeals.
Appendix N: Reemployment Priority List	203	Detailed Reemployment Priority List procedures: eligibility based on RIF or compensable injury, length of and early loss of eligibility, and registration. It also covers consideration and selection procedures, restrictions on filling positions, qualifications, appeals, and corrective action.

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Appendix O: Interagency Career Transition Assistance Plan (ICTAP)	220	Detailed ICTAP procedures for displaced employees seeking jobs in other agencies: qualifying conditions, eligibility dates, notification, order of selection, and exceptions. It also covers applications, proof of eligibility, agency selections, and OPM oversight.
Appendix P: Post-RIF Actions	230	Describes what the HR office does after a RIF: evaluating the planning and implementation, responding to appeals and grievances, and preserving retention records. It also covers continued outplacement support and Reemployment Priority List rights for separated employees.
Appendix Q: OPM Reimbursable Services for Workforce Reshaping	232	Lists OPM's fee-based reshaping services: organizational design consulting, RIF planning and implementation support (including the automated RIF tool), career transition services, and post-reshaping stabilization such as succession planning. Contact OPM's HR Solutions for pricing.
Appendix R: Tenure Groups and Subgroups Quick Reference	234	Quick-reference tables on how retention standing is set, the competitive and excepted service tenure groups, and veterans' preference subgroups. It also lists employees excluded from RIF competition or coverage and key differences for RIFs noticed before September 2, 2026.
Appendix S: Glossary of Terms	241	Defines key terms used in the handbook, such as assignment right, competitive area, competitive level, and competing employee. Check it when a term in the chapters or appendices is unclear.

Workforce Reshaping Handbook

U.S. Office of Personnel Management

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Purpose of the Workforce Reshaping Operations Handbook

This Workforce Reshaping Operations Handbook provides assistance to agencies that are considering and/or undergoing some type of reshaping (e.g., reorganization, management directed reassignments, furlough, transfer of function, reduction in force). This handbook provides agencies with guidance, options, and, where necessary, specific operational procedures designed to ensure that reshaping efforts comply with merit system laws and regulations.

This edition reflects OPM's revised reduction in force (RIF) regulations. They were published at 91 FR 49178 (August 3, 2026) and corrected at 91 FR 54794 (August 25, 2026) and 91 FR 58363 (September 15, 2026). They took effect September 2, 2026. Those regulations are designed to make restructuring faster, simpler, and more merit-based.

Audience

This handbook is designed for any agency leader or manager and human resources office staff that is considering or undergoing workforce reshaping, especially those who find their reshaping efforts will result in a reduction in force.

Materials needed

Agencies should use this handbook in conjunction with:

- Specific authorities cited in the agency's policy;
- Applicable articles contained in the agency's collective bargaining agreement(s), where the agency or subdivision remains covered by chapter 71 of title 5, United States Code (see Executive Orders 14251 and 14343);
- Applicable laws in title 5, United States Code; and
- Regulations published in title 5, Code of Federal Regulations (CFR).

(While the information in this handbook is current as of the date of issue, any changes in regulation or law will supersede the information in this handbook.)

How the handbook is organized

OPM has organized this handbook in a manner that corresponds to the reshaping process, starting with developing, reviewing and analyzing mission requirements and finishing with post-RIF tools such as the Career Transition Assistance Plan. These major steps fall into two areas of responsibility—management and human resources:

Management's Role and Responsibilities (Chapter I);

- Developing, Reviewing and Analyzing Mission Requirements (Section A);

- Identifying Critical Management Considerations When Reshaping (Section B);
- Minimizing the Need for RIF as a Result of Reshaping (Section C);
- Deciding Whether to Implement a RIF (Section D); and
- Communicating the Reshaping Effort (Section E)

The Human Resource Office's (HR) Role and Responsibilities (Chapter II)

- Establishing a RIF Team (Section A);
- Taking Preliminary Actions (Section B);
- Preparing and Using Retention Registers (Section C);
- Determining Rights to Other Positions (Section D);
- Issuing RIF Notices (Section E); and
- Counseling Employees on Procedures and Options (Section F)

Readers can find guidance on conducting a reduction in force in Chapters III, IV, and V, which together cover the conduct of a RIF in sequence. RIF appeals are addressed in Chapter VI and RIF grievances in Chapter VII. Post-RIF actions are discussed in Chapter VIII, and transfer of function is covered in Chapter IX. The Appendixes outline specific, step-by-step guidance on topics ranging from assigning responsibilities to facilitate the RIF to implementing voluntary early retirement authority.

Chapter I: Management's Role and Responsibilities

Chapter I provides guidance to managers on:

- Developing, reviewing, and analyzing mission requirements (Section A)
- Identifying critical management considerations when reshaping (Section B)
- Minimizing the need for reduction in force (RIF) as a result of reshaping (Section C)
- Deciding whether to implement a RIF (Section D)
- Communicating the reshaping effort (Section E)

Section A: Developing, Reviewing, and Analyzing Mission Requirements

The first step management must take to prepare for workforce reshaping is to develop, review, analyze, and prioritize mission requirements. Overlooking this essential step will undermine the effectiveness of the workforce reshaping process.

Use the Annual Staffing Plan and Budget Cycle to Identify Reshaping Opportunities. Executive Order 14356 and 5 CFR 250.205, as revised, require each agency to prepare an Annual Staffing Plan (ASP) and update it every quarter. The ASP must look for ways to work more efficiently, such as restructuring, cutting unneeded layers and functions, and using technology (5 CFR 250.205(c)).

Agencies should use the ASP to spot positions that will not be needed next year, so that any resulting reshaping, including a RIF, is planned ahead rather than forced by the budget (see OPM's Agency Planning, Budget, Performance, and Workforce Alignment Framework and Timeline (2026)).

Additional Considerations. Some areas management should consider when developing, reviewing and analyzing mission requirements include:

- Current and emerging mission requirements, including technology.
- Knowledge, skills, and abilities needed for current and future positions.
- Positions (by series, grade and location) that are required to perform the current and emerging mission.
- Current and projected education levels, training, and/or cross-training required for current and future positions that will perform the mission.
- Positions (by series, grade, and location) that do not support the reshaped, reorganized, reduced, or unfunded mission.

- Current and projected attrition and turnover rates (including retirement eligibles over at least the next one to five years).
- Current and projected accession rates.

Section B: Identifying Critical Management Considerations When Reshaping

Top Leadership Commitment: Are the organization's top leadership and line management committed to the proposed reshaping effort, including any management-directed reassignments or reductions in force (RIF) that may occur?

In addition to being committed to the effort, these officials are the decision makers. They hold the authority to make each determination the effort requires, and they must be prepared to make those determinations and be accountable for each determination the effort requires.

Purpose of Reshaping: What is the principal reason for the reshaping effort (e.g., budgetary shortfall, privatization of work, change in program priorities, mission transferred to another organization)? Sometimes the purpose is both mission-related and budget-driven.

Scope: What is the size of the reshaping effort in terms of the number of positions affected by management's actions? The size and reasons for the reshaping effort will directly affect the agency's options for minimizing the impact on employees. For example, closure of a large activity will result in more disruption to the organization and may require more extensive outplacement efforts than a reorganization within a division, which may result in a few involuntary reductions in grade.

Timing: How much time does management have to implement the workforce reshaping effort? Typically, the more time an organization has to implement its workforce reshaping, the less likely the need to conduct a formal reduction in force (RIF). If a RIF is necessary, the rules are meant to make the process faster and simpler. Agencies should plan around the steps that take the most time (checking employee data, setting up competitive areas at least 90 days before notices, administering any required qualification assessments, and the 60-day notice period) and, where the agency will abolish all positions in a competitive area within 180 days, should use the streamlined procedure in 5 CFR 351.605, which requires no retention register and no assignment-right analysis rather than around the multi-round displacement analysis the former regulations required.

General versus Specific: Does management need to reduce whole numbers as in "across the board cuts," or is there the possibility of reshaping specific functions within the organization? There is typically less disruption to an organization when specific functions are reshaped than when entire operations are closed.

Strategies: Is management prepared to offer a variety of strategies (e.g., deferred resignation programs, voluntary and management-directed reassignments, cross-training, voluntary early out retirement authority (VERA), and voluntary separation incentive pay (VSIP)) to avoid a RIF? These decisions should be considered well in advance of the announcement of the reshaping effort, and should take into account the costs of such strategies.

Communication: Does management have an effective communication strategy for all parts of the organization? It is important to address all levels of the organization (i.e., leadership, employees, and, where applicable, exclusive representative). There are several ways this can be accomplished—"town halls," staff meetings, email, agency websites, and letters mailed to employees' homes.

Labor-Management Relations: Has management identified its collective bargaining obligations for the reshaping effort? Under 5 U.S.C. 7106(a), management has the right to lay off and retain employees. This includes the decision to conduct a RIF and the decision on which positions to abolish or retain. The order of retention is also governed by 5 U.S.C. 3502 and 5 CFR part 351. Because a Government-wide regulation controls retention order, it is not a matter on which an agency may bargain (see 5 U.S.C. 7117(a)(1)).

Bargaining obligations where chapter 71 applies. Where an agency or subdivision remains covered by chapter 71 of title 5, United States Code, the agency must still:

- give the exclusive representative notice and an opportunity to bargain over the procedures management will observe in carrying out the RIF and appropriate arrangements for adversely affected employees (5 U.S.C. 7106(b)(2) and (b)(3)); and
- meet its obligations under 5 U.S.C. 7113 and 7114, including the union's right to consult on any substantive change in conditions of employment proposed by the agency and attend formal discussions and to request information, respectively.

Agencies should build these obligations into the reshaping timeline rather than assume that implementation can proceed first.

Conflicting CBA provisions. A collective bargaining agreement provision that conflicts with law, Government-wide regulation, or reserved management rights may be unenforceable. Agencies should consult labor relations staff and agency counsel before declining to honor any such provision.

Excluded agencies. Agencies and subdivisions excluded from chapter 71 under Executive Order 14251 or Executive Order 14343 have no bargaining or union-notice obligation for a RIF.

Other Considerations

- Are agency personnel records current, accurate, and readily available in the agency's human resources data system and electronic Official Personnel Folder (eOPF)? Has the agency given employees an opportunity to review and correct the records on which RIF retention standing and assignment rights depend (official position description, ratings of record, service computation date, veterans' preference documentation, and qualifications)? See Chapter III, Section M, and Appendix D.
- Has the agency chosen an automated RIF system (such as OPM's Workforce Reshaping Tool (WRT)), checked that it follows the current rules, and confirmed it can load employee data from the agency's HR system? See Chapter II, Section A.
- Is the human resources staff ready to support reshaping efforts? If not, are more resources needed to conduct the reshaping efforts?
- What is the status of performance appraisals? Are they going to be issued in the near future? Are they filed properly in the Official Personnel File? Does the agency plan to freeze ratings prior to the reshaping effort, in particular if a RIF is conducted?
- Does the agency have the budget available to support Voluntary Early Retirement Authority (VERA), Voluntary Separation Incentive Program (VSIP) or other outplacement services?
- What is the current RIF competitive area? Is it based on geographic location and organizational elements? RIF competitive areas should be clearly defined and published (e.g. Departmental manuals, agency policy statements) for all employees and managers. Is the entire competitive area being abolished? If so, the agency will not have to build a retention register or apply assignment rights under the streamlined procedure in 5 CFR 351.605.

Section C: Minimizing the Need for Reduction in Force as a Result of Reshaping

There are numerous ways to minimize the need for a RIF as a result of management's reshaping efforts. This section describes different options to minimize or even avoid RIF separations, reassignments and downgrades as a result of reshaping. They are not in order of preference and are not a precondition to conducting a RIF. Agencies should not use them to retain positions, functions, or organizational layers that the reshaped organization does not require.

Detail Employees to Other Agencies on a Reimbursable Basis. A reimbursable detail to a different agency allows management to retain its skilled workforce even though the

employees may temporarily be surplus. The employee on an interagency detail retains the same rights and benefits based on the employee's official position of record in the agency from which the employee was detailed because a detail does not change the employee's official position of record. This option works well when another agency has a temporary need for the specific skills of the surplus employees. An interagency reimbursable detail may also assist the agency in permanently placing the surplus employee in the different agency. An interagency reimbursable detail may not be a viable option if the employee's present agency is faced with budgetary constraints, an immediate downsizing (such as a closure), or finds that the employee's position will likely continue to be surplus in the future.

Deferred Resignation Programs. Deferred resignation programs allow an agency to offer an employee willing to separate with a transition period during which the employee will generally not be expected to work and may look for another job. The employee must agree in writing to resign at the end of the transition period. Employees eligible for voluntary early retirement, regular retirement or voluntary separation incentives may participate in the program. Under 5 CFR 715.202(b), whether to accept an employee's request to withdraw a resignation before its effective date is within the agency's sole and exclusive discretion. The employee's receipt of deferred resignation benefits (such as paid administrative leave) is a valid reason for the agency to deny the request.

Freeze Hiring and Promotion Actions. If the agency finds that its reshaping plan will result in surplus or displaced employees, the agency may freeze personnel actions to best fit its individual situation rather than automatically adopting a blanket freeze on all personnel actions. In a mid- or long-term implementation of its reshaping plan, the agency may adopt a freeze on a ratio or a percentage basis, such as filling one position for every two vacated positions.

In general, a freeze on internal promotions (if the agency adopts that option) requires more attention from the human resources office than a blanket freeze on external or even internal hires. For example, the agency will need to determine whether to freeze:

- All promotions, only promotions for certain positions, only promotions at certain grade levels, or some combination of these;
- All career ladder promotions; and
- Optional promotions based on accretion of duties.

If budgetary factors are driving the reshaping effort, an immediate freeze on filling all new positions is one way to stabilize personnel costs. When combined with continuing attrition within the agency, a freeze on filling new positions will reduce personnel costs, particularly over a longer period of time, thereby potentially avoiding the need for a RIF.

On the downside, a freeze on filling new positions may eventually restrict the capacity of the agency to perform its work, especially if continuing attrition reduces the number of available employees below a critical mission level. Further, the agency should consider whether freezing promotions will impair its ability to retain high-performing employees in mission-critical positions, and may exempt such positions from the freeze. The agency may be required to implement at least a partial freeze of personnel actions since the Career Transition Assistance Plan (CTAP) provides the agency's surplus or displaced competitive service employees with intra-agency non-promotion selection priority to competitive service vacancies in the employees' local commuting areas.

Regardless of the extent of a freeze on personnel actions, the agency policy should include a "safety valve" policy permitting exceptions to the freeze. This allows the agency to fill essential positions if an unexpected situation develops (e.g., additional reimbursable work unexpectedly is available, or a natural disaster occurs), while still maintaining the general intent of the agency's freeze. The agency's freeze policy should specify the agency official with authority to approve an exception to the freeze.

Furlough. An agency may temporarily reduce personnel costs by furloughing employees. A furlough is the placement of an employee in a temporary nonduty, nonpay status because of lack of work or funds, or other non-disciplinary reasons.

A furlough that is expected to last more than 30 consecutive calendar days or 22 discontinuous workdays (e.g., one workday per week for 25 weeks) is affected under 5 CFR part 351 (RIF) procedures. A furlough expected to last 30 or fewer consecutive calendar days or 22 or less discontinuous workdays (e.g., one workday per week for 25 weeks) is carried out under 5 CFR part 752 (adverse action) procedures. An emergency shutdown furlough caused by a lapse in appropriations is not a RIF furlough when the agency does not know the ultimate duration at the outset.

The agency should communicate its furlough plans to employees, managers, supervisors, and (where the agency or subdivision remains covered under chapter 71 of title 5, United States Code, to exclusive representatives) to explain why management has determined that a temporary furlough, rather than separation by RIF, best meets the agency's needs.

In general, an agency must give each covered employee a written notice at least 30 days before the effective date of an adverse action furlough. When some but not all employees in a given competitive level are being furloughed, the notice must state the basis for selecting a particular employee for furlough, as well as the reasons for the furlough. A shorter notice period is an option in an emergency situation (e.g., a natural disaster such as hurricane or tornado). An agency must give each competing employee a minimum 60-day specific written notice before the effective date of a RIF furlough. The same notice periods apply whether the furlough is continuous or discontinuous.

Furlough is not a viable option if the agency finds it is faced with a continuing, rather than temporary, lack of work and/or funds. For example, an agency may furlough an employee under RIF regulations only when the agency plans to recall the employee to duty within 1 year in the position the employee held when furloughed.

OPM's website contains additional information on furloughs.

Modify or Waive Qualifications. An agency may modify or even waive minimum qualification requirements if the agency finds an employee has the capacity, adaptability, and special skills needed to perform the duties of a vacant position. An agency may modify or waive qualification requirements when reassigning an employee to another position, or when offering an employee a voluntary change to lower grade.

OPM's Operating Manual, *Qualification Standards for General Schedule Positions,* contains general information on waiving or modifying qualification requirements when placing employees as in-service placement actions apart from the RIF regulations. The agency may not waive minimum positive education requirements under the RIF regulations or under *Qualification Standards for General Schedule Positions*.

The Operating Manual is available on OPM's website. See Section 9, Special Inservice Placement Provisions of the Operating Manual for additional information on modifying or waiving qualifications.

Reassign Surplus Employees to Other Positions. An agency may reassign an employee to another position at the same grade, as long as the agency has a legitimate management need for the employee in the position to which reassigned. This option is often the best tool for avoiding involuntary separations and downgrades. If the agency has a pool of vacancies (particularly after freezing positions), the agency may be able to maintain continuity of operations and retain its investment in its current employees by using the reassignment option when advantageous to the needs of the organization.

An agency may reassign an employee without regard to the RIF regulations when the vacant position is at the same grade or rate of pay (i.e., if the movement is between pay systems) as the employee's present position. The position to which the employee is reassigned may be located in the same or a different competitive level, competitive area, or local commuting area. An agency may not reassign an employee to a position with more promotion potential unless the agency fills the position through merit competition.

The agency may make the reassignment without regard to the employee's RIF retention standing, including veterans' preference status. At its discretion, an agency may limit its basic right to reassign by using impartial considerations such as performance rating of record, retention standing, creditable service with the agency or within the organization (such as a

division or branch), length of service in the present position, length of service in the present organization, etc.

An employee has no right to be in RIF competition unless the employee is faced with separation or downgrading for a reason such as reorganization, lack of work, shortage of funds, etc. Reassignment to a position in a different local commuting area does not provide the right to compete for a position in the present competitive area under the RIF regulations even if the employee declines the reassignment and the agency subsequently separates the employee under the adverse action regulations.

If an agency separates an employee for declining reassignment to a position in a different local commuting area, the employee qualifies for most of the benefits available to an employee who is separated by RIF (e.g., severance pay or discontinued service retirement if otherwise eligible, certain placement assistance programs). However, the employee is not eligible for the agency's Reemployment Priority List (RPL).

Separate Temporary Employees. A competitive service temporary employee serves at the will of the agency and can be terminated on the expiration date of their appointment without regard to the RIF regulations. Before any reshaping effort, the agency should consider each temporary and time-limited appointment and affirmatively determine whether continuing it advances the agency's mission. When it does not the agency should terminate the appointment under its own terms rather than carry it into the reshaping.

Separate Reemployed Annuitants. A reemployed annuitant serves at the will of the agency and, regardless of type of appointment, can be terminated without regard to the RIF regulations. In some situations, the termination of a reemployed annuitant will both reduce the agency's payroll costs and free up a continuing position for a surplus employee. If the agency does not separate the reemployed annuitant prior to the RIF effective date, the reemployed annuitant competes in the RIF on the same basis as other employees holding the same type of appointment.

Review Probationary and Trial-Period Employees. Employees serving an initial probationary or trial period are excluded from RIF competition under 5 CFR part 351. Before and during a reshaping effort, the agency should review each probationary and trial-period employee and affirmatively determine, consistent with relevant law, whether the employee's continued employment advances the public interest and the agency's mission. Where it does not, the agency should consider termination under the probationary or trial-period procedures rather than carry the position into the reshaping.

Train Employees for Other Positions. An agency may train (or retrain) employees for placement into vacant positions as an alternative to minimize involuntary separations and

downgrades by RIF. An agency may train its employees for placement in another agency, if the head of the agency determines that this is in the Government's interest.

Such a determination should be part of an agency's training policy. An agency may use its appropriated funds for training or retraining surplus or displaced employees for positions outside the Federal Government only when specifically authorized by legislation.

Training helps employees better perform their current positions, while retraining prepares employees for different careers, or teaches them how to perform in other occupational fields.

Retraining as a tool to increase the voluntary attrition of employees in excess positions to other positions includes training and development to close skills gaps and to give an employee the knowledge and skills leading to another occupation. By retraining these proven employees into a related or even a new line of work, the agency may be able to most efficiently resolve significant present or projected skills gaps in its workforce.

Retraining should be targeted to mission-critical skills gaps and prioritized for employees with strong ratings of record where opportunities or funding is limited. An agency should consider whether to invest appropriated training funds to retain employees whose performance would not support retention under the agency's RIF retention registers.

Retraining programs generally concentrate on the basic competencies an employee needs to successfully perform a new or redesigned position. Retraining generally does not aim to provide advanced-level technical skills in a new line of work.

Voluntary Change to Lower Grade. An agency may offer an employee a voluntary change to lower grade without using RIF procedures. Employees have the right to compete for retention under the RIF regulations before involuntary separation or downgrade due to a reason such as reorganization, lack of work, or shortage of funds. In some situations, a voluntary change to lower grade allows an agency to staff a vacancy with a proven employee, while providing continued employment to a surplus employee without forcing RIF actions. Most organizational changes meet the definition of "reorganization," which can affect one position, many positions, and/or reporting relationships in an organization. An agency may provide an otherwise eligible employee with grade retention when making a management-initiated offer of a lower-graded position to an employee during a reorganization announced in writing. The agency has three potential options, which include offering (1) grade retention, (2) pay retention, or (3) neither grade retention nor pay retention.

Voluntary Early Retirement Authority. Voluntary Early Retirement Authority (VERA) allows permanent employees to retire early if their organization is undergoing a RIF, reorganization, transfer of function or other workforce shaping. VERA is a valuable tool that helps an agency create placement opportunities for employees who would otherwise be involuntarily separated or downgraded, and by avoiding displacements in actual RIFs.

Agencies, except for the Department of Defense (DoD), must request approval from OPM for VERA authority. DoD components must request approval from the Secretary of Defense. Agencies may make decisions relative to which employees will be covered by VERA, how long to open the window for VERA, and how many employees may retire under VERA. The agency decides which employees are covered by VERA, based on nonpersonal factors related to the employee's position (e.g., grade, series, title, organization, duty location).

VERA may be requested at any stage of a reshaping effort and may be combined with other options such as VSIP, hiring freezes, and reassignments. An agency is not obligated to exhaust other alternatives before requesting it. The request should identify the reshaping action (e.g., reorganization, RIF, transfer of function, or other workforce reshaping tool) that the VERA supports.

An agency may submit a VERA request to OPM once it is signed by the head of the agency, or by a specific agency designee with delegated authority. After OPM approves a VERA authority, the agency, based on management considerations, may subsequently modify the closing date for the VERA window period and/or revise the number of employees who may retire under the authority. OPM's approval letter to the agency authorizing VERA covers options to manage the early retirements.

OPM's website provides additional information on VERA.

Voluntary Reduction of Hours. The agency may consider a policy that allows employees to voluntarily reduce their scheduled work hours for a period of time (e.g.,

take one day a week or one day a pay period in a voluntary nonpay status), or even to convert from a permanent full-time to a permanent part-time work schedule. A reduction in an employee's scheduled work time will result in an immediate reduction in personnel costs, but may also result in a loss of organizational productivity.

A temporary or permanent change in work schedule will provide an employee with greater flexibility to participate in non-work-related needs (e.g., family, educational, volunteer groups, medical, and elder care). When considering this option, the agency should survey employees to determine the level of interest, particularly if the agency is faced with a short-term shortage of work or funds. However, before adopting this option, the agency should first consider whether a formal policy is needed covering how to select employees while maintaining continuity of agency operations. This option may depend on the scope of the agency's reshaping efforts

The agency should advise employees concerning the implications of the reduction in hours. For example, an employee who converts from a permanent full-time to a permanent part-time schedule follows a different formula to calculate health benefit costs and retirement deductions. Similarly, an employee who is in a voluntary or involuntary leave without pay

status may have a reduction in the leave credit that the employee would have earned had the employee been in a full-time pay and duty status. The agency should advise its employees to consult with the agency's human resources office when considering a change to work schedule.

Voluntary Separation Incentive Payment. The VSIP (or buyout) option allows an agency to offer a permanent employee a lump-sum payment up to $25,000 if the employee voluntarily retires or resigns. An agency must have specific legislative authority in order to offer a buyout. Many agencies are covered under the buyout authority provided for in the Chief Human Capital Officers (CHCO) Act of 2003. Agencies covered under the Act must have OPM approval before paying any buyouts. Agencies with prior VSIP authority reported that buyouts were a successful tool that notably increased voluntary attrition, particularly for VERA retirements of employees in excess positions.

OPM's website contains additional information on VSIP.

Section D: Deciding Whether to Implement a RIF

When agency management makes the decision to run a RIF, the first step should be to consult with the agency Human Resources Officer (HRO) or servicing HR staff before finalizing the timing and scope of the RIF. The HRO can advise managers regarding the current competitive areas, creation of retention registers, (or, where management will abolish every position in a competitive area within 180 days, use of the streamlined procedure under 5 CFR 351.605, which requires no retention register), any labor relations obligations, a timeline for running a RIF, and can provide technical guidance on the impact of decisions that the agency must make before issuing RIF notices to employees. This is a critical step, and the importance of it cannot be emphasized enough.

See Appendix B, Management's Decision to Implement RIF Checklist, for a complete listing of all actions management should consider when they have made the decision to implement a RIF.

Section E: Communicating the Reshaping Effort

Agency management should consult with their HR, public affairs, Congressional relations, and communications offices to establish an effective communication strategy internally and, if necessary, externally. The agency's goal should be to develop a coordinated communication plan that will provide timely, accurate, and complete information to all parties on issues relating to organizational change and the RIF. Effective, open communication with immediate supervisors, non-supervisors, and other affected parties (including unions where appropriate) can minimize losses to organizational productivity.

The HRO, with direct support of agency management, should, to the extent possible, provide employees with access to pertinent information concerning RIF procedures, programs available to surplus or displaced employees, and employee benefits such as retirement, health benefits, and life insurance. Potential methods of communication include:

- Written communication, which is the best way to provide a record of accurate information; options include scheduled bulletins, as-needed bulletins, brochures, pamphlets, newsletters, and e-mail;
- Direct personal communication, which provides a personal approach to disseminating the information and answering a diverse range of questions; options include large groups, small groups, and organization or subject-based groups;
- Information by video; options include live-streamed town halls and all-hands meetings, recorded video messages posted to the agency intranet, and on-demand video accessible from agency computers and mobile devices.

Chapter II: The Office of Human Resources' Role and Responsibilities

Chapter II provides guidance to Human Resources (HR) offices on:

- Establishing the HR office's RIF team (Section A)
- Taking preliminary actions (Section B)
- Preparing and using retention registers (Section C)
- Determining rights to other positions (Section D)
- Issuing RIF notices (Section E)
- Counseling employees on procedures and options (Section F)

Section A: Establishing the Human Resources Office's RIF Team

Establishing the RIF Team. Both the size and the composition of the HRO's RIF team depend on factors relative to the agency's RIF situation, such as size (e.g., two excess positions, 160 excess positions), location (e.g., one duty site, multiple duty sites), and reason (e.g., reorganization, closure, consolidation). Most RIF actions require some employees to work full-time on personnel actions related to the RIF. For example, agencies need to ensure their personnel records are up to date, because a Federal employee's rights and benefits are based upon the employee's official position of record.

Before a RIF, the agency must confirm that the data used to rank employees and decide their rights to other positions are accurate, including position descriptions, recent performance ratings, service dates, veterans' preference, and qualifications. The agency should use its HR data system, eOPF, and an automated RIF system to do most of this checking, and let employees review and correct their own records before notices go out (see Chapter III, Section M, and Appendix D). Staff then only need to check by hand the exceptions, problems flagged by the system or employees, and incomplete records. A RIF team gives the HRO the capacity to handle the temporary extra workload of preparing for and carrying out the RIF.

Appendix E includes a skills inventory that an agency may use to identify HRO employees with prior RIF or other downsizing experience. The agency should use the downsizing skills inventory to determine whether some or all members of the team need training related to the RIF (e.g., training on the mechanics of the RIF regulations, career transition options, benefits for displaced employees). Appendix F provides additional guidance on subjects to include in RIF training for team members.

When establishing the HRO's RIF team, the agency should immediately designate a leader of the team to coordinate all aspects of the team's work. This may include:

- Recommending other staff with specific technical skills to serve on the team;
- Requesting any training needed by the team;
- Developing the agency's own RIF action checklist;
- Ensuring that the team meets all deadlines required by either agency managers or the checklist;
- Requesting any support staff needed to assist the team;
- Requesting any additional resources, facilities, or equipment needed to assist the team; and
- Providing other needed support and assistance to team members as the RIF progresses.

The RIF team includes human resources specialists with skills in staffing, classification, and position management. The team should also include employees with other skills, such as employee benefits, labor and employee relations, and HR data and automated systems. See Appendix L for information on counseling employees.

Even a mid-size RIF (e.g., 10 to 49 actions) may require team members to perform some overtime work. The agency should include possible overtime as an estimated RIF cost. Finally, each member of the RIF team must be able to cope with additional stress and pressure associated with implementing a RIF. The team leader should always be available to offer assistance to a team member who is experiencing stress as a result of the RIF.

RIF Team Leader. The RIF team leader is responsible for coordinating the team's work with both the HRO and with agency management, as appropriate. The leader of the RIF team must play many roles as the agency first prepares for a RIF, then actually carries out RIF actions, and finally manages post-RIF issues (e.g., selection priority programs for displaced employees, appeals and grievances filed by employees).

The RIF team leader is responsible for accurately determining employees' retention rights under OPM's RIF regulations. This includes implementing all of management's decisions relating to the RIF, and coordinating the team's actions with the HRO. In addition, the team leader is responsible for providing technical assistance to the RIF team.

Support Staff. The agency should provide the HRO's RIF team with the staff and skills needed to support the team. The skills needed on the RIF team and its support team differ from agency to agency. For example, one agency may place a labor-management specialist on the principal team, while another may assign that specialist to the support team.

The RIF support team may include employees with a wide range of skills, such as:

- Human Resources Specialist. Tasks may include making service credit determinations, calculating service computation dates, making veterans' preference determinations, and downloading data from the agency's personnel data files.
- Human Resources Assistant. Tasks may include preparing and distributing RIF notices and informational packets, assembling briefing materials, scheduling team meetings and employee briefings, hosting or supporting virtual briefings for employees at other duty locations, and tracking delivery and receipt of RIF notices in the agency's HR system.
- Benefits Specialists. Tasks may include advising both team members and displaced employees concerning entitlements such as retirement benefits, health benefits, life insurance, and the Thrift Savings Plan.

Facilities. The agency should provide the HRO's RIF team with one or more secure rooms with restricted access, appropriate to the situation. Because of the sensitivity of RIF actions and the need to secure personnel records, which contain personally identifiable information, the agency should limit entry to the space to members of the RIF team (including support team members) and others with a specific need for access. The agency should provide extra security for the team's facilities when the sensitivity of the RIF warrants. The agency should also provide access to a conference room that accommodates all members of the RIF team.

Equipment and Supplies. The agency should provide the HRO's RIF team with the technology and workspace it needs, including:

- Workspace. A secure work area, physical or virtual, sized to the team and the scope of the RIF, with controlled access to RIF records.
- Technology. Each team member needs a Government-furnished computer with secure remote access, email, collaboration and video-conferencing tools, and access to the agency's human resources data system, eOPF, and the automated RIF system (e.g., OPM's Workforce Reshaping Tool (WRT)). Access to RIF data and software should be role-based and separately controlled consistent with agency security and privacy policy. The team should also have a shared, access-controlled workspace for tracking assignments, timelines, and the status of each notice.
- Records storage and disposal. RIF records should be maintained electronically in an access-controlled location and retained for at least 2 years after specific RIF notices are issued (5 CFR 351.506(f)). Any paper records should be stored securely and destroyed in accordance with the agency's records schedule and privacy policy.

Personnel Records. The agency should give the RIF team secure access to the electronic Official Personnel Folders (eOPF), the human resources data system, and other records, such as official position descriptions and performance records, for employees competing in the RIF. The team must handle those records according to the personnel records rules in part 293 of title 5, Code of Federal Regulations, and the agency's policy for safeguarding personally identifiable information.

The agency is also responsible for applying the Privacy Act and the Freedom of Information Act (FOIA) to requests for access to personnel records, and for handling other RIF records, such as qualifications updates employees submit to establish retention rights to other positions.

Reference Materials. The agency should give the RIF team access to other information it needs to run the RIF, including:

- Personnel rosters from before and after the RIF. Rosters show which positions are filled and which are vacant, both in the current organization and in the organization as it will look after the RIF. The team also needs prompt access to the right level of agency management when it has questions about the rosters (for example, RIF timing, vacancies in the new organization, later phases of a phased reorganization, or the effect of new legislation).
- Title 5, United States Code (U.S.C.). Governmentwide RIF regulations come from title 5 of the United States Code.
- Title 5, Code of Federal Regulations (CFR). OPM publishes its regulations in title 5 of the CFR.
- **Agency's internal personnel manual.** The team also needs copies of the agency's written RIF policies. These include the agency's policy on any cutoff date for freezing performance ratings of record, how the agency awards performance credit where the regulations give it discretion, whether the agency will offer vacant positions to employees reached for RIF actions, and repromotion priority for employees demoted by RIF, the agency's policy on assignment rights for excepted service employees. Where the agency has discretion in awarding performance credit, it must document its policy before the RIF and apply it uniformly within each competitive area.
- **Collective bargaining agreements.** Where the agency or subdivision remains covered by chapter 71 of title 5, United States Code, the HRO (or labor relations office) should give the RIF team a copy of each collective bargaining agreement that covers employees affected by the RIF, along with any related memoranda of understanding or side agreements. The team needs the date each agreement was executed, took effect, and expires, because those dates may affect which grievance or appeal

procedures apply and whether a provision remains enforceable (see Chapter I, Section B, and Chapters VI and VII). If an agreement is revised, renewed, or extended while the agency is preparing for the RIF, the HRO should give the team the updated copy as soon as practicable.

- **Applicable OPM manuals, handbooks, and guides.** The team should have current copies of OPM issuances such as the Introduction to the Position Classification Standards, the Qualification Standards for General Schedule Positions, the CSRS and FERS Handbook for Personnel and Payroll Offices, the Guide to Processing Personnel Actions, and the Vet Guide for HR Professionals. The team should also have any OPM guidance issued to implement the RIF regulations. These materials are available on OPM's website. Because OPM updates them, the team should work from the current version rather than a saved copy.
- **Applicable appeals and grievance decisions.** The team should have prompt access to decisions of the Merit Systems Protection Board, the United States Court of Appeals for the Federal Circuit, and the Federal Labor Relations Authority. Because the revised RIF regulations are new, the team should also watch for early decisions interpreting them.

RIF Records Review Team. An agency may find it useful to set up a separate team to review personnel records for accuracy, calculate service computation dates, verify ratings of record and compute performance credit, or handle the costs of the RIF. This team should begin by giving each employee in the competitive area a copy of (or secure electronic access to) the RIF-essential data in the employee's records and a deadline to report discrepancies; employee review catches most errors earlier and at lower cost than a file-by-file audit by the team (see Chapter III, Section M, and Appendix D).

Support for Other RIF-Related Teams. The agency should give the same support to any other specialized team that helps prepare for and carry out the RIF. These teams may include employees who do not serve on the core RIF team or the RIF support team.

If the agency will separate employees by RIF, it should set up a separate outplacement team before it issues RIF notices. Starting early gives displaced employees the most help finding other work, and it often increases voluntary attrition, which can reduce the number of involuntary separations.

A separate outplacement team matters most in a mid-size RIF (10 to 49 actions) or a large RIF (50 or more actions). Without one, the demands of running the RIF can crowd out the time needed to help employees explore career options.

Skills Update. Use Appendix E, RIF Team Skills Inventory Checklist, to record the current skills of RIF team members. Appendix F, RIF Team Skills Update, lists the subjects to cover when training the team. Training should cover the revised RIF regulations, including how to calculate performance credit and how veterans' preference points are applied. Training may also be needed for any automated RIF system the agency may choose to use.

Use of Technology. Agencies should consider how to use an automated RIF system (e.g., OPM's Workforce Reshaping Tool (WRT)) or an appropriate Super Intelligence (SI) system to conduct the RIF, including preparing retention registers, determining assignment rights, and generating notices.

Performance credit is a direct point calculation, veterans' preference is a point augmentation, tenure and service date are tie-breakers, and assignment rights turn on a single comparison of retention standing. Each of these steps can be automated, which may help agencies run RIFs faster, with potentially fewer errors.

OPM's Workforce Reshaping Tool (WRT). WRT is OPM's web-based automated RIF application. It accepts an export of employee data from the agency's human resources data system, validates the data, builds retention registers for each tenure group, applies performance credit and veterans' preference points, applies tenure subgroup and service computation date as tie-breakers, determines assignment rights, and supports mock RIFs so that management can compare the results of different restructuring decisions before any notice is issued. Access to WRT, and OPM assistance in setting it up, is available through OPM's reimbursable services (see Appendix Q). Before relying on WRT or any other automated RIF system, the agency must confirm that the version it is using reflects the regulations in effect on the date it will issue RIF notices (see Appendix F).

Section B: Taking Preliminary Actions

The RIF team should take these preliminary actions:

- Identify all positions in each RIF competitive area
- Confirm the automated RIF system the agency will use reflects the current regulations, and export and validate the employee data
- Document noncompeting employees on nonpermanent assignments
- Document other noncompeting employees
- Document employees in a nonpay status
- Document employees away on active armed forces duty with a restoration right

- Document employees who have returned from the armed forces with a current restoration right
- Document employees receiving injury compensation payments from the Department of Labor's Office of Workers' Compensation Programs
- Review position descriptions
- Give each employee an opportunity to review and correct the RIF-essential data in the employee's records, including the official position description, ratings of record, service computation date, veterans' preference documentation, and résumé or qualifications statement
- Review competitive levels for accuracy
- Verify each employee's three most recent ratings of record within the applicable 4-year period
- Calculate each employee's performance credit
- Determine each employee's veterans' preference subgroup and the preference points that apply for retention
- Determine each employee's service computation date
- Confirm the cutoff date, if any, after which no new ratings of record will be used
- Identify the skills-based qualification assessment for assignment and plan the job analysis and assessment method (see Chapter IV, Section H)
- Review the essential retention data for each employee

For more information on these preliminary actions, see Appendix D, RIF Team Preliminary Actions Checklist.

Section C: Preparing and Using Retention Registers

The RIF team next prepares retention registers, determines which employees are released from those registers because their positions are abolished. No retention register is prepared for a competitive area in which the agency is abolishing all positions within 180 days; under 5 CFR 351.605 the team instead lists every employee in that competitive area so that each receives the required notice (see Chapter III, Section G).

See Appendix I, Preparing and Using Retention Registers, for more information on preparing retention registers, projecting employee retention data to the RIF effective date, separating noncompeting employees before releasing competing employees from the competitive level, and identifying the employees released from each competitive level.

Section D: Determining Rights to Other Positions

After the RIF team determines which employees are released from the agency's competitive levels, the team determines whether each released employee has an assignment right to a position in the competitive area on the agency's master retention register. This step is omitted for a competitive area being abolished in its entirety under 5 CFR 351.605, because assignment rights must not be applied where no positions will remain.

A competitive service employee who is reached for release from a competitive level may be entitled to an offer of assignment to an available position in the same competitive area if the employee would otherwise be separated or demoted by RIF. To have this right, the employee must be in the competitive service retention tenure group and have a current annual rating of record of at least Minimally Satisfactory or equivalent. See Chapter IV, Section C, for the full conditions.

An available position establishes the employee's right to an offer at that grade level. If more than one available position has the same representative rate, the agency decides which one to offer, and the employee has no right to choose among them.

A released employee has an assignment right only to a position for which the employee is qualified. The agency generally must determine qualifications through a job-analysis-based assessment unless the employee performed the same or substantially the same work at a Fully Successful or higher level within the past 5 years. The qualification determination must be complete before the agency concludes that no assignment is available and before it issues the specific RIF notice.

An employee serving under an excepted service appointment has no mandatory assignment rights under OPM's RIF regulations. See Chapter IV, Section K, for the administrative assignment options an agency may choose to offer.

Appendix J, Determining Rights to Other Positions, provides more information on determining representative rates, the normal line of progression for each position, identifying vacancies available for assignment and other placement offers, released employees' qualifications, released employees' assignment rights, and running a mock RIF and reviewing the results for accuracy.

Section E: Issuing RIF Notices

When agency management gives final approval for RIF actions, the RIF team, working with the HRO, uses the date of the RIF notice to determine each competing employee's retention rights. The team then prepares the specific written notices and related materials for each employee.

The team should tell the HRO if the planned RIF effective date will keep the team from giving employees complete information in their notices. The HRO should then advise agency management, which can consider whether to change the effective date, taking into account the timeframe for the agency's strategic plan.

See Appendix K, Issuing RIF Notices, for more information on:

- determining each released employee's eligibility for benefits;
- preparing the specific written RIF notices and required attachments;
- sending notices to other organizations when 50 or more employees receive separation notices;
- notifying bargaining unit representatives;
- deciding how to deliver the notices (including secure electronic delivery with documented receipt) and preparing packages for separating employees; and
- re-running the RIF to reflect changes to the personnel roster in the competitive area.

Section F: Counseling Employees on Procedures and Options

The HRO should emphasize to agency management and members of its RIF-related teams that effective counseling is critical to minimize disruption resulting from the agency's RIF. When possible, the HRO should offer counseling that is appropriate to the situation. For example, if the agency implemented an effective communications policy covering implementation of the agency's strategic plan and the need for a RIF, the office may find that released employees will focus more on RIF mechanics or benefits rather than questioning the need for the agency's actions.

Under the communication plan the HRO may have opted to provide general RIF and benefits briefings to all employees in the agency based on the possibility of a RIF. Even if the agency simply provided summaries of OPM's RIF procedures and/or RIF benefits to all employees before issuing RIF notices, many released employees will have a working knowledge of the subjects and will use the counseling sessions to clarify specific rather than general issues. OPM provides agencies and employees with current electronic summaries of RIF procedures, RIF benefits, and career transition assistance programs.

Individual agencies or activities may also develop their own summaries that include agency-specific policies or placement programs.

In a small RIF (i.e., fewer than 10 actions), the HRO may choose to use members of a single team to provide counseling to released employees at small group or individual sessions. In a large RIF (i.e., 50 or more actions), the office should have more options, including individual

counseling sessions, as well as small and/or large group counseling sessions. Whichever approach the agency chooses, the counselors must have accurate information concerning each respective subject area. Also, the counselors must be able to obtain accurate information on exceptional situations that may require clarification from a higher level of the agency or from OPM.

See Appendix L for additional information on planning for effective counseling, and effective outplacement counseling.

Chapter III: Reduction in Force - Coverage and Retention Standing

Chapter III provides guidance on the government-wide reduction in force (RIF) regulations:

- Management Rights (Section A)
- Compliance with OPM's RIF Regulations (Section B)
- Coverage of the RIF Regulations (Section C)
- Reorganization, Misclassification, and Job Erosion (Section D)
- Competitive Area (Section E)
- Competitive Level (Section F)
- Establishing Retention Registers (Section G)
- Determining Employees' Retention Standing (Section H)
- Tenure Groups (Section I)
- Performance (Section J)
- Veterans' Preference in RIF (Section K)
- Length of Service (Section L)
- Personnel Records in RIF (Section M)

Section A: Management Rights

Right to Reorganize the Workforce. The agency has the responsibility to determine its mission-based workforce requirements, define its priorities, and apply available resources in order to best meet mission requirements.

RIF Decisions. Each agency is responsible for deciding what positions are abolished, whether a RIF is necessary, and (if applicable) when a RIF will take place. This also includes the right of the agency to decide which positions are required after a reorganization or other organizational change, where the positions are located, and when the positions are to be filled, abolished, or vacated.

Right to Take Other Personnel Actions. An agency's need to apply RIF procedures does not suspend the agency's authority and responsibility to take other personnel actions such as reassignment, promotion, change of duty station, or demotion for cause or unacceptable performance. An agency may effect other personnel actions before, during, or after a RIF.

Section B: Compliance with the RIF Regulations

Which Version of the RIF Regulations Applies. OPM revised the RIF regulations in a final rule published at 91 FR 49178 (August 3, 2026), as corrected at 91 FR 54794 (August 25, 2026) and 91 FR 58363 (September 15, 2026), effective September 2, 2026. An agency that issued a RIF notice before September 2, 2026, must process that RIF under the regulations in effect when it issued the notice. An agency that issues a RIF notice on or after September 2, 2026, applies the regulations as amended by that final rule. This handbook reflects the provisions in the final rule.

Agency Responsibility. An agency, in taking RIF actions, must comply with all applicable laws, regulations, formal agency policies, and where the agency or subdivision remains covered by chapter 71 of title 5, United States Code, the terms of any applicable negotiated bargaining agreement to the extent those terms are consistent with law, Government-wide regulation, and management rights reserved under statute. Also, the agency is responsible for uniformly and consistently applying the retention regulations in any RIF. The use of RIF procedures to avoid required procedures for other situations is improper (for example, conducting a RIF rather than using adverse action procedures to release an employee with a history of conduct problems).

OPM Review of Agency's RIF Plans OPM may examine an agency's preparation for RIF at any stage. If OPM finds that an agency's RIF preparations are contrary to the express provisions, or the spirit and intent, of the applicable regulations or would violate employee rights or equities, OPM may recommend corrective action with respect to those preparations.

Section C: Coverage of the RIF Regulations

Employees Covered by the RIF Regulations. Except as noted elsewhere in this section, unless excluded by statute, the RIF regulations cover each Federal civilian employee in:

1. The executive branch of the Federal Government; or
2. A position outside the executive branch that is subject by statute to competitive service requirements or is determined by the appropriate legislative or judicial administrative body to be covered by the retention regulations.

Modifications to General Coverage of the RIF Regulations.

1. Administrative law judges are subject to the modified RIF procedures in part 930 of title 5, Code of Federal Regulations, that do not consider performance in determining retention standing.

2. Certain positions covered by Indian preference laws are subject to modified RIF procedures pursuant to section 472a of title 25, United States Code.
3. Employees of the U.S. Postal Service who are eligible for veterans' preference in retention are covered by part 351 of title 5, Code of Federal Regulations, under authority of section 1005(a)(2) of title 39, United States Code.
4. Postal Service employees who are not eligible for veterans' preference are not covered by the RIF regulations.
5. "Hybrid" health care personnel of the Department of Veterans Affairs, as provided under title 38, United States Code, compete as excepted service employees under the RIF regulations.
6. "Non-hybrid" health care personnel of the Department of Veterans Affairs whose employment is governed in significant part by chapter 74 of title 38, United States Code, are covered by the RIF regulations. (Part-time health care professionals of the Department of Veterans Affairs who are appointed under authority of section 7405(a)(1) of title 38, United States Code, are not covered by part 351 of title 5, Code of Federal Regulations.)

Employees Excluded from Coverage of the RIF Regulations. The RIF regulations do not apply to:

- An employee whose appointment is required by Congress to be confirmed by, or made with the advice and consent of, the United States Senate;
- A member of the Senior Executive Service;
- An employee in a position outside the executive branch, except for a position that is subject by statute to competitive service requirements, or is determined by the appropriate legislative or judicial administrative body to be covered by the RIF regulations;
- A National Guard Technician
- A reemployed annuitant, unless the appointing officer determines that an annuitant may compete under the RIF regulations (an annuitant serves at the will of the appointing officer and may be separated at any time at the discretion of the appointing officer, but if the agency does not separate the annuitant prior to a RIF, the agency determines the annuitant's retention standing on the basis of the employee's actual appointment; the annuitant then competes in the RIF in the same manner as other competing employees);

- A foreign national employee appointed under programs authorized by section 408 of the Foreign Service Act of 1980 (22 U.S.C. 3968), which may include special plans for RIF (in these plans an agency may give effect to local labor laws and
- A member of the Public Health Service (PHS) (Note—A member of the PHS is a member of a "uniformed service" and is not a civilian employee covered by the RIF regulations);
- A Department of Defense Nonappropriated Fund (NAF) employee, who competes for retention with other NAF employees on the basis of agency-specific RIF procedures);
- Some employees included in an alternative personnel system authorized as a demonstration project or similar alternative personnel system (Note—The implementing regulations and related implementing issuances covering the demonstration project or alternative personnel system document any applicable modified RIF procedures); and
- A part-time health care professional of the Department of Veterans Affairs who is appointed under authority of section 7405(a)(1) of title 38, United States Code, is excluded from civil service laws, rules and regulations, including the RIF regulations.

Employees excluded from RIF competition. An employee on one of the following appointments is covered by the RIF regulations but is not a "competing employee" for purposes of a reduction in force. An agency may retain such an employee while releasing a competing employee. The agency may also furlough, separate, demote, or reassign this employee if the release is due to lack of work, shortage of funds, insufficient personnel ceiling, reorganization, or the exercise of reemployment or restoration rights. In these cases, the agency does not need to determine retention standing, apply order-of-release provisions, or provide assignment rights, as long as the action follows the terms of the appointment and applicable law.

Competitive Service	**Excepted Service**
An employee serving under an indefinite appointment who is serving an initial probationary period	An employee serving under a temporary or time-limited appointment limited to 1 year or less
A career-conditional employee serving an initial probationary period	An employee serving a trial period
An employee serving under a temporary appointment of 1 year or less	An employee serving under a Schedule C or G appointment;

For a RIF noticed before September 2, 2026, the agency applies the exclusions from RIF competition that were in effect on the date of the notice. Under those regulations an employee serving under an indefinite, term, status quo, provisional, or other non-status non-temporary appointment was a competing employee in tenure group III. For a RIF noticed on or after September 2, 2026, only the categories in the table above are excluded from competition; a competitive service employee serving under an indefinite, term, or other non-temporary appointment of more than 1 year who is not serving an initial probationary period is a competing employee in competitive service tenure subgroup II (5 CFR 351.502(a)(3)). Employees who do not compete in a RIF are assigned Tenure Code 0 when the agency documents their appointment.

RIF Actions and Reasons. A personnel action must be effected under RIF procedures when both the action to be taken and the reason for the action are covered by the RIF regulations. An action that meets one, but not both, conditions, is not a RIF action and must be taken under other appropriate authority.

“Action to be taken” is the release of an employee from a RIF competitive level by:

1. Separation;
2. Demotion;
3. Furlough for more than 30 continuous days or more than 22 discontinuous workdays; or
4. Reassignment requiring displacement in a RIF competition.

“Reason for the action” is:

1. Lack of work;
2. Shortage of funds;
3. Insufficient personnel ceiling;
4. Reorganization; or
5. An individual’s exercise of reemployment rights or restoration rights.

The RIF regulations do not allow an agency to conduct a RIF retroactively unless an intervening event has occurred (such as a RIF action that followed a retroactive restoration).

Actions Excluded from RIF Coverage. The RIF regulations do not apply to:

1. The termination of a temporary or term promotion, or the return of an employee to a position held before the temporary or term promotion or to a position of equivalent grade and pay;

2. A change to lower grade based on the reclassification of an employee's position due to the application of new classification standards or the correction of a classification error;
3. A change to lower grade based on the reclassification of an employee's position due to erosion of duties, except that agency shall not undertake such a reclassification action between the time an agency has formally announced a reduction in force in the employee's competitive area and the completion of the reduction in force where the reclassification action would adversely affect an employee's retention standing in the announced reduction in force.;
4. Placement of an employee serving on an on-call or seasonal basis in a nonpay, nonduty status in accordance with conditions established at time of appointment;
5. A change in an employee's work schedule from part-time to full-time (Note—An involuntary change from full-time to part-time is covered by the RIF regulations);
6. A reduction in the number of scheduled hours within a part-time tour of duty (for example, from 32 to 16 scheduled hours per week);
7. A reduction in rank (for example, a reassignment of an employee from a supervisory position to a nonsupervisory position);
8. A constructive demotion (for example, an employee's position is reclassified to a higher grade because of a new classification error and the employee is not promoted even though the employee is qualified for the higher-graded position); or
9. A furlough of 30 or fewer continuous days, or of 22 or fewer discontinuous workdays.

Agency Authority to Reassign. At its discretion, an agency may reassign an employee, without regard to RIF procedures, to a vacant position at the same grade and rate of pay. The position may be in the same, or in a different:

- Competitive area
- Competitive Level; or
- Local commuting area

A reassignment to a position in a different pay schedule (e.g., GS to FWS or vice versa) must not involve either a promotion or a demotion.

Optional Use of RIF or Reassignment. An agency is required to use the RIF regulations only when it releases a competing employee from a competitive level by separation, demotion, furlough for more than 30 continuous days or more than 22 discontinuous workdays, or reassignment requiring displacement, and the release is for a reason described in "RIF

Actions and Reasons" above. Which actions and reasons trigger that requirement depends on the version of the regulations that applies; see "Which Version of the RIF Regulations Applies" in Section B.

At its discretion, an agency may avoid a RIF action for an employee who would otherwise be reached by providing the employee a position at the same grade and rate of pay. The agency may do so by either:

1. Reassigning the employee to a vacant position before the employee is reached for release from the competitive level; or
2. Offering the employee assignment under the RIF regulations to an encumbered or a vacant position.

The RIF regulations do not require an agency to fill a vacant position. However, when an agency chooses to fill a vacant position with an employee who has already been reached for release from a competitive level for a reason described in "RIF Actions and Reasons" above, the agency must follow the RIF regulations in making that offer. This requirement applies to a RIF noticed before or after September 2, 2026.

An agency is not required to use RIF procedures to reassign an employee who is not a "competing employee" (see "Employees Excluded from RIF Competition" above), provided the action is consistent with the terms of the employee's appointment and applicable law. For a RIF noticed before September 2, 2026, the agency applies the exclusions in effect on the date of the notice.

No Special RIF Rights from Compensable Injury. An employee absent because of a work-related compensable injury has no special protection in a RIF. An employee is separated by RIF while the employee is receiving injury compensation benefits has no restoration rights based upon the injury.

Employees May Volunteer for RIF Only if Authorized by Statute. The abolishment of a position and a subsequent RIF are agency-initiated actions. Without specific statutory authority, an employee may not volunteer for a RIF action.

For example, section 3502(f) of title 5, United States Code, authorizes potential voluntary RIF actions in the Department of Defense (DoD) if the voluntary separation results in the retention of a DoD employee in a similar position who will otherwise be separated by RIF. Similarly, section 3136 of Public Law 106-398 authorizes potential voluntary RIF separations for Department of Energy employees at closure projects if the voluntary separation results in the retention of an Energy employee in a similar position who would otherwise be separated by RIF.

Section D: Reorganization, Misclassification, and Job Erosion

Reorganization Basics. "Reorganization" means the planned elimination, addition, or redistribution of functions or duties in an organization.

Use of RIF Procedures in Reorganization. If a reorganization results in an employee being reached for separation or downgrading, the agency must follow the RIF regulations, but only at the time of actual separation or downgrading. The agency may implement a reorganization when organizational changes actually take place, or at a later date such as during a classification survey.

Most RIF actions are actually reorganizations, resulting from lack of work, shortage of funds, or reduction in personnel ceiling. Also, an agency decision to privatize work under Office of Management and Budget (OMB) Circular A-76 or other authority (including a Most Efficient Organization (MEO) decision) is a reorganization covered by the RIF regulations for any employee separated or demoted as a result of the agency's action.

The agency has the right to conduct a reorganization and a RIF at any time, not just in direct response to an event such as a reduction in available funds. For example, the agency may decide to reorganize its workforce or reporting relationships to accommodate a shortage in available funds. As explained in Section C, under "Agency Authority to Reassign," an agency may reassign an employee to another position at the same grade without regard to relative retention standing, and avoid the use of RIF procedures in a reorganization.

Misclassification Due to New Classification Standard or Correction of Classification Error. If the grade of a position must be reduced because of the application of new OPM classification standards or the correction of a classification error, the agency does not use RIF procedures. In these situations, the duties of the position do not change; the grade of the position changes because of new classification standards or the correction of the classification error.

Reclassification Due to Job Erosion. "Job erosion" describes a situation where the grade of a position must be reduced because duties have gradually drifted away through an extended erosion process. In job erosion cases, there is no record of:

1. The reason why the grade-supporting duties of a position are no longer being performed; and
2. The time frame when the change to grade-controlling duties actually occurred.

Job erosion contrasts with a reclassification due to reorganization, where the agency carries out a planned change in duties when the record shows:

1. A direct or indirect management decision resulting in the deletion of the grade-supporting duties of a position; and
2. The time frame when management made this decision.

Use of RIF in Job Erosion. A change to a lower grade based on reclassification of a position due to erosion of duties is not a reduction-in-force action and does not require the use of RIF procedures. However, as a safeguard against manipulation of retention standing, an agency may not undertake an erosion-of-duties reclassification after it has announced a RIF in the employee's competitive area if doing so would adversely affect the retention standing of any employee in that RIF. The restriction in the preceding sentence applies only to a RIF noticed on or after September 2, 2026.

Accretion of Duties. At its option, an agency may promote an employee without the usual competitive procedures if the agency reclassifies the position on the basis of additional duties and responsibilities. If the agency noncompetitively promotes employees on the basis of accretion of duties and responsibilities, the agency is responsible for establishing its formal policies to document that each promotion is legitimate.

Section E: Competitive Area

Competitive Area Basics. Each agency must establish competitive areas that are the boundaries within which employees will compete for retention under the RIF regulations. The competitive area includes all employees within the organizational unit(s) and geographical location(s) that are included in the competitive area definition.

Employees in a competitive area compete for retention under the RIF regulations only with other employees in the same competitive area. Employees do not compete for retention with employees of the agency who are in a different competitive area.

There is no minimum or maximum number of employees in a competitive area.

Basis for Competitive Area. Generally, an agency must define each competitive area in terms of organizational unit(s) or combination of organizational units as established on the agency's organizational charts. An agency may define a geographic location (e.g., a national park or county) as a separate competitive area. Employees working at approved alternate locations remain assigned to their official organizational unit for competitive area purposes.

An organizational unit must meet the following standards:

- Designated/approved by the head of the agency, or designee, and the designation or approval cannot be delegated to an official below the agency's headquarters level.
- Must be clearly distinguishable from other organizational units with regard to its operation, work function, staff, and supervisory oversight.
- An agency may not define a competitive area on the basis of other considerations (such as bargaining unit membership, grade, occupation, etc.).

Inspector General Competitive Areas. An agency must establish a separate competitive area for an Inspector General activity established under authority of the Inspector General Act of 1978 (Public Law 95-452, as amended). This competitive area consists of only employees of the Inspector General activity.

Size of Competitive Area. An agency has considerable flexibility in defining a competitive area that is consistent with the RIF regulations. The RIF regulations do not require:

1. A competitive area that is larger than the minimum standard covered in the "Basis for Competitive Area" paragraph above (a competitive area may not be smaller than the minimum standard covered in that paragraph);
2. A minimum or maximum number of employees to be included in a competitive area; or
3. A minimum or maximum organizational or geographic size for the competitive area.

Local Commuting Area. The geographic area that usually includes one area for employment purposes, as determined by the agency. The local commuting area includes any population center (or two or more neighboring centers) and the surrounding localities in which people live and can reasonably be expected to travel back and forth every day to their usual employment. Each agency has the right and the responsibility to define local commuting areas and apply this definition. OPM has not established a mileage standard to determine when two local duty stations would be included in the same local commuting area for RIF purposes.

Local Commuting Area and Competitive Area. When an organization has components in more than one local commuting area, the agency may designate each local commuting area as a separate competitive area.

Record of Competitive Area Definitions. When an agency establishes or changes competitive areas, it must publish descriptions of the areas or otherwise make them readily available for review by employees and OPM. The regulations require that competitive areas or

the organization charts must be available on the agency's public facing web page or otherwise appropriately documented by the agency. The agency usually includes its competitive area definition(s) in its internal personnel manual, or with similar documents relating to the agency's specific RIF policies and procedures.

Competitive Areas Established or Materially Modified within 90 Days of RIF Notices. If an agency establishes a new competitive area, or materially modifies an existing competitive area, within 90 days before it issues specific RIF notices for that competitive area, the agency must submit a description of the competitive area, together with a written statement explaining the bona fide organizational basis for it, to OPM and obtain OPM's approval before issuing the notices (5 CFR 351.402(c)). The 90-day period is measured backward from the date the agency expects to issue specific notices. Descriptions of all competitive areas, and the explanations submitted to OPM, must be made readily available for review consistent with national security considerations, the Freedom of Information Act, and the Privacy Act.

A modification is material when it could change which employees or positions compete together, change the scope of displacement or assignment rights, or otherwise affect a RIF outcome (for example, splitting or merging competitive areas, adding or removing an organizational unit, changing a geographic boundary, or moving a substantial group of positions between areas). Correcting a typographical error, updating an office name, or documenting other changes that do not affect area membership or RIF rights is not a material modification, but the agency should retain a written explanation.

(For a RIF noticed before September 2, 2026, the 90-day period runs from the RIF effective date rather than from the date the agency issues RIF notices, and the restriction does not apply to a change that results from a transfer of function from another competitive area.)

Request to OPM for Approval of a New or Materially Modified Competitive Area. The agency should send the request to OPM as soon as possible. OPM needs time to review it, so the agency should build that time into its schedule. The agency should not issue specific RIF notices for the proposed competitive area until OPM approves it. The request should include the following information:

1. Identification of the proposed competitive area, including the organizational segment, geographic location, and limits of the local commuting area;
2. A description of how the proposed area differs from the one previously established for the same unit and geographic area;
3. An organizational chart of the agency showing the relationship between the organizational components within the competitive area and other components in the commuting area;

4. The number of competing employees in the proposed competitive area;
5. A description of the operation, work function, staff, and personnel administration of the proposed area and, where appropriate, a description of how the area is distinguished from others in these respects; and
6. A written statement explaining the bona fide organizational basis for the competitive area, the effective date of the change, the anticipated date of RIF notices, and an explanation of why the change is not designed to manipulate retention outcomes.

A template for these requests can be found on OPM website.

OPM Address to Send Request. The agency should submit its competitive area request to: WPIntake@opm.gov.

Section F: Competitive Level

Competitive Level Basics. After establishing the competitive area, the agency establishes competitive levels that include groups of interchangeable positions. When the agency applies the four RIF retention factors (performance, veterans' preference, tenure, and length of service) to the competitive level, the competitive level becomes a retention register, which lists employees in the order of their relative retention standing. The terms "competitive level" and "retention register" are generally used in reference to a final retention register without regard to this distinction.

Position Descriptions are Basis for Competitive Levels. The agency establishes competitive levels on the basis of each employee's official position of record. Even when using an automated system to determine employees' retention rights, the agency's burden of proof in an employee's appeal to the OPM is still the employee's official position of record, including the position description. At its option in considering a competitive level appeal, OPM has the right to consider evidence other than the employee's official position description. The official position description is the basis for both the competitive level and the positions to which a released employee may have assignment rights. The agency should confirm before the RIF that each competing employee's position description of record is current and accurate, and should give employees and supervisors an opportunity to identify discrepancies (see Appendix D).

The agency determines the competitive level on the basis of the position's classification series and/or grade on the effective date of the RIF. An agency may not place positions in a competitive level on the basis of the personal qualifications or performance levels of individual employees.

Establishing Competitive Levels. A competitive level consists of positions in the competitive area that are:

1. In the same grade (or occupational level);
2. In the same classification series; and
3. Similar enough in duties, qualification requirements, pay schedules, and working conditions, so that an agency may reassign the incumbent of one position to any of the other positions in the level without causing undue interruption in the agency's work.

The agency determines an employee's RIF rights based on the actual grade of the employee's permanent official position of record, not on a retained grade that the employee is receiving based on a prior RIF or other qualifying action. "Qualification requirements" for purposes of establishing competitive levels include medical standards approved by OPM and/or specific agency-established medical and physical requirements that are included in the position description of a competing employee's official position of record.

Interchangeable Positions are in the Same Competitive Level. Positions in the same competitive level are so similar that the agency may readily assign an employee in one position to any of the other positions in the competitive level:

1. Without changing the terms of the employee's appointment; and
2. Without undue interruption to the agency's work program.

There is no minimum or maximum number of positions that can be placed in a competitive level; for example, a competitive level could potentially consist of one unique position.

Application to Pay Band Positions. If a competitive area includes positions in one or more pay bands, each set of interchangeable positions in the pay band is a separate competitive level. If the positions are not interchangeable, the pay band may include multiple competitive levels. The agency uses the employees' official position descriptions (or equivalent) rather than personal qualifications to establish each competitive level. As appropriate, the entire pay band may be one competitive level (e.g., all the positions in the pay band have the same or interchangeable position descriptions and are placed in one competitive level), or the pay band may include multiple competitive levels (e.g., the positions in the pay band have two or more position descriptions documenting distinct areas of expertise and are placed in different competitive levels within the pay band because the positions are not interchangeable).

A competitive level in a pay band compensation system may include positions with different actual salaries. For example, a pay band competitive level could include interchangeable positions that, before implementation of the agency's pay band compensation system, were

classified from GS-11 through GS-13. In this situation the agency does not consider employees' actual salaries in determining their relative retention standing. For comparison, a competitive level under a traditional compensation system includes only positions at the same grade (e.g., a GS-12 position would be included only on a competitive level with other interchangeable GS-12 positions).

Separate Competitive Levels Required. Consistent with the standard for interchangeability covered above, the agency must establish separate competitive levels for certain positions:

1. Excepted Service Appointment Authority: The agency establishes separate competitive levels for excepted service positions filled under different appointing authorities. Employees who hold excepted service appointments in competitive service positions compete for retention in the excepted service only with other employees holding positions under the same excepted service appointing authority. For example, employees holding excepted service Veterans Recruitment Appointments (VRA) positions compete for retention only with other employees who hold the same positions under VRA appointments.
2. Pay System: The agency establishes separate competitive levels for positions filled under different pay systems or pay schedules.
3. Work Schedule: The agency establishes separate competitive levels for positions filled on different work schedules—
    - Full-time;
    - Part-time;
    - Intermittent; or
    - Seasonal.

    An agency has no authority to establish separate competitive levels based upon subsets of the four work schedule categories covered above (e.g., an agency may not establish one competitive level for full-time seasonals and a second for part-time seasonals when the positions are otherwise interchangeable).
4. Formally Designated Trainee or Developmental Positions: The agency establishes separate competitive levels for positions filled by employees in a formally designated trainee or developmental program that has the following characteristics:
    - Is designed to meet the agency's needs and requirements for the development of skilled personnel;
    - Is formally designated as a trainee or developmental program, with its provisions announced to employees and supervisors;

- Is developmental by design, offering planned growth in duties and responsibilities and providing advancement in recognized lines of career progression; and
- Is fully implemented, with the participants chosen for the program through standard selection procedures.

5. Supervisory Positions and Competitive Levels: The RIF regulations do not have a specific requirement that an agency must establish a separate competitive level solely because an employee holds a supervisory rather than a nonsupervisory position. (Note: The duties and responsibilities of a supervisory position will generally preclude placement of the position in a competitive level that includes a nonsupervisory position.)
6. Mixed Tours Positions and Competitive Levels: An employee serving on a mixed tour of duty is placed in an other-than-full-time competitive level consistent with the employment agreement between the agency and the employee serving in the mixed tour of duty position.

   A mixed tours position is never placed in a competitive level established for full-time positions. If the mixed tours employment agreement between the agency and the employee provides that the agency may schedule the mixed tours employee only for full-time and part-time service (i.e., the agreement does not cover intermittent service), the agency places the employee in the appropriate competitive level for part-time positions. If the mixed tours employment agreement between the agency and the employee provides that the agency may schedule the mixed tours employee for full-time, part-time, and intermittent service, the agency places the employee in an appropriate competitive level for intermittent positions.

Separate Competitive Levels Prohibited. An agency may not place a position on a separate competitive level based solely on:

1. The gender of an employee, except when OPM has determined that certification of eligibles by gender is justified based on an approved bona fide occupational qualification (BFOQ);
2. A requirement to serve a probationary period for initial appointment to a supervisory or managerial position;
3. A difference in the number of hours or weeks scheduled to be worked by other-than-full-time employees who otherwise would be in the same competitive level;
4. A requirement to work changing shifts;
5. The grade promotion potential of the position;

6. A difference in the local wage areas when a competitive area includes positions covered by more than one locality pay area in which wage grade positions are located;
7. A difference in locality payments under 5 U.S.C. 5304 and subpart F of part 531 of title 5, Code of Federal Regulations, when a competitive level includes more than one locality pay area listed in section 531.603 of title 5, Code of Federal Regulations; or
8. Representative rates in different local commuting areas when a competitive area includes GS and wage grade positions in multiple GS locality pay areas, and/or FWS local wage areas.
    - One example would involve a competitive area that includes GS positions in both Norfolk and Richmond, Virginia. The agency would decide whether to establish GS competitive levels on the basis of the representative rate in Norfolk or the rate in Richmond.
    - In a different example, where a competitive area includes FWS positions in both Pensacola, Florida, and Gulfport, Mississippi, the agency would decide whether to establish FWS competitive levels on the basis of the representative rate in Pensacola or the rate in Gulfport.
    - A third example might involve a competitive area that includes more than one local commuting area. The agency would use the same local commuting area to establish its competitive levels for both GS and FWS positions.

    In the second example above with Pensacola and Gulfport, the agency would decide whether to establish all its competitive levels on the basis of representative rates in Pensacola, or the rates in Gulfport. The agency may not use one local commuting area in the competitive area to establish representative rates for one pay schedule (e.g., GS), and a different local commuting area in the competitive area to establish representative rates for a different pay schedule (e.g., FWS) used in the same RIF. The agency may not use the Pensacola representative rates for GS positions, and the Gulfport representative rates for FWS positions.

See Chapter IV, Section G, for information on consideration of representative rates in determining employees' assignment rights when a competitive area includes positions in multiple locality pay areas.

Mobility Agreements and Travel Not Considered in Competitive Levels. An agency has no authority under the RIF regulations to establish separate competitive levels based upon a position's requirement for a mobility agreement; or required travel.

Consideration of Security Clearances When Establishing Competitive Levels. If one position has a security clearance requirement in its official position description or otherwise

officially required in the position, but an otherwise interchangeable second position does not have an equivalent security clearance requirement in its official position description or otherwise officially required in the position, the agency would establish separate competitive levels for the two positions if the process to require equivalent clearances for the two positions would extend more than 90 days past the RIF effective date, resulting in undue interruption, which is defined in Appendix S, Glossary.

In making a qualifications determination on whether otherwise interchangeable positions with different security clearance requirements are placed in the same competitive level or placed in different competitive levels, the agency considers whether the time period required for completion of a security clearance will result in undue interruption to the activity.

Whether or not a security clearance requirement is contained in the employees' official position descriptions, the agency could establish separate competitive levels if the clearance approval process would extend more than 90 days past the effective date of the RIF.

Section G: Establishing Retention Registers

Retention Register Basics. The retention register applies the four retention factors required by law (i.e., performance, veterans' preference, tenure, and length of service) to the competitive level. The retention register lists all competing employees in the order of their relative retention standing in a single competitive level. A retention register is not required when the agency is abolishing all positions in the competitive area within 180 days (5 CFR 351.605); see "Employees not listed on the retention register because the competitive area is being abolished" below.

Employees Listed on the Retention Register. The retention register includes the name of each competing employee who holds an official position of record in the competitive level and is:

1. Serving in that position;
2. Temporarily promoted from the competitive level by either temporary promotion or term promotion; or
3. Detailed from the competitive level under section 3341 of title 5, United States Code, or under other authority.
4. Has completed a competitive service probationary period or an excepted service trial period and is in tenure subgroup I or II. (See Section I for more information on tenure subgroups.)

Employees Not Listed on the Retention Register Because of Armed Forces Restoration Rights. The retention register does not include the name of a competing employee on

military duty with a restoration rights to the competitive level. The employee does not compete for retention under the RIF regulations; instead, the employee has a restoration right based on his or her military service.

Restoration Protected Employees Are Listed on the Retention Register. A competing employee who has been restored or reemployed following uniformed service, and who as of the date of the specific RIF notice remains entitled to retention for 6 months or 1 year after restoration, is a "restoration protected employee." Unlike an employee who is currently performing duty with a uniformed service, a restoration protected employee competes for retention and is listed on the retention register. The agency first determines the employee's ordinary retention standing under the four retention factors, and then applies the mandatory exception to the order of release described in Chapter IV, Section A. For each restoration protected employee, the agency must document on the retention register the employee's ordinary retention standing, the basis for the restoration protection, the date the protection expires, and any employee released because the restoration protected employee was passed over. Where the agency prepares no retention register because it is abolishing the competitive area, it keeps this documentation in its RIF records.

Employees Listed Apart from the Retention Register. Employees holding certain positions in a competitive level do not compete for retention in that competitive level. The agency identifies these employees by entering the name of each noncompeting employee on a separate list.

For example, the agency enters on the separate list the name of each employee who is serving in the competitive level under a:

1. Time-limited temporary appointment;
2. Term promotion; or
3. Temporary promotion;

The agency also enters on the separate list the name of each employee who holds an official position of record in the competitive level and who has received a final written decision of removal or demotion because of Unacceptable (or equivalent) performance, or because of adverse action.

An employee who has received a written decision of demotion because of Unacceptable (or equivalent) performance, or because of adverse action, competes for retention from the position to which the employee will be, or has been, demoted.

Employees not listed on retention register because of the abolishment of the competitive area. Employees not listed on the retention register because the competitive area is being abolished. When an agency is abolishing all positions in a competitive area

within 180 days, it is not required to rank competing employees on a retention register, and it must not apply assignment rights, because no positions in the competitive area will remain. The agency must still provide for the mandatory exceptions to the order of release covered in Chapter IV, Section A. In place of a retention register, the agency creates a list of all employees in the competitive area to ensure that every affected employee receives the required notice.

Section H: Determining Employees' Retention Standing

Retention Standing Basics. The four statutory retention factors are implemented in the following order on the retention register: (Retention standing is not determined for a competitive area the agency is abolishing in its entirety within 180 days under 5 CFR 351.605.)

1. Performance — Each employee's numerical performance credit (calculated under Section J) is the primary factor;
2. Veterans' preference — Preference points are added directly to the performance credit (see Section K);
3. Tenure subgroup — Is used to break ties between employees with the same total credit (Subgroup I ahead of Subgroup II); and
4. Length of service — The employee's actual service computation date for RIF (SCD) breaks any remaining ties (earlier SCD ranks higher).

For a RIF noticed before September 2, 2026, the four statutory retention factors are implemented in a different order: tenure first, through three tenure groups; veterans' preference second, through three tenure subgroups; length of service third, through the service computation date; and performance fourth, through additional retention service credit added to that date. Performance is not expressed as a numerical credit, veterans' preference is not expressed in points, and tenure is a primary factor rather than a tie-breaker.

Order of Employees on the Retention Register. Employees are placed on the retention register based on whether the employee is in the competitive service tenure group or excepted service tenure group. A separate register is created for each tenure group. Within each register employees are ranked in the following order:

- Performance credit: the performance total augmented by veterans preference is listed in descending order
- Tenure subgroups: Subgroup I employees are listed ahead of Subgroup II employees for each performance total level

- Service computation date Employees with the earlier service computation date are listed before those with the same performance total and in the same subgroup.

Example

Name	Tenure Group	Veterans' Preference Subgroup	Rating of Record Summary Levels	Performance Credit Totals	Tenure Subgroup	Service Computation Date
Barb	CS	A	5 / 4 / 5	7+5+7+3 = 22	I	01/01/2020
Dave	CS	A	4 / 5 / 4	5+7+5+3 = 20	I	01/01/1990
Carl	CS	A	3 / 4 / 4	3+5+5+3 = 16	II	01/01/2022
Emma	CS	A	3 / 4 / 4	3+5+5+3 = 16	II	01/01/2024
Al	CS	A	3 / 3 / 3	3+3+3+ 3 = 12	I	01/01/1998

Section I: Tenure Groups

The RIF regulations define two tenure groups – the competitive service tenure group and the excepted service tenure group. Each tenure group has two subgroups. Agencies will maintain separate retention registers for each tenure group.

For a RIF noticed before September 2, 2026, the RIF regulations defined three competitive service tenure groups and three excepted service tenure groups.

Tenure group III — covering indefinite, term, status quo, provisional, and other nonstatus nontemporary appointments — and the tenure group "0" designation for temporary limited appointments both continue to apply, as do the tenure group III restrictions on assignment rights described in Chapter IV.

Competitive Service Tenure Group. The competitive service tenure group consists of all competitive service employees who as of the date of the RIF notice are not serving an initial probationary period or a temporary or time-limited appointment of 1 year or less under 5 CFR part 316. The RIF regulations defines two competitive service tenure subgroups.

Subgroup I includes each career employee, who as of the date the RIF notice, is not serving an initial competitive service probationary period. An employee serving a probationary period required for a supervisory or managerial position does not affect the tenure group designation.

The following employees are in tenure group I as soon as they complete any required probationary period for initial appointment:

- An employee for whom substantial evidence exists of eligibility to immediately acquire status and career tenure and whose case is pending final resolution by OPM (including cases under Executive Order 10826 to correct certain administrative errors);

- An employee who acquires competitive status and satisfies the service requirement for career tenure when his or her position is brought into the competitive service;
- An administrative law judge appointed prior to establishment of excepted service schedule E and who remains in the competitive service;
- An employee appointed under section 3104 of title 5, United States Code, (which provides for the employment of specifically qualified scientific and professional personnel) or a similar authority; and
- An employee who acquires status under section 3304(c) of title 5, United States Code, on transfer to the competitive service from the legislative or judicial branches of the Federal Government.

Subgroup II includes each competitive service employee who as of the date of the RIF notice is not in competitive service tenure subgroup I and is not serving an initial probationary period or a temporary appointment of 1 year or less under subpart D of part 316 of this chapter. For example, a career-conditional employee who has completed their initial probationary period but has not yet obtained career tenure.

Excepted Service Tenure Group. The excepted service tenure group consists of excepted service employees occupying a career position (as defined in § 213.101) who are not serving a trial period and are not serving in a temporary or time-limited appointment of 1 year or less. The RIF regulations define two excepted service tenure subgroups.

Subgroup I includes each permanent excepted service employee who, as of the date of the RIF notice:

- is not serving a trial period; and
- whose appointment does not carry restrictions or conditions such as conditional, indefinite, specific time limit, or trial period.

Subgroup II includes all other excepted service employees on permanent appointments, who as of the date of the RIF notice:

- are not serving a trial period;
- not serving on a temporary or time-limited appointment of 1 year or less
- whose tenure is equivalent to a career-conditional appointment in the competitive service in agencies having these appointments.

Employees on excepted service Schedule C or G appointments are not competing employees in a RIF.

Section J: Performance

Agencies calculate performance credit using the three most recent ratings of record from the relevant four-year period.

Calculation of Performance Credit. An agency calculates performance credit for each competing employee in the following manner:

Step 1: For each rating used, assign one of the following numerical values in conjunction with the summary level patterns used for the rating.

Summary Level	Value
Level 5 (Outstanding or equivalent)	7
Level 4 (Exceeds Fully Successful or equivalent)	5
Level 3 (Fully Successful or equivalent)	3
Level 2 (Minimally Satisfactory or equivalent)	0
Level 1 (Unacceptable)	0

Step 2: Add the values assigned for each rating.

Example:

Employee	Tenure Group	Rating of Record Summary Level	Performance Credit Total
Rivera	CS	5/5/4	(7+7+5) = 19
Singh	CS	5/4/3	(7+5+3) = 15
Taylor	CS	4/4/3	(5+5+3) = 13

Time Period Covered by Employees' Ratings of Record. The performance credit for each employee is based upon the employee's three most recent ratings of record received during the 4-year period prior to the date of the RIF notice. An agency may use a cut-off date that is a specified number of days prior to the issuance of reduction in force notices after which no new ratings of record will be put on record and used for the RIF. When a cutoff date is used, an employee's performance credit will be based on the three most recent ratings of record received during the 4-year period prior to the cutoff date.

Ratings of Record Used for RIF. An agency may use only a rating of record or an equivalent rating of record as the basis for calculating performance credit under the RIF regulations.

For an employee who is not covered by chapter 43 of title 5, United States Code, or by part 430 of title 5, Code of Federal Regulations, "rating of record" for purposes of part 351 of title 5, Code of Federal Regulations, means the officially designated performance rating, as provided

for in the agency's appraisal system, that is considered to be an equivalent rating of record under the provisions of section 430.201(c) of title 5, Code of Federal Regulations.

Employees receive performance credit based upon those ratings only if the agency conducting the RIF determines that the ratings are "equivalent ratings of record." If an agency has administratively adopted and applied the procedures of part 430, subpart B, of title 5, Code of Federal Regulations, to evaluate the performance of its employees, the ratings of record resulting from that evaluation are considered equivalent ratings of record for purposes of the RIF regulations.

Any other performance evaluation given while an employee is not covered by the provisions of part 430, subpart B, of title 5, Code of Federal Regulations, is considered to be a rating of record for purposes of the RIF regulations when the performance evaluation:

- Was issued as an officially designated evaluation under the employing agency's performance evaluation system;
- Was derived from the appraisal of performance against expectations that are established and communicated in advance and are work-related; and
- Identified whether the employee performed acceptably.

When the performance evaluation does not include a summary level designator and pattern comparable to those established at section 430.208(e) of title 5, Code of Federal Regulations, the agency may identify a level and pattern based on information related to the appraisal process.

Single Rating Patterns. If all competing employees in a RIF competitive area have received ratings of records under a single pattern of summary levels as established in 5 CFR 430.208(e) then the agency must calculate performance credit as described in 5 CFR 351.503(a) (subject to the discretionary additional credit described in 5 CFR 351.503(d)) using the information under the heading "Calculation of Performance Credit" described above.

Additional Performance Credit When Using A Pass/Fail Rating Pattern. If an agency has used a rating pattern where the highest summary level is a level "3" rating (i.e., a pattern A 'pass/fail', or pattern D system), the agency has the discretion to assign additional points to level "3" employees with demonstrated exceptional performance if, within the 4-year period prior to either the date the agency issues reduction in force notices or the agency-established cutoff date for ratings of record, the agency has applied performance-related criteria and taken an action that recognizes the employee's exceptional performance. Such actions may include awarding an employee:

- the highest Agency or Departmental award (such as a Secretary's or Chair's award),

- a special act or service award, a quality step increase, or other performance awards or bonuses (e.g., a 'time-off' for demonstrated performance above expectations).

If an agency chooses to use this discretion, it must, in advance of the RIF, specify and document how it will prioritize performance awards for these purposes, and must make these criteria readily available for review. Points may be added on an annual basis or as a single addition to the calculated performance credit.

Multiple Rating Patterns. An agency may, in its sole and exclusive discretion, choose to provide enhanced performance credit to employees under disparate pattern summary levels. It may do so by transmuting or assigning an employee a higher summary level rating than what he or she received under a previous rating system when there is documented evidence of exceptional or higher-level performance consistent with the criteria in revised § 351.503(e). Evidence of exceptional or higher level performance includes receipt of the highest Agency or Departmental award (such as a Secretary's or Chair's award), a quality step increase, or appraisal performance awards or bonuses (e.g., a "time-off" for demonstrated performance above expectations in lieu of a cash bonus).

When transmuting the ratings under this provision, the agency must transmute the rating from the disparate summary pattern to the highest rating of the pattern being applied in the RIF. For example, the agency doing the RIF is using pattern C where the highest summary level is a level 5 and the employee has a rating using pattern A where the highest summary level is a level 3. Then if additional credit is given the level 3 score must be transmuted to a level 5 when the criteria for additional credit is met. An agency cannot transmute a rating to a summary level which is not among those in the pattern being applied to the reduction in force.

If an agency chooses to provide additional retention credit under the multiple-rating-pattern provision, it must specify and document, in advance of the RIF, the basis on which it will transmute an employee's rating — that is, how it will translate documented evidence of exceptional performance into a higher rating under the pattern being applied in the RIF — make these criteria readily available for review, and apply them consistently to all competing employees.

Missing Ratings. If an employee has not received three actual ratings of record during the applicable 4-year period prior to the date the agency issues specific RIF notices or freezes ratings, the agency determines the employee's performance credit under the following procedures:

- **No Ratings**. An employee who has not received any ratings of record during the applicable 4-year period receives performance credit based on the modal rating for

the summary level pattern that applies to the employee's official position of record at the time of the RIF notice (more information on modal ratings is provided below).

- **One Rating.** For an employee with only one actual rating of record during the period, calculate the performance credit by multiplying the points assigned for that rating of record times three. Example: The employee has one rating of record with a summary level of 4 (Exceeds Fully Successful or equivalent) that has a value of 5.). They will receive a performance credit of 15 (5 x 3).
- **Two Ratings.** When the employee has received two previous ratings of record during the 4-year period calculate the performance credit by using a proxy value for the missing rating. Calculate the proxy value by adding the assigned values for the two actual ratings of record and dividing by 2. Add the value of the missing rating to the values of the two actual ratings. Example: The employee has two previous ratings of a Level 4 and a Level 5 with values of 5 and 7. The proxy value is calculated as 5 + 7 = 12 ÷ 2= 6. The total performance credit before veterans preference is the sum of 5 + 7 + 6 = 18.

Modal Ratings. The modal rating is the most frequently occurring rating of record given in the competitive area for the appraisal cycle immediately preceding the date the agency issues specific RIF notices (or the agency-established cutoff date, if earlier). For each employee with no rating of record, the agency must determine:

- The employee's position of record;
- The performance appraisal program covering that position; and
- The summary level pattern covering the position on the date the agency issues specific RIF notices.

The agency must use the same modal rating for all employees in the competitive area who:

1. Have no ratings of record within the 4-year period preceding the RIF notice or the cutoff date; and
2. Are in positions of record covered by appraisal programs that use the same summary pattern.

The agency may not determine the modal rating based upon a smaller grouping, such as only employees in an occupation or a classification series. As applicable, the agency determines separate modal ratings for each summary level pattern under which ratings of record in the competitive area were issued. (OPM's revisions to 5 CFR part 430, subpart B, at 91 FR 41521 (July 7, 2026), reduce the permissible patterns to patterns A, B, and C for ratings of record issued on or after January 1, 2027, but ratings issued under other patterns during the 4-year

lookback period continue to be credited under 5 CFR 351.503.) In making this determination, the agency may find that more than one pattern has the same modal rating.

Example: An agency's competitive area includes 100 employees whose positions are covered by an appraisal program using Pattern C. For the most recent appraisal cycle, the ratings of record were:

- Level 5 (Outstanding or equivalent) = 28
- Level 4 (Exceeds Fully Successful or equivalent) = 41
- Level 3 (Fully Successful or equivalent) = 30
- Level 1 (Unacceptable) = 1

The modal rating for Pattern C is Level 4 (Exceeds Fully Successful or equivalent), which has a value of 5. An employee in a Pattern C position who received no rating of record during the applicable 4-year period receives a performance credit of 15 (5 x 3).

The agency repeats this determination for each summary level pattern used in the competitive area. For example, the agency may find that Level 3 (Fully Successful, or equivalent) is the modal rating for both Pattern A and Pattern C. Because the point value assigned to each summary level is fixed under this section, a modal rating of Level 3 produces a performance credit of 9 (3 x 3) under either pattern.

Proposed Decision to Remove or Demote Because of Unacceptable Performance. An employee with a current Level 1 (Unacceptable or equivalent) rating of record who has not received a final written decision of removal or demotion because of unacceptable performance is listed on the retention register with other employees.

Proposed Decision to Remove or Demote Because of Adverse Action. An employee with a proposed, but not a final, written decision of removal or demotion because of a pending adverse action, is listed on the retention register with other employees.

Final Decision to Remove or Demote. An employee who, as of the date of the RIF notice, has received a final written decision of removal because of unacceptable performance, or because of adverse action, is listed apart from the retention register and does not compete in the RIF competition.

Final Decision to Demote. An employee who has received a final written decision of demotion because of unacceptable performance, or because of adverse action, is listed on the retention register for the position to which the employee will be demoted.

Elimination of Unacceptable Rating. If, because of performance improvement during the notice period of a proposed removal or demotion action because of unacceptable (or

equivalent) performance, an employee is not demoted or separated and the employee's performance continues to be acceptable for 1 year after the notice, any record of the unacceptable performance is removed from agency records. In this situation, no record of the Level 1 (Unacceptable) rating would exist.

There is no authority for an agency to remove an employee's Level 1 rating except under authority of section 293.404(a)(3) of title 5, Code of Federal Regulations, covered above, or under other appropriate authority (for example, an award resulting from a grievance, equal employment opportunity complaint, or similar complaint).

Section K: Veterans' Preference in RIF

General Eligibility for Veterans' Preference in RIF. Except for an employee who is a retired member of the Armed Forces, an employee who is eligible for veterans' preference for purposes of initial appointment to the Federal service is also eligible for veterans' preference under the RIF regulations. See "Veterans' Preference in RIF When the Employee is Retired from a Uniformed Service" below for additional information.

In making an official determination of whether an employee is entitled to veterans' preference for retention, or to determine whether an employee's service in the Armed Forces is creditable for retention, refer to OPM's *VetGuide*, which is available on the OPM website.

An agency has no authority to apply a "freeze" and restrict an employee from updating veterans' preference records prior to the effective date of a RIF or prior to the issuance of a RIF notice. An agency is not required to consider veterans' preference records that are not available until after the effective date of the RIF.

Derivative Preference in RIF. Veterans' preference also extends to four types of employees who are eligible for derivative preference, and who are therefore in veterans' preference subgroup A:

1. The unmarried widow or widower of a veteran, as "veteran" is defined in section 2108(1)(A) of title 5, United States Code (5 U.S.C. 2108(3)(D));
2. The spouse of a service-connected disabled veteran, as "disabled veteran" is defined in section 2108(2) of title 5, United States Code, who has been unable to qualify for a Federal position (5 U.S.C. 2108(3)(E));
3. The mother of a veteran (as "veteran" is defined in section 2108(1)(A) of title 5, United States Code) who died in a war or campaign, provided that the mother also meets other statutory conditions covered in section 2108(3)(F) of title 5, United States Code (5 U.S.C. 2108(3)(F)); or

4. The mother of a permanently disabled veteran (as "disabled veteran" is defined in section 2108(2) of title 5, United States Code), provided that the mother also meets other statutory conditions covered in section 2108(3)(G) of title 5, United States Code (5 U.S.C. 2108(3)(G)).

There is no authority to place an employee in veterans' preference subgroup AD on the basis of derivative preference.

Veterans' Preference in RIF When the Employee is Retired from a Uniformed Service. The law limits veterans' preference for retired members of a uniformed service to an employee who meets one of the following two conditions:

1. The employee's retirement from a uniformed service without regard to benefits from the Department of Veterans Affairs is based on a disability that either:
    - Resulted from injury or disease received in the line of duty as a direct result of armed conflict, or
    - Was caused by an instrumentality of war, and was incurred in the line of duty during a period of war as defined by sections 101 and 301 of title 38, United States Code;
2. The employee's retirement from a uniformed service is based on less than 20 years of full-time active service, excluding periods of active duty for training, regardless of when performed, and either:
    - Retired at the rank of major (or equivalent) or higher, and is a disabled veteran, as defined in section 2108(2) of title 5, United States Code; or
    - Retired below the rank of major (or equivalent).

The restrictions on veterans' preference for RIF also apply to early retirement from the Armed Forces under Public Law 102-484 based upon a minimum of 15 (rather than 20) years of active military service.

Veterans' Preference in RIF When the Employee is Retired from the Armed Forces as a Reservist. A veteran who becomes eligible for retired pay at age 60 as a reservist is not subject to the same restrictions on preference because the retirement from the Armed Forces is based on less than 20 years of creditable active service. If the employee otherwise meets the requirements for veterans' preference, the reservist is eligible for veterans' preference in RIF until age 60 when the Armed Forces retirement pay commences.

To retain RIF preference at age 60, the reservist must have either:

1. Retired at the rank of major (or equivalent) or higher, and be a "disabled veteran," as defined in section 2108(2) of title 5, United States Code; or

2. Retired below the rank of major (or equivalent).

Veterans Preference Subgroups. The RIF regulations define three veterans' preference subgroups. The same tenure subgroups are used for positions filled under competitive and excepted appointments.

1. Subgroup AD includes each veterans' preference-eligible employee who has a compensable service-connected disability of 30 percent or more.
2. Subgroup A includes each veterans' preference-eligible employee not in subgroup AD, including all employees eligible for "derivative preference" under section 2108(3)(D)-(G) of title 5, United States Code.
3. Subgroup B includes each employee not eligible for veterans' preference under the RIF regulations.

An employee's veterans' preference subgroup is listed on the retention register.

Applying Veterans Preference. Veterans' preference is applied by adding points to a competing employee's performance credit score.

Veterans 'Preference Subgroup	Point Value
AD	5
A	3
B	0

Example:

Employee	Tenure Group	Veterans Preference Subgroup	Rating of record Summary Level	Performance Credit	Veterans Preference Credit	Augmented Score
Rivera	CS	B	5/5/4	(7+7+5) = 19	0	19
Singh	CS	A	5/4/3	(7+5+3) = 15	3	18
Taylor	CS	AD	4/4/3	(5+5+3) = 13	5	18

Section L: Length of Service

Responsibility of the Agency to Determine Employee's Retention Service Dates. The agency is responsible for determining each employee's retention service date (defined in Appendix S, Glossary of Terms) as of the RIF notice date. The agency has no authority to use a "freeze" date as the basis to exclude creditable retention service credit that is verified before the RIF notice date. The agency is also responsible, if necessary, for correcting the retention service date of an employee to withhold retention service credit for non-creditable service.

For a RIF noticed before September 2, 2026, the agency determines each employee's retention service date as of the RIF effective date rather than the notice date and may apply a rating cutoff or “freeze” date established under its performance management policies.

Creditable Service for Retention. Employees receive RIF service credit for:

1. All civilian service performed as a Federal employee that meets the definition of “employee” in section 2105(a) of title 5, United States Code;
2. Civilian service that does not meet the definition of “employee” in section 2105(a) of title 5, United States Code, if a controlling statute specifically defines this service as creditable under the RIF regulations; and
3. All active duty performed in a uniformed service, except as restricted by law for certain members of the Armed Forces who are receiving retired pay.
4. If the retired member of the Armed Forces is not eligible for veterans’ preference under the RIF regulations, the employee receives retention credit only for creditable active military service:
    - During a war declared by Congress (including World War II, which covers the period from December 7, 1941, to April 28, 1952); or
    - Actually performed in a campaign or expedition for which a campaign badge has been authorized.
    - If the retired member of the Armed Forces is eligible for veterans’ preference under the RIF regulations, the employee receives retention credit for all creditable active service in the Armed Forces.

An employee may not receive dual retention service credit for service performed on active duty in the Armed Forces that was performed during concurrent employment as a Federal civilian employee.

Determining the Retention Service Date. An employee’s retention service date under the RIF regulations is calculated in the following basis, as applicable:

- If the employee has no previous creditable service, the date that the employee entered on duty; or
- If the employee has previous creditable service, the date is calculated by subtracting the employee’s total previous creditable service from the date of the most recent appointment as a federal employee. Example: The employee’s most recent appointment as a federal employee was June 1, 2025. They have 5 years of creditable service from a prior federal appointment. The employee’s service computation date is calculated at June 1, 2020.

Service Credit on the Retention Register. The agency determines each competing employee's service computation date (SCD) for RIF using actual creditable civilian and military service. Length of service, reflected through the actual SCD, is listed on the retention register and used only as the final tie-breaker in retention standing, after performance credit (with veterans' preference points) and tenure subgroup.

Example:

Rank	Name	Tenure Group	Vets Preference Subgroup	Rating of Record Summary Levels	Performance Credit Total	Tenure Subgroup	Service Comp Date
1	Bennett	CS	B	5 / 5 / 5	(7+7+7+0) = 21	I	2021-09-13
2	Alvarez	CS	AD	5 / 4 / 3	(7+5+3+5) = 20	I	2014-02-24
3	Chen	CS	A	5 / 5 / 3	(7+7+3+3) = 20	I	2016-11-01*
4	Diaz	CS	AD	5 / 4 / 3	(7+5+3+5) = 20	I	2019-06-17*
5	Evans	CS	A	5 / 5 / 3	(7+7+3+3) = 20	II	2023-08-21
6	Flores	CS	B	5 / 5 / 4	(7+7+5+0) = 19	I	2015-04-10

*Employees Chen and Diaz have the same performance credit total and are in the same tenure subgroup. Chen has an earlier service computation date and is listed before Diaz.

Section M: Personnel Records in RIF

Responsibility of Agency to Maintain Personnel Records. The agency is responsible for maintaining correct personnel records that are used to determine the retention standing of competing employees (5 CFR 351.506(a))

Employee Review of RIF-Essential Records Before the RIF. Retention standing is fixed as of the date the employee receives the specific RIF notice (5 CFR 351.507), errors in an employee's records are far less costly to correct before notices are issued than afterward. When the agency must correct the error, adjust any erroneous RIF action, and potentially defend an appeal. Before issuing specific RIF notices, the agency should give each employee in the competitive area an opportunity to review the data that will determine the employee's retention standing and assignment rights and to report any discrepancy by a stated deadline. At a minimum, the review should cover:

- The employee's official position description of record, including its title, series, grade, work schedule, and any security clearance, medical, or other qualification requirement, which the employee and the supervisor should confirm accurately describes the duties of the position;

- The ratings of record in the applicable 4-year period and the summary level pattern under which each was issued;
- The RIF service computation date, including creditable civilian and uniformed service;
- Veterans' preference status for RIF, including any documentation (e.g., DD-214, VA letter, SF-15) the employee has not yet provided; and
- The employee's résumé or qualifications statement, which the agency may ask the employee to update by a stated deadline so that the agency has current information on the employee's education, training, experience, licenses, and certifications when it determines qualifications for assignment (see Chapter IV, Section H).

The agency should use its human resources data system or the automated RIF system to generate the review materials for each employee. It should also receive and track corrections electronically and process any required corrections (for example, a corrected SF-50 or an amended rating of record) under the records and personnel-action procedures that apply. It should do this before the retention register is finalized. The agency may set a reasonable deadline for employees to submit corrections and qualifications updates. The agency may not use this deadline to exclude veterans' preference documents received before the RIF notice date (see Chapter III, Section K). The agency must always correct any error in retention standing that it or an employee identifies (5 CFR 351.507(c)).

Employee Access to Retention Records. The agency must allow its retention registers and related records to be inspected by:

1. An employee of the agency who has received a specific RIF notice, or the employee's representative; and
2. A representative of OPM.

An employee who has not received a specific RIF notice has no right to review the agency's retention registers and related records. This does not limit any right of access available under another statute or regulation.

Review of Retention Register with Employee's Name. An employee who has received a specific RIF notice has the right to review the complete retention register used by the agency to determine the employee's retention standing in a RIF action that the agency has taken, or will take, including:

1. The names of all other employees listed on that register;
2. The employee's performance credit as augmented by veterans' preference;
3. The employee's service computation date; and

4. The complete retention register so that the employee may consider how the agency constructed the competitive level, and how the agency determined the relative retention standing of the competing employees.

The personal representative of an employee who has received a specific RIF notice has the same right to access these retention records.

Review of Other Retention Registers. An employee who has received a specific RIF notice has the right to review the complete retention registers for other positions that could affect:

1. The composition of the employee's own competitive level; and/or
2. The determination of the employee's assignment rights to positions on other competitive levels.

The employee's personal representative has the same right to access these retention records.

Retention of Records for Minimum of 2 Years. The agency must preserve all registers and records relating to a RIF for at least 2 years after the date it issues a specific RIF notice.

Also, the agency should always retain any retention records that are, or may be, subject to review in an appeal or grievance without regard to the general 2-year limit for preserving records related to the RIF.

The agency has now defined its competitive areas and competitive levels and has prepared the retention registers that establish each employee's relative retention standing. Chapter IV explains how the agency uses those registers to release employees from the competitive level and to determine the assignment rights of employees who are released.

For a RIF noticed before September 2, 2026, the minimum retention period is 1 year rather than 2 years after the date the agency issues a specific RIF notice.

Chapter IV: Reduction in Force - Release and Assignment Rights

Chapter IV provides guidance on releasing employees from the competitive level and determining employees' assignment rights:

- Release from the Competitive Level (Section A)
- Actions Following Release from the Competitive Level (Section B)
- Determining and Offering Assignment Rights (Section C)
- Vacancies for Assignment (Section D)
- Vacant Temporary Positions as Placement Offers (Section E)
- Consideration of Grades in Assignment (Section F)
- Consideration of Representative Rates in Assignment (Section G)
- Consideration of Qualifications in Assignment (Section H)
- Trainee and Developmental Positions for Assignment (Section I)
- Consideration of Security Clearances in Assignment (Section J)
- Administrative Assignment Options (Section K)

This chapter assumes that the agency has completed the steps to create competitive areas, competitive levels, and retention registers described in Chapter III. The agency uses those registers to determine the order in which employees are released from the competitive level and the positions, if any, to which released employees have assignment rights.

Section A: Release from the Competitive Level

Date Used to Determine Retention Standing. The retention standing of each employee released from a competitive level is determined as of the date the employee receives a specific reduction in force notice. For a RIF noticed before September 2, 2026, the agency determines retention standing as of the effective date of the RIF — the date the employee is released from the competitive level — rather than as of the date the employee receives the specific RIF notice.

Release of Noncompeting Employees. Before a competing employee (that is, an employee in the competitive service tenure group or the excepted service tenure group) may be released from a competitive level, the agency may first release from that competitive level each employee who:

1. Holds a temporary appointment to a position in that competitive level;

2. Holds a term promotion or temporary promotion to a position in that competitive level (these employees are returned to their permanent positions of record, or equivalent);
3. Has received a written decision of removal or demotion because of unacceptable (or equivalent) performance, or because of adverse action, from a position in that competitive level.

An employee who has received a written decision of demotion because of unacceptable performance or adverse action competes for retention from the position to which the employee will be, or has been, demoted.

Order of Releasing Employees from the Competitive Level. The agency releases competing employees from the RIF retention register in the inverse order of the employees' relative retention standing:

- The first employee released is the employee who has the lowest retention standing on the retention register; and
- The employee with the next lowest standing on the retention register is the second employee released, and the same order is followed until the required number of employees are released from the retention register.

An employee in an abolished position has a right to a position held by a lower-standing employee in the same competitive level rather than being released from the level; if the employee in the abolished position has the lowest standing, the employee is the one released from the competitive level.

The displacement of a lower-standing employee by a higher-standing employee in the same competitive level is not a RIF action for the higher-standing employee, who is reassigned to the position rather than released from the competitive level. A higher-standing employee who displaces a lower-standing employee in the same competitive level retains the same status and tenure upon encumbering the position of the lower-standing employee. For example, a competitive service tenure subgroup I employee in veterans' preference subgroup B who displaces a lower-standing employee in the same competitive level retains that same tenure subgroup and veterans' preference subgroup while encumbering the position.

Under limited conditions, an agency may release a competing employee from a competitive level and still retain a lower-standing competing employee in the same level, only if the agency uses a mandatory, discretionary, or abolishment exception, which is also covered in this section.

Breaking Ties in Retention Standing. When employees in the same tenure group have identical performance credits (as augmented by veterans' preference), are in the same tenure

subgroup, and have identical service dates and are therefore tied for release from a competitive level, the agency may select any tied employee for release.

Mandatory Exception to the Order of Release Based upon Service in a Uniformed Service. The agency must use a mandatory exception to the regular order of releasing employees in order to retain a tenure group I or group II employee who has restoration rights after returning from active duty in a uniformed service.

A mandatory exception applies to employees with restoration rights for either 6 months, or 1 year, as appropriate. Before release from the competitive level by RIF, each employee with a restoration right based on active duty in a uniformed service must be retained over other employees in the tenure group and subgroup until the end of the applicable 6 months or 1-year mandatory retention period.

If an employee with this restoration right is reached for release from a competitive level during the applicable mandatory retention period (for example, 6 months or 1 year following restoration from the Armed Forces), the agency is obligated to find reassign the employee under the provisions of the restoration regulations, as necessary to another position of like seniority, status, and pay for which the employee is qualified, rather than separate the employee by RIF.

Mandatory Exception to the Regular Order of Release and the Use of Annual Leave to Reach Eligibility to an Immediate Annuity and/or to Continue Health Benefits. (351.606(b)) An agency must use a mandatory exception to the regular order of releasing employees from the competitive level in order to retain an employee who is being involuntarily separated from the agency by RIF if the employee elects to use annual leave and remain on the agency's rolls after the effective date that the employee would otherwise have been separated, for the purpose of establishing initial eligibility for:

1. Immediate Civil Service Retirement System (CSRS) or Federal Employees' Retirement System (FERS) retirement (including optional, voluntary early retirement (VERA), discontinued service retirement (DSR), and FERS MRA+10)); and/or
2. Continuation of Federal Employees Health Benefits (FEHB) coverage into immediate retirement.

An employee retained under this provision must be covered by the leave provisions of chapter 63 of title 5, United States Code. An agency may not retain an employee under this provision past the date that the employee first becomes eligible for immediate retirement, and/or for continuation of health benefits into retirement, except that an employee may be retained long enough to satisfy both retirement and health benefits requirements. The retention standing of an employee retained in the competitive level under this exception is

determined as of the date the employee receives the specific RIF notice, irrespective of when the employee would have been released had the agency not used the exception.

Except as permitted as a discretionary temporary exception under authority of section 351.608(d) of title 5, Code of Federal Regulations, for an employee on approved sick leave, an agency may not approve the employee's use of any other type of leave after the employee has been retained under a mandatory exception for the purpose of gaining initial eligibility for immediate retirement and/or continuation of health benefits into retirement. Section 630.212 of title 5, Code of Federal Regulations, defines annual leave that is available for purposes of a mandatory exception under this paragraph.

Documenting Mandatory Exceptions to the Order of Release. The agency must record on the retention register the reason for using a mandatory exception to the regular order of release. Each employee listed on the retention register has the right to review the reason for the use of the mandatory exception to the regular order of release.

Use of Annual Leave in Relocation Situations to Obtain Retirement Benefits and/or to Continue Health Benefits Coverage. An employee who is being involuntarily separated by adverse action because of the employee's decision to decline relocation to a different local commuting area (including transfer of function, reassignment, realignment, change of duty station, etc.) may elect to use annual leave and remain on the agency's rolls after the date the employee otherwise would have been separated by adverse action, in order to establish initial eligibility for:

1. Immediate CSRS or FERS retirement (including optional, VERA, DSR, and FERS MRA+10); and/or
2. Continuation of FEHB coverage into immediate retirement.

An employee retained under this provision must be covered by chapter 63 of title 5, United States Code. Under this provision, an agency may not retain an employee past the date the employee first becomes eligible for immediate retirement, or past the date the employee satisfies the requirement for continuing health benefits coverage into retirement, except if necessary to enable the employee to meet **both** the retirement and health benefits requirements. Section 630.212 of title 5, Code of Federal Regulations, defines "annual leave" for purposes of this paragraph.

Discretionary Continuing Exception to the Regular Order of Release. An agency may use a discretionary continuing exception to the regular order of releasing employees in order to retain an employee (i.e., extend an employee's separation date) for more than 90 days in a position that no higher-standing employee can take over:

1. Within 90 days; and

2. Without undue interruption to the agency.

The retention standing of an employee retained in the competitive level under this exception is determined as of the date the employee receives the specific RIF notice, irrespective of when the employee would have been released had the agency not used the exception. That standing remains fixed until the RIF action that resulted in the temporary retention is completed.

When an agency retains an employee under a discretionary continuing exception, the agency must give each higher-standing employee reached for release from the same retention register:

1. A written notice of the exception; and
2. The reason for the exception.

Discretionary Temporary Exceptions-General. An agency may use one of the exceptions authorized in the RIF regulations to retain an employee (i.e., extend an employee's separation date) after the effective date of a reduction in force, notwithstanding the sections of the RIF regulations concerning order of release in a competitive level or actions subsequent to release from a competitive level. Temporary exceptions are time-limited, but the duration may vary depending on a variety of factors as provided below.

After the effective date of a reduction in force action, an agency may not amend or cancel the reduction in force notice of an employee retained under a temporary exception to avoid completion of the reduction in force action. This does not preclude the employee from receiving or accepting a job offer in the same competitive area in accordance with a Reemployment Priority List, under a Career Transition Assistance Plan, or equivalent programs.

Each of the below exceptions stand alone and may not be sequenced or stacked in combination with another exception. If an agency determines that it can approve more than one exception for an employee, the agency may apply the exception that provides for the longest period of retention.

The retention standing of an employee retained in the competitive level under this exception is determined as of the date the employee receives the specific RIF notice, irrespective of when the employee would have been released had the agency not used the exception. That standing remains fixed until the RIF action that resulted in the temporary retention is completed.

When an agency makes a discretionary temporary exception for more than 30 days, the agency must:

1. Give written notice, to each higher-standing employee in the competitive level who is reached for release, of the reasons for the exception and the latest date the lower-standing employee's retention is projected to end; and
2. List opposite the retained employee's name on the retention register the reasons for the exception, and the latest date the employee's retention is projected to end.

Discretionary Temporary Exception for Undue Interruption. An agency may use a discretionary temporary exception for not more than 90 days to the regular order of releasing employees in order to retain an employee in a position that no higher-standing employee can take over within 90 days without undue interruption to the agency.

Discretionary Temporary Exception to Satisfy Government Obligation. An agency may use a discretionary temporary exception to satisfy a Government obligation to an employee. Any application of this exception is subject to the conditions and limitations established by the agency and the RIF regulations. The employee must use leave (paid or unpaid) or paid time off continuously to cover all tour of duty hours during the period the exception is in effect. The use of each type of leave or paid time off must be consistent with the established rules governing its use. Administrative leave under 5 CFR part 630, subpart N (or similar authority) may not be used. The exception may not take effect unless the employee signs a written agreement in which the employee attests that he or she understands and agrees with the conditions and limitations established by the agency and this section. Authorized agency applications of this exception include the following:

1. Paid parental leave for the birth of a child. An employee who is eligible for, and has not exhausted, paid parental leave under 5 U.S.C. 6382(d)(2) (or equivalent authority) based on the birth of a child of the employee before the effective date of the reduction in force. The exception may be approved through the date by which the employee would be able to use all remaining available paid parental leave to the employee's credit in connection with the birth, if the leave is used continuously starting on the effective date of the reduction in force.
2. Paid parental leave for adoption. An employee who is eligible for, and has not exhausted, paid parental leave under 5 U.S.C. 6382(d)(2) (or equivalent authority) based on the placement of a child with the employee for adoption purposes before the effective date of the reduction in force. The exception may be approved through the date by which the employee would be able to use all remaining available paid parental leave to the employee's credit in connection with the placement, if the leave is used continuously starting on the effective date of the reduction in force.

3. Pregnant employee or employee with pregnant spouse when employee would be eligible for paid parental leave after the child's birth. An employee who is pregnant, or whose spouse is pregnant, as of the effective date of reduction in force and who would be eligible for paid parental leave under 5 U.S.C. 6382(d)(2) (or equivalent authority) based on the expected birth. The exception may be approved through the date that is 12 weeks after the birth.

Discretionary Temporary Exception for Sick Leave. An agency may use a discretionary temporary exception to retain an employee covered by 5 U.S.C. chapter 63 (or other applicable leave system for Federal employees), who has a condition or circumstance that would warrant continuous use of sick leave during all tour-of-duty hours of the period of retention if the employee had available sick leave, provided

1. Such condition or circumstance continues throughout the period of retention;
2. The employee first uses any available sick leave in accordance with the requirements of 5 CFR part 630, subpart D (or other applicable sick leave system), before using any other appropriate leave (paid or unpaid) or paid time off, consistent with any applicable requirements governing use of the leave or paid time off;
3. The use of leave or paid time off is continuous through all tour-of-duty hours of the period of retention; and
4. The period of retention does not exceed 90 days.

Discretionary Temporary Exception and the Use of Annual Leave to Obtain Retirement Benefits and/or to Continue Health Benefits. An agency may use a discretionary temporary exception to the regular order of releasing employees in order to retain an employee who:

1. Is being involuntarily separated under the regulations; and
2. Is not covered by the mandatory exception for the use of annual leave to reach initial eligibility for retirement or continuance of health benefits (because the employee is covered by a Federal leave system under an authority other than 5 U.S.C. chapter 63, a retirement law not referenced in the mandatory exception for the use of annual leave to reach initial eligibility for retirement or continuance of health benefits, or a health benefits law other than 5 U.S.C. chapter 89); and
3. Will attain first eligibility for an immediate retirement benefit under 5 U.S.C. 8336, 8412, or 8414 (or other authority), and/or establish eligibility under 5 U.S.C. 8905 (or other authority) to carry health benefits coverage into retirement during the period represented by the amount of the employee's accrued annual leave.

An agency may not approve an employee's use of any other type of leave after the employee has been retained under this discretionary temporary exception. This exception may not

exceed the date the employee first becomes eligible for immediate retirement or for 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 includes all accumulated, accrued, and restored annual leave, as applicable, in addition to annual leave earned and available to the employee after the effective date of the reduction in force. It does not include annual leave donated to an employee. When approving this discretionary temporary exception, an agency 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 reduction in force other than annual leave earned while in an annual leave status. This discretionary temporary exception may not extend past the date the employee first becomes eligible for immediate retirement or for 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 available under this discretionary temporary exception includes all accumulated, accrued, and restored annual leave, as applicable, in addition to annual leave earned and available to the employee after the effective date of the RIF. It excludes donated or advanced annual leave. When approving a discretionary temporary exception under this provision, an agency 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.

Discretionary Temporary Exception for Military Spouse. An agency may extend the separation date beyond the effective date of a reduction in force of an employee who is a spouse of a member of the armed forces or service member who Is serving on active duty in the armed forces or serving under orders specifying the individual is called or ordered to active duty for more than 180 consecutive days. The agency may establish a maximum number of days, up to a maximum of 90 days, for which an exception may be approved.

Other Discretionary Temporary Exception. An agency may use a discretionary temporary exception to 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. The agency may establish a maximum number of days, up to 90 days, for which a discretionary temporary exception may be approved under this provision.

Exceptions to the Regular Order of Release with the Abolishment Exception. An agency may use the abolishment exception to reduce the administrative burden of conducting a reduction in force when it will eliminate all positions (including the positions of employees

otherwise excluded from reduction in force competition) within a competitive area within 180 days.

When an agency will abolish all positions in a competitive area within 180 days, it may release a competing employee without regard to retention standing.

An agency is not required to follow §§ 351.403, 351.404, and 351.501 through 351.505. The agency must provide for the mandatory exceptions of

1. Armed Forces restoration rights; and
2. the use of annual leave to reach initial eligibility for retirement or continuance of health benefits.

An agency may provide for the discretionary temporary exceptions of government obligation, leave for a sick leave purpose, annual leave, and military spouse without

1. Notifying in writing each higher standing employee in the same competitive level reached for release of the reasons for the exception and the latest date the lower standing employee's retention is projected to end; and
2. Listing opposite the employee's name on the retention register the reasons for the exception and the latest date the employee's retention is projected to end.

When an agency uses the abolishment provision, it must notify affected employees as required by the RIF regulations.

An agency is not required to rank competing employees in the abolished competitive area, and must not apply assignment rights because no positions in the competitive area will remain.

Section B: Actions Following Release from the Competitive Level

Offer of Another Position. An employee reached for release from a competitive level may have a right under the RIF to a position in a different competitive level.

Separation or Furlough. The agency may use RIF procedures to separate or furlough the released employee only if the employee:

1. Has no assignment right to another position; or
2. Declines an offer of assignment to another position that would have satisfied the employee's assignment right.

Section C: Determining and Offering Assignment Rights

Two Types of Assignment Rights. The RIF regulations provide released employees with two types of potential assignment rights to positions in different competitive levels:

1. Assignment to a position held by another employee with lower retention standing, which displaces that employee; and
2. Assignment to a vacant position, which is based on the same retention standing procedures that apply to an employee's assignment rights. A vacant position offered to satisfy an assignment right must be in the same competitive area and have the same type of work schedule (e.g., full-time, part-time, intermittent, or seasonal) as the position from which the employee is released. See Section D for information on assignment to vacancies.

Both types of assignment are subject to the conditions described in this section.

Employees with Assignment Rights. The RIF regulations provide mandatory assignment rights to a competing employee who:

1. Holds a position under a competitive service appointment;
2. Is in the competitive service tenure group (subgroups I and II); and
3. Has a current annual performance rating of at least Minimally Satisfactory or equivalent, or higher.

See Section K for information on administrative assignment rights.

Positions That Satisfy an Assignment Right. An available position that satisfies an employee's RIF assignment right must:

1. Be in the competitive service;
2. Be in the same competitive area as the position the employee currently occupies;
3. Be a position for which the released employee qualifies, pursuant to the criteria set forth in the RIF regulations, unless the agency, at its discretion, chooses to waive qualifications in offering the employee assignment to a vacant position;
4. Have a representative rate that is not reduced, or that requires the least possible reduction, from that of the position held by the released employee;
5. Be not more than three grades (or appropriate grade intervals or equivalent) below the position from which the employee was released, except that for a preference eligible employee with a compensable service-connected disability of 30 percent or more the limit is five grades (or appropriate grade intervals or equivalent). The agency

uses the grade progression of only the released employee's position of record to determine the applicable grades (or appropriate grade intervals or equivalent) of the employee's assignment right; the agency does not consider the grade progression of the position to which the employee has an assignment right;

6. If the position is occupied, be held by an employee with lower retention standing in the same tenure group who can be displaced by the released employee through assignment rights; and
7. Have the same type of work schedule (full-time, part-time, intermittent, seasonal, or on-call) as the position from which the higher-standing employee is released.

Basis for Determining Assignment Rights. A released employee has assignment rights to a position based on the employee's personal qualifications in relation to the position held by the lower-standing employee. A released employee may have assignment rights to a position regardless of whether or not the employee previously held the position of the lower-standing employee.

An agency is not required to consider employees' respective retention service dates in determining assignment rights. At its option, the agency may implement a policy to consider employees' respective RIF service dates in making offers of assignment (e.g., the employee with the most service receives an offer of assignment before an employee with less service).

Section F covers grades and grade intervals used in determining employees' RIF rights. See Section G for information on how the agency uses representative rate in determining employees' assignment rights. See Section H for information on employees' qualifications for assignment to another position.

Positions Occupied by Temporary Employees. Released employees do not have assignment rights to positions occupied by temporary employees (tenure group "0") in another competitive level.

Limitations in Offering Employees Assignment to Other Positions. An agency may not:

1. Assign an employee to a position with a representative rate higher than that of the employee's current position;
2. Assign an other-than-full-time employee to a position held by a full-time employee, or satisfy an other-than-full-time employee's right of assignment by assigning the employee to a vacant full-time position;
3. Assign a full-time employee to a position held by an other-than-full-time employee, or satisfy the full-time employee's right of assignment by assigning the employee to a vacant other-than-full-time position;

4. Assign an employee to a temporary position (i.e., a position under an appointment not to exceed 1 year), except as an offer of assignment in lieu of separation by RIF when the employee has no other assignment right;
5. Assign an employee to a position held by an employee with a different type of work schedule (full-time, part-time, intermittent, seasonal, or on-call), or satisfy the employee's right of assignment by assigning the employee to a vacant position with a different type of work schedule;
6. Assign an employee in the competitive service to a position in the excepted service; or
7. Assign an employee in the excepted service to a position in the competitive service.

More Than One Available Position for Assignment. When an employee has a potential right of assignment to two or more positions with the same representative rate, the agency may satisfy the employee's right of assignment by offering any one of the positions. An employee has no right to choose among positions with the same representative rate.

One Offer of Assignment. An employee is entitled to only one offer of assignment, and, except as provided in the next paragraph, is not entitled to any further offers if the employee:

1. Accepts an offer;
2. Rejects an offer; or
3. Fails to reply to an offer within the timeframe established by specific agency policy.

Requirement to Make Additional Offer of Assignment. Even though an employee is entitled to only one offer of assignment, the agency must make a better offer of assignment (i.e., to a position with a higher representative rate) to a released employee if a position becomes available before, or on, the effective date of the RIF. The released employee is entitled to any better offers of assignment regardless of whether the employee previously accepted or declined an offer of assignment. For example, a better offer of assignment may become available when another employee rejects an offer or vacates a position by resignation, retirement, etc.

Alternative Offer. After determining an employee's assignment right, the agency, at its discretion, may also make an alternative offer of a vacant position with the same or a lower representative rate than that of the position to which the employee was entitled. The alternative offer is an offer of a vacant position in lieu of RIF separation or other RIF action, not an offer of assignment under the RIF regulations. See Section E for information on offering vacant positions to employees in lieu of separation RIF actions. The agency may not make an alternative offer of a vacant position if the employee's acceptance of the offer would result in a more severe RIF action for another competing employee. In making an alternative

offer of a vacant position with a lower representative rate, the agency must ensure that the employee has also received notice of his or her entitlement to assignment under the RIF regulations.

Employees' Status and Tenure After Accepting an Offer of Assignment. An employee retains the same status and tenure in the new position after:

1. Displacing a lower-standing employee in the same competitive level; or
2. Accepting an offer of assignment to a position in a different competitive level.

Promotion Potential of a Position Offered for Assignment. The promotion potential of a position is not a consideration in determining an employee's assignment rights to an available position, whether the position is encumbered or vacant. An agency may assign an employee under the RIF regulations to positions with higher promotion potential; after assignment, the agency noncompetitively promotes the employee to the full performance level of that position in the same manner as if the agency had selected the employee through merit competition.

Supervisory Positions. The RIF regulations do not prohibit an otherwise qualified employee who is presently a nonsupervisor from having assignment rights to a supervisory position. For example, a qualified nonsupervisor could potentially have assignment rights to a supervisory position that the released employee formerly held.

Displacing Employee Must Actually Perform Position. A released employee who has assignment rights to a position held by a lower-standing employee must actually perform the duties of that position after entering the position. The agency may not displace a lower-standing employee merely as a paper exercise.

Mobility Agreement and Travel Requirement Not Considered in Determining Assignment Rights. There is no authority under the RIF regulations for an agency to consider a position's mobility agreement or travel requirement in:

1. Determining a released employee's assignment rights, or
2. Making the employee a RIF offer of assignment to a vacant position.

Section D: Vacancies for Assignment

Management's Decision to Fill Vacant Positions During a RIF. An agency is not required to fill vacant positions in a RIF, but the agency may decide to fill all, some, or none of the vacant positions.

Making RIF Offers of Vacant Positions to Released Employees. An agency may offer a released employee assignment to a vacant position in order to satisfy the employee's right to assignment, or offer the employee assignment in lieu of separation by RIF. An agency may satisfy a released employee's RIF assignment right by offering the employee assignment to a vacant position that:

1. Is in the same competitive area;
2. Has a representative rate that is not reduced, or that requires the least possible reduction, from the representative rate of the position to which the employee is entitled on the basis of assignment rights; and
3. Is within the same grade and grade interval limits that apply to offers of assignment based on assignment rights.

An agency may also offer an employee assignment to a vacant position in lieu of separation by RIF, subject to the same conditions covered above.

See Section C for the three-grade and grade-interval limits that apply to assignment rights, and for the five-grade and grade-interval limits that apply to a preference eligible with a compensable service-connected disability of 30 percent or more. The provisions of Section C also apply to RIF offers of assignment to vacant positions (for example, the employee has no right to choose among offers of assignment; the employee is entitled to only one offer of assignment). Consideration of Retention Standing in Offering Vacant Positions. When an agency chooses to fill a vacant position with an employee released from a competitive level, the agency must make the offer consistent with the RIF regulations. A vacant position that is filled effective at the beginning of the day after the effective date of the RIF, or immediately after the effective date, is an available position for purposes of determining employees' assignment rights. See Section C for information on what is an available position for purposes of RIF assignment rights.

When an agency decides to use a vacant position as a RIF offer of assignment to a released employee, the agency determines whether it can offer the position to the released employee, provided that another released employee who has higher retention standing would not have assignment rights to the vacant position. The agency must consider the relative subgroup standing of competing employees before offering a released employee assignment to a vacant position (e.g., the agency offers a released employee in subgroup I assignment to a vacant position before offering assignment to a released employee in subgroup II). However, when offering a released employee assignment to a vacant position, the agency is not required to consider the relative service computation dates of released employees in the same tenure subgroup, unless one employee:

1. Formerly held a position that is essentially identical to the vacant position;

2. Has more service credit than a second employee in the same subgroup; and
3. Would have a right to the position on the basis of assignment rights if the agency filled the vacancy with another employee who has less retention service credit.

Consideration of Undue Interruption in Determining Qualifications for Assignment to Vacant Positions. An employee released from a competitive level by RIF has an assignment right to another position held by an employee with lower retention standing only if the released employee is qualified for assignment.

Except as covered in Section H, concerning a waiver of qualifications in offering assignment to a vacant position, a released employee is qualified for assignment to an available position if the employee:

1. Is otherwise qualified for the position; and
2. Has the capacity, adaptability, and special skills needed to satisfactorily to perform the duties of the position without undue interruption.

See Appendix S, Glossary, regarding "undue interruption." As appropriate, the agency may apply the usual 90-day undue interruption definition in offering assignment to a vacancy when the vacant position is in a high-priority program.

Waiver of Qualification Requirements in Offering RIF Assignment to Vacant Positions. At its option, an agency may waive qualification standards and requirements in offering a released employee assignment to a vacant position. However, in doing so, an agency may not waive any minimum education requirements.

In order to waive qualifications for assignment to a vacant position, the agency must determine that the employee has the capacity, adaptability, and special skills needed to satisfactorily perform the duties of the position without undue interruption. See Section H for information on how the agency:

- Considers a released employee's qualifications for assignment; and
- May waive qualifications when offering an employee assignment to a vacant position.

Offering Vacant Positions as Offers to Place Employees in Lieu of Separation or in Lieu of Other RIF Actions. Chapter III, Section A, explains that the agency has the basic right to take other personnel actions, including the filling of vacant positions using authority other than the retention regulations, before, during, and after a RIF, unless the agency has limited this right as a matter of policy. The agency's rights include making a voluntary offer of a vacant position to a released employee as:

1. An offer in lieu of separation by RIF;

2. An offer in lieu of downgrading by RIF; or
3. An alternative offer in lieu of an offer of assignment by RIF.

Although the employee was reached for a RIF, these voluntary offers are not offers of assignment under the retention regulations. The placement action is processed as a reassignment, position change, change to lower grade, or change in work schedule and should be documented to show that the employee accepted the position as a voluntary offer in lieu of RIF. As an offer made apart from the RIF regulations, the agency must provide for competition through its internal staffing plan if the offered position has more promotion potential than the employee's present position.

Before making an offer in lieu of RIF, the agency should consider that a vacant position that is filled on or after the effective date of the RIF, or immediately after the effective date, is a potential available position for purposes of determining the assignment rights of other competing employees in the competitive area. The agency may not make an offer of a vacancy in lieu of RIF if the position, when filled, would be an available offer for an employee with higher retention standing.

A voluntary offer of a vacancy in lieu of RIF to a released employee is not subject to grade-level limits that apply to an offer of assignment under the RIF regulations. An agency may also make a voluntary offer of a vacancy with a different work schedule than the position of the released employee (e.g., the agency could offer a vacant other-than-full-time position to a full-time employee or offer a vacant full-time position to an other-than-full-time employee).

Acceptance of a voluntary offer of a lower-graded position in lieu of a RIF action is, absent contrary evidence, presumed to be a voluntary action. An employee who accepts a voluntary offer of a lower-graded position in lieu of RIF but believes the offer was involuntary or was based upon erroneous information may have the right to appeal or grieve the offer as a RIF action.

Voluntary offers of vacant positions that are in a different competitive area within the same local commuting area must be consistent with the Reemployment Priority List (RPL), and any other applicable transition programs. Voluntary offers of vacant positions that are in both a different competitive area and a different local commuting area are not subject to the RPL, but may be covered by other applicable agency-specific transition programs.

Modification of Qualification Requirements in Offering Positions in Lieu of Separation or Other RIF Actions. At its option, an agency may modify OPM's qualification standards and requirements in offering a vacant position to a released employee in lieu of separation or other RIF action. The offer may be a reassignment or a voluntary change to lower grade.

Section E: Vacant Temporary Positions as Placement Offers

Competitive Service Temporary Positions Are Not Available Positions. A competitive service employee released from a competitive level by RIF does not have assignment rights to a position in a different competitive level that is held by a temporary employee. A competitive service temporary employee (tenure group "0") is a noncompeting employee in RIF competition. Section A explains that, under the RIF regulations, an agency may first release from a competitive level each employee who is excluded from RIF competition before it releases a competing employee from that level by RIF. The agency is not required to do so, provided that any action it takes against an excluded employee is consistent with the terms of that employee's appointment and applicable law.

Using a Temporary Position as a RIF Offer of Assignment. At its discretion, an agency may use a vacant competitive service temporary position that will last at least 3 months as a RIF offer of assignment only if a competing employee has no assignment right to another position, and will otherwise be separated by RIF. The agency makes the offer of the vacant temporary position as a RIF offer of assignment on the same basis as other vacant positions offered in RIF, including the three-grade or grade-interval limits.

When an employee accepts a temporary position as a RIF offer of assignment, the employee retains the same status and tenure. If the temporary appointment expires or the agency abolishes the position, the employee is again entitled to compete under the RIF regulations based on the retained status and tenure if the employee is faced with separation or downgrading.

Using a Temporary Position for Reemployment Following RIF Separation. At its discretion, an agency may offer reemployment in a vacant temporary position if a competing employee has no right of assignment. When an employee accepts a temporary position as an offer of reemployment following separation by RIF, the action is processed as a separation followed by a new temporary appointment.

The agency must follow tenure group and subgroup standing in offering an employee appointment to a temporary position in the same local commuting area as the RIF. The requirement to follow tenure group and subgroup standing ensures compliance with the agency's RPL. If the position is located in a different local commuting area, the RIF regulations do not require the agency to follow tenure group and subgroup standing.

The agency may reemploy the separated employee in the temporary position with no break in service, or following a break in service. In the temporary position, the employee's status and tenure are changed to that which is appropriate for the temporary appointment, reflecting that the employee is not covered by the RIF regulations. If the temporary

appointment expires or the agency abolishes the temporary position, the agency may separate the employee without regard to the RIF regulations.

At the time of separation, the temporary employee is not eligible for intra-agency selection priority in the agency through CTAP or through the RPL. The employee is also not eligible for interagency selection priority in other agencies through the Interagency Career Transition Assistance Plan (ICTAP).

Conversion to a Temporary Position in Lieu of RIF Separation. The agency may offer an employee who has received a notice of separation by RIF the opportunity to convert to a temporary position in lieu of involuntary separation. In making an appointment to the temporary position, the agency must follow tenure group and subgroup standing in order to comply with the agency's RPL.

Upon separation, the temporary employee is not eligible for selection priority in the agency through CTAP or through the RPL. The employee is also not eligible for interagency selection priority in other agencies through the ICTAP.

Excepted Service Temporary Positions. Excepted temporary positions may be an available position if the agency administratively decides to provide its excepted service employees with RIF assignment rights to other positions under the same appointing authority. See Section K for information on administrative assignment rights for excepted service employees.

Section F: Consideration of Grades in Assignment

Range of Grade Limits for Assignment. Section C covers the range of grade limits that apply to employees' assignment rights:

- Employees have assignment rights to positions at the same grade, or down to not more than three grades (or appropriate grade intervals or equivalent) below the position from which they are released; and
- A preference eligible with a compensable service-connected disability of 30 percent or more has assignment rights to positions at the same grade, or down to five grades (or appropriate grade intervals or equivalent) below the position from which the employee is released.

The same grade limits apply to a RIF offer of assignment to a vacant position.

Position of Record Determines Grade and Grade Interval Range. The agency uses the grade progression of only the released employee's official position of record to determine the applicable grades (or appropriate grade intervals or equivalent) of the employee's

assignment right. The agency does not consider the grade progression of the position to which the employee has an assignment right.

Distinction Between Grade and Grade Interval. The difference between successive grades in a one-grade occupation is a "grade difference," while the difference in a multi-grade occupation is a "grade interval difference." For example, a position with a one-grade progression consists of consecutive grade levels (GS-5-6-7-8), while a position with a two-grade, or other multi-grade progression consists of nonconsecutive grade levels (GS-5-7-9-11). After the agency determines the range, an employee has assignment rights to positions at all grades within the grade interval limits, including positions in intervening grades within the grade interval progression in both the employee's present pay system, and positions in other pay systems.

Determining the Grade Interval Progression for General Schedule Positions. For positions covered by the General Schedule, the agency must determine whether a one-grade, two-grade, or mixed-grade interval progression is applicable to the position of the released employee. For General Schedule positions, in general, a two-grade interval progression applies to the occupations listed in the "Introduction to the Position Classification Standards" available on OPM's website.

The use of grade intervals extends only to the entry level of the position with a two-grade progression (for example, GS-9-7-5 when the entry level of the two-grade progression is GS-5). If applicable, the agency provides the employee with assignment rights of three grades or grade intervals by using a one-grade basis to determine grade limits below the entry level of the position with a two-grade progression (GS-9-7-5-4 when the entry level of the two-grade progression is GS-5).

An employee who is released from a two-grade interval position has assignment rights to positions at all intervening grade levels within these grade limits, including positions that are not part of the two-grade progression. For example, a released employee has an assignment right to an intervening GS-8 position when the position from which the employee was released had a two-grade progression (GS-9-7-5-4), based upon an entry-level GS-5 position.

Employees released from one-grade interval positions have assignment rights to positions up to three grade levels below the employee's present position (for example, GS-7-6-5-4 when the entry level of the one-grade progression is GS-4). For mixed-interval jobs (for example, a GS-9 position that progresses GS-5-6-7-9), the assignment right grade limits are based on progression to the present position. If the employee holds a position that is less than three grades above the lowest grade in the classification system, the employee still has potential assignment rights to positions in other pay systems with a representative rate lower than the position held by the released employee.

Agency Responsibility to Determine the Grade Interval Line of Progression for Positions Not Covered by the General Schedule. For positions not covered by the General Schedule, the agency must determine the normal line of progression for each occupational series and grade level, and then apply that determination to establish the grade (or interval) limits of the released employee's assignment rights.

Scope of Positions Considered by the Agency in Determining the Grade Interval Progression for Positions Not Covered by the General Schedule. If the agency determines that there is no normal line of progression for an occupational series and grade level, the agency provides the released employee with assignment rights to positions not covered by the General Schedule within three actual grades lower on a one-grade basis.

Consideration of Movement Between Positions in Determining the Grade Interval Progression for Positions Not Covered by the General Schedule. Each single or multi-grade movement within the normal line of progression is considered a grade interval for purposes of applying the grade range limitations on assignment rights. The normal line of progression may include grade levels in different pay systems.

Once the agency establishes the normal line of progression for a particular series and grade level, the same grade-level limits for assignment rights are applied to all employees in that series and grade level without regard to an employee's actual progression to that grade level. The agency determines grade limits below the starting point of the normal line of progression on a one-grade basis (for example, WG-10-8-5-4 when the entry level of the progression is WG-5).

Determining the Grade Interval Progression for Positions Not Covered by the General Schedule When No Progression Exists. For positions where no grade structure exists, the agency determines a line of progression for each occupation and pay rate and provides assignment rights to positions within three grades (or intervals) lower on that basis.

Determining the Grade Interval Progression for Positions Not Covered by the General Schedule When No Grade Structure Exists. For positions where no grade structure exists (the agency uses negotiated pay rates), the agency determines whether a line of progression exists for each occupation and pay rate and provides assignment rights to positions within three grades (or intervals) lower on that basis.

Determining the Grade Interval Range for Pay Band Positions. If a competitive area includes positions under one or more pay bands, the agency determines assignment rights to a position in an equivalent pay band or:

1. One pay band lower than the pay band from which the employee was released; or

2. Up to two pay bands lower than the pay band from which the employee was released if the employee is a preference eligible with a service-connected disability of 30 percent or more.

Determining the Grade Interval Range Involving Pay Band and Other Positions. If a competitive area includes positions under one or more pay bands and other positions not covered by a pay band (e.g., GS or FWS positions), the agency provides assignment rights by:

1. Determining the representative rate of positions not covered by a pay band;
2. Determining the representative rate of each pay band or competitive level within the pay band; and
3. Determining applicable assignment rights after considering:
    - The grade intervals for positions not covered by a pay band; and
    - The pay band intervals for pay band positions.

For example, an agency has a pay band that includes positions traditionally classified from GS-11 through GS-13. The employees' official positions are identical and are otherwise interchangeable for purposes of retention registers described in Chapter III, Section G. In this example, the pay band comprises one retention register with one representative rate even though employees' actual salaries may vary.

The agency uses the representative rate of the pay band retention register in determining whether pay band employees have potential assignment rights to positions not included in the pay band. If the agency sets the representative rate of the competitive level equivalent to GS-12/4, employees released from the pay band would have potential assignment rights to GS and FWS positions with representative rates in the range from GS-12 through GS-7.

The agency would also use the representative rate of the pay band to determine whether employees in positions not included in a pay band have potential assignment rights to positions in this pay band. Released GS and FWS employees holding positions with representative rates from GS-12/4 or higher also would have potential assignment rights to positions in this pay band.

Example: An agency has a pay band that includes positions traditionally classified from GS-4 through GS-7. The pay band includes three different types of positions (i.e., separate official positions of record that are not interchangeable). Each of the three types of positions also has a different salary from the other positions in the pay band, equivalent to GS-5, GS-6, and GS-7.

The agency could establish one representative rate for all three types of positions in the pay band, or the agency could establish different representative rates for each of the three different competitive levels in the pay band. If the agency found that the representative rate

for all positions in the pay band was GS-6/4, then employees in the pay band released by RIF would have assignment rights to GS and FWS positions in the competitive area having a representative rate of GS-6/4 or less. GS and FWS employees released from their respective competitive levels by RIF would have assignment rights to pay band positions based upon the same GS-6/4 representative rate designated for the pay band.

If the agency found that the representative rates for the three competitive levels in the pay band were, respectively, GS-7/4, GS-6/4, and GS-5/4, then employees in the pay band released by RIF would have assignment rights to GS and FWS positions in the competitive area based upon the representative rate designated for their competitive level. GS and FWS employees released from their respective competitive levels by RIF would have potential assignment rights to pay band positions in the three competitive levels based upon the representative rate designated for that competitive level.

Section G: Consideration of Representative Rates in Assignment

Comparing Positions. Agencies may need to compare positions in different pay schedules to determine an employee's eligibility to be assigned to a position in a different pay schedule. When two or more positions are in different pay schedules, the agency uses the representative rate of the positions to determine equivalent grade levels and the best offer of assignment for a released employee. The agency does not use the representative rates when the positions are in the same pay schedule; in this situation, the agency directly compares the grades or levels of the positions.

When a competitive area includes more than one local commuting area or locality pay area, the agency determines assignment rights on the basis of the representative rate(s) for one local commuting area within the competitive area; the agency uses the same local commuting area it used to establish competitive levels in Chapter III, Section F.

Pay Schedules. "Pay schedule" means any one set of pay rates identified by statute or by an agency as applying to a group of occupations. The General Schedule (GS) is one pay schedule, regardless of special rates. The regular nonsupervisory, leader, and supervisory FWS schedules are considered to be separate pay schedules regardless of special rates.

Agency special wage schedules for positions not under the regular schedules of the FWS are considered to be separate pay schedules.

Representative Rate Explanation. In RIF competition, "representative rate" does not include:

- Overtime;
- Night differential;

- Cost-of-living allowances; or
- Premium pay.

Representative Rate Calculation. For General Schedule positions and other positions with per annum salary, the hourly equivalent of the representative rate is obtained by dividing the annual rate by 2,087 with the result adjusted to the nearest cent, rounding one-half and over to the next whole cent.

Representative Rate and the Rate Used to Determine Retention Rights. The agency compares employees' representative rates that are in effect on the date the agency issues specific RIF notices, unless the agency knows that new pay rates:

1. Have officially been approved, and
2. Will be effective by the effective date of the RIF.

Application of Representative Rates in Determining Employees' Assignment Rights. To determine whether a position in a different pay schedule is within the assignment rights grade limits, the agency determines the representative rates for the employee's current position and for the lowest grade to which the employee has assignment rights. The agency compares these limits with the representative rates in the different pay schedule, and determines the range of grades the employee may be assigned to in the other pay schedule.

The highest grade for an assignment right to a position in the other pay schedule is the highest grade with a representative rate that does not exceed the representative rate of the employee's current position. The lowest grade for an assignment right to a position in the other pay schedule is the lowest grade with a representative rate that is not less than the representative rate of the lowest grade to which the employee has assignment rights.

Section H: Consideration of Qualifications in Assignment

Only Qualified Employees Have Assignment Rights. An employee released from a competitive level by RIF has assignment rights to another position held by an employee with lower retention standing only if the released employee is qualified for assignment.

Qualification Standard. Except as covered in "Waiver of Qualification Requirements in Offering RIF Assignment to Vacant Positions" in Section D, a released employee is qualified for assignment to an available position if the employee:

1. Meets OPM-established requirements for the position, including any minimum educational requirement, and any selective placement factors established by the agency;

2. Is physically qualified, with reasonable accommodation where appropriate, to perform the duties of the position;
3. Meets any OPM-approved special qualifying condition for the position; and
4. Has the capacity, adaptability, and special skills needed to satisfactorily perform the duties of the position without undue interruption. In determining these qualifications an agency must use an assessment that:
    - Allows for demonstration of job-related skills, abilities, knowledge, and competencies;
    - Is based on a job analysis; and
    - Does not consist solely of, or principally rely on, an automated self-assessment.

Acceptable types of the assessments include structured interviews, a work-related exercise, a custom or generic procedure for measuring an employee's employment or career-related qualifications and interests, a structured résumé review, or another assessment provided (1) it demonstrates job-related technical skills, abilities and knowledge, and (2) is relevant for the position for which the assessment is developed. These requirements align RIF qualification determinations with the skills-based assessment practices that apply to Federal hiring under the Chance to Compete Act of 2024 (Pub. L. 118-188) and the Merit Hiring Plan, and the same requirements apply to "qualified" determinations for the Reemployment Priority List under 5 CFR 330.202.

When an Assessment Is Not Required. The agency is not required to administer an assessment if, during the 5-year period ending on the date the employee receives a specific RIF notice, the employee occupied the same position — or a position at the same grade or pay level with substantially the same duties, occupational series, qualification requirements, and conditions of employment — and received a rating of record of Level 3 (Fully Successful), or higher, or the equivalent, for performance of those duties.

The agency should apply this exception first, because it eliminates the need to assess most employees who are released from a competitive level and have assignment rights to the same series and grade in a different competitive level, and employees who previously held the position to which they would be assigned. The agency confirms the exception from official records (the employee's SF-50 history, position descriptions, and ratings of record) and documents the basis for applying it.

Planning and Administering Qualification Assessments. An assessment is required only when (1) a released employee has a potential assignment right to a position for which the employee's qualifications have not been established from official records, and (2) the 5-year

same-work exception does not apply. Because the agency must complete the qualification determination before it concludes that no assignment is available, before it issues the specific RIF notice, and before it effects the RIF action, the RIF team should plan assessments as part of the mock RIF rather than after notices are issued. The following practices reduce the time and cost of assessment while preserving its validity:

- Identify the assessment population early. Use the mock RIF (see Appendix J) to identify the employees who will be released and the positions, within the applicable grade range, to which each may have an assignment right. Assess only for those positions.
- Use a job analysis the agency already has. A job analysis prepared for a recent vacancy announcement, a classification review, or a competency model for the occupation may be used if it remains valid for the position. The agency need not prepare a new job analysis for each RIF.
- Choose the least burdensome valid method. A structured résumé review against the job analysis, administered by a trained reviewer with documented rating criteria, will suffice for many positions. Structured interviews or work-related exercises are appropriate when the position requires specialized technical skills that records cannot establish. The agency may use assessment instruments and platforms available through OPM (for example, USA Staffing and USA Hire) and may use SI tools to summarize or organize an employee's qualifications for the reviewer, but the assessment may not consist solely of, or principally rely on, an automated self-assessment, and a human official must make the qualification determination.
- Apply the same method consistently. Every released employee being considered for the same position must be assessed by the same method, against the same criteria, within a reasonable and consistently applied response period that accounts for the assessment method, the notice schedule, and the need for reasonable accommodation.
- Document the result. The record should show the job analysis relied on, the method used, when the employee received instructions and when the assessment closed, the criteria applied, and the determination and its basis. The agency may enter the determination in its automated RIF system so that assignment rights are computed from it, but the documentation, not the system entry, is what the agency relies on in an appeal.
- Combine assessment with the employee records review. Asking employees to update their résumés and qualifications statements as part of the pre-RIF records review (see

Chapter III, Section M) gives the agency the information it needs for a structured résumé review without a separate data call.

Other Qualifications Considerations. An agency must, when applicable, also consider other factors such as the following in determining whether a released employee is qualified for assignment to another position:

1. Before an agency may assign a released employee to a trainee or developmental position, the employee must meet additional conditions in Section I;
2. The agency may not consider the gender of a released employee in determining the employee's qualifications for assignment, except for positions where OPM has approved certification of eligibles by gender;
3. An agency may not deny a released employee assignment rights solely because an employee on leave of absence due to a compensable injury is not physically qualified for a position when the disqualification results from the compensable injury. Instead, the agency makes a decision on the employee's physical qualifications when the employee requests a return to duty under the restoration regulations;
4. In determining whether the assignment of a released employee would result in undue interruption to the activity, the agency may not use the "recency of experience" provision to disqualify an employee simply because the employee has not worked for some time in a particular function or occupation. (Note: The agency may use a recency of experience requirement in determining the employee's assignment right only for a position where the agency can demonstrate that this added requirement is appropriate for successful performance on the job); and
5. Before the agency may restrict assignment of a released employee to certain positions because the employee lacks a security clearance, the agency must consider additional undue interruption issues that are covered in Section J.

Asking Employees for a Qualifications Update. An agency may ask employees to update their résumés and qualifications statements prior to a RIF and may establish a formal deadline for the receipt of this material. The agency should make the request through its human resources data system or another electronic means that records what each employee submitted and when, and should combine it with the employee review of RIF-essential records described in Chapter III, Section M. The agency is not obligated to consider material received after the deadline in determining the employee's qualifications for assignment to other positions.

Making Qualifications Determinations—Basics. The agency reviews available records (including the employee's electronic Official Personnel Folder, the employee's current

résumé or qualifications update, and ratings of record) with information on the released employee's education, training, and experience to determine whether the employee meets the OPM qualification standard, any selective placement factor, and any positive education requirement for a position in a different competitive level, and whether the 5-year same-work exception applies. If it does not, the agency determines capacity, adaptability, and special skills through the assessment described above.

Making Qualifications Determinations—Physical Qualifications Determinations. The agency determines, on the basis of available information, whether an employee is physically qualified, with reasonable accommodation, if necessary, for a position.

An agency may require an employee who is released from a competitive level by RIF to undergo a relevant medical evaluation if the employee has potential assignment rights to a position with different:

1. OPM-approved medical standards;
2. Specific physical requirements; and/or
3. Performance tests (including physical fitness and physical agility).

Physical Qualifications Determinations and Undue Interruption. The undue interruption standard may also apply to an agency's decision regarding whether, for purposes of RIF assignment rights, a released employee meets a position's:

1. OPM-approved medical standards;
2. Specific physical requirements; and/or
3. Performance tests (including any physical fitness and physical agility described in the position description).

The agency's determination on whether a released employee is physically qualified for assignment to another position does not always require that the agency conduct a separate medical examination for that purpose. The agency may require a physical examination when the agency is considering the employee for a position that is subject to physical or medical standards, is covered by a medical surveillance program established by agency regulations, or has important duties that are more physically arduous than the position previously held.

OPM approval of a decision that an employee is not physically qualified is not required except in the case of employees who are 30 percent or more disabled veterans, as discussed below.

Physical Qualifications Determinations and Injured Employees. An agency may not deny RIF assignment rights to an employee who is reached for release from a competitive level during a leave of absence that resulted from a compensable injury solely because the employee is physically disqualified as a result of the compensable injury. However,

Chapter III, Section C, explains that an employee carried on an agency's rolls because of a compensable injury is subject to RIF actions the same as if the injury had not occurred.

Also, if the employee is separated by RIF while the employee is on compensation, the employee loses all restoration rights based upon the compensable injury.

The agency must determine whether the injured employee is entitled to any RIF assignment rights, subject to recovery from the injury. The agency also applies the undue interruption standard to an agency's decision on whether or not the employee meets the medical standards, and/or specific physical requirements of a position for purposes of RIF assignment rights.

Making Qualifications Determinations—Physical Qualifications Determinations for Certain Disabled Veterans. If the agency determines, on the basis of available evidence, that a preference eligible with a compensable service-connected disability of 30 percent or more is not able to fulfill the physical requirements of a position which the employee otherwise would have been offered by RIF assignment, the agency must notify OPM of this determination. At the same time, the agency must notify the employee of the determination, the reasons for the finding, and the employee's right to respond to OPM within 15 days of the notification. The agency is also required to demonstrate to OPM that the notification was timely sent to the employee's last known address.

A veteran is entitled to this procedure if the employee has a compensable service-connected disability of 30 percent or more, even though the employee may not be a preference eligible in RIF competition (for example, the employee is retired from the Armed Forces under a provision that excludes veterans' preference for retention purposes).

The agency may not assign any other person to the position until OPM has made a final determination concerning the physical qualifications of the employee for the position.

After OPM has completed its review of the proposed disqualification, it will send its findings to both the agency and the employee. The agency is required to comply with OPM's findings.

The agency must submit the reasons for the determination to OPM, along with the complete medical information on which the determination was based. The agency sends the case to:

Workforce Policy and Innovation:
U.S. Office of Personnel Management 1900 E Street NW
Room 7439
Washington, D.C. 20415-9500
Telephone: 202-606-0830; Email: WPIntake@opm.gov.

Waiver of Qualification Requirements in Offering RIF Assignment to Vacant Positions. In offering a released employee assignment to a vacant position, an agency, at its discretion,

may waive OPM's qualification standards and requirements for the position, if the agency determines that the employee:

1. Meets any minimum education requirement for the position; and
2. Has the capacity, adaptability, and special skills needed to satisfactorily perform the duties and responsibilities of the position.

The promotion potential of the offered vacant position is not a consideration in offering employees assignment.

Modification of Qualifications in Offering Positions in Lieu of Separation or Other RIF Actions. The OPM Operating Manual, *Qualification Standards for General Schedule Positions* (which is available on the OPM website) provides that an agency, at its discretion, may modify qualification standards for in-service placement actions if the agency determines that the employee can successfully perform the work of a position even though the employee may not meet all the requirements in the OPM qualification standard. See Section E for information on the use of vacant positions as offers in lieu of separation or other RIF actions.

Section I: Trainee and Developmental Positions for Assignment

Assignment to a Trainee or Developmental Position. An agency must consider three additional qualification requirements when determining whether a released employee has assignment rights to a position held by a lower-standing employee in a formally-designated trainee or developmental position:

1. Whether the lower-standing employee holds a formally designated trainee or developmental position;
2. Whether the higher-standing employee meets all of the conditions for selection and entry into the formally designated trainee or developmental program; and,
3. If 1 and 2 above apply, whether undue interruption would result if the higher-standing employee displaced the employee holding the trainee or developmental position.

These additional conditions apply when the released employee is otherwise qualified for assignment to the position. See Section H for information on qualifications for assignment.

Characteristics of Trainee or Developmental Positions. For purposes of RIF competition under the regulations, a formally designated trainee or developmental position is a position in a program that:

1. Has been designed to meet the agency's needs and requirements for the development of skilled personnel;

2. Has been formally designated, with its provisions announced to employees and supervisors;
3. Is developmental by design, offering planned growth in duties and responsibilities and providing advancement in recognized lines of career progression; and
4. Is fully implemented, with the participants chosen through standard selection procedures.

Positions in programs that do not meet all of these conditions are not considered trainee or developmental positions for purposes of the RIF regulations. For example, positions identified simply as career ladder positions, which do not meet all of the four characteristics covered above, are not considered trainee or developmental positions for RIF purposes.

Fully Trained Employees Have No Assignment Rights to a Trainee or Developmental Position. The RIF regulations do not authorize assignment of a higher-standing employee who has completed a course of training or development, or who is otherwise fully trained, into a position in a formally designed trainee or developmental program because the employee no longer meets the conditions for entry into the program. These restrictions prevent a journeyman from being assigned into an apprenticeship program for the same trade or craft, or for the graduate of an intern program to being assigned into the same intern program, although the RIF regulations do not specifically bar higher-standing employees from displacing employees in trainee or developmental positions.

A released employee may displace a lower-standing employee in a trainee or developmental position only if the released employee is otherwise qualified for assignment to the position, and no undue interruption would result from the placement. In order to be considered qualified for assignment to a trainee or developmental position, an employee must meet all of the conditions required for selection and entry into the program.

Since a formally-designated trainee or developmental program always includes planned career advancement based upon progressive training or rotational assignments, undue interruption would normally result if a higher-standing employee was assigned to a trainee or developmental position after the program started. Also, because the definition of a formally-designated trainee or developmental position states that “participants (are) chosen through standard selection procedures” (i.e., merit staffing procedures), an agency may not make an offer of assignment to a vacant formally-designated trainee or developmental position.

Section J: Consideration of Security Clearances in Assignment

Assignment to a Sensitive Position. An agency first determines an employee’s qualifications for assignment to a sensitive position in the same manner, covered in Section H, that it makes

qualifications determinations for assignment to other positions. See "Consideration of Security Clearances When Establishing Competitive Levels" in Chapter III, Section F, for related information on security clearances.

In making a qualifications determination involving assignment to a sensitive position, the agency may consider whether the time period required for completion of a security clearance will result in undue interruption to the activity, and apply that standard in determining whether the released employee has a potential right of assignment. An employee who does not have a right of assignment to a sensitive position because approval of the security clearance would result in undue interruption is not qualified for assignment to that position, but still has potential assignment rights to other position.

Agency Should Initiate Clearance Process When It Determines Potential Right of Assignment. When an agency can satisfy an employee's right of assignment only by an offer of a sensitive position, the agency may not delay or deny the assignment solely because the employee does not have the appropriate security clearance or is in the process of obtaining the clearance. When the agency determines that an employee has a right of assignment to a sensitive position and that the employee's lack of a security clearance will not result in undue interruption, the agency at that time should initiate the actions to obtain the clearance.

Work Assignments While Approval of Clearance is Pending. While the security clearance is being processed, the agency may assign the employee to the sensitive position on the effective date of the RIF. If the agency cannot allow the employee access to classified material or permit the employee to perform the duties of the sensitive position, the agency may:

1. Give the employee nonsensitive duties of the position to perform;
2. Detail the employee to a nonsensitive position, or set of duties;
3. Grant leave upon the employee's request;
4. Suspend the employee as provided in part 732 of title 5, Code of Federal Regulations;
5. Temporarily give the duties of the sensitive position to another qualified employee with the requisite security clearance; or
6. Use a discretionary temporary exception to the regular order of release from a competitive level.

See Section A for information on temporary exceptions to the regular order of release.

Assignment Rights When Clearance Is Denied. When an agency can satisfy an employee's right of assignment only by an offer of a sensitive position, but the employee fails the security clearance and is therefore not qualified for assignment to the sensitive position, the agency has two principal options:

1. Separate the employee by RIF from the position the employee holds at the time of release from the competitive level because the employee had no right of assignment to the position (e.g., the agency would use a discretionary temporary exception to retain the released employee past the effective date of the RIF); or
2. Assign the employee into the sensitive position with the security clearance on the RIF effective date, and then upon the later completion of the security clearance process, the agency may take any appropriate action, possibly including removal, as provided in part 752 of title 5, Code of Federal Regulations, for failure to meet the requirements of the new position.

Section K: Administrative Assignment Options

Assignment Rights for Excepted Service Employees. An agency may, at its discretion adopt provisions that provide competing employees in the excepted service with assignment rights to other positions filled under the same appointing authority on the same basis as assignment rights provided to competitive service employees under 5 CFR §351.701 as discussed in Section C above. These provisions must be adopted in a written agency policy before the RIF and applied uniformly within the competitive area. An agency that has not adopted such a policy may not extend assignment rights to excepted service employees in that RIF. Each agency should therefore maintain a RIF policy that states, for each excepted appointing authority it uses, whether released employees receive assignment rights. OPM encourages agencies to provide assignment rights to Schedule Policy/Career employees on the same basis as competitive service employees and has published a policy template for that purpose.

Chapter V: RIF Notices to Employees

Chapter V provides guidance on the notices an agency must issue to employees in a reduction in force:

- What a Specific RIF Notice Is (and What Is Not) (Section A)
- Content of the Specific RIF Notice (Section B)
- The RIF Notice Period (Section C)
- Amended and New Notices (Section D)
- Additional Requirements for RIF Separations (Section E)
- Requesting an Exception to the Minimum Notice Period (Section F)
- Certification of Expected Separation (Section G)

This chapter covers what an agency must tell employees about the RIF actions that affect them, including the content of the specific RIF notice, the minimum notice period, and the Certification of Expected Separation. An employee's right to challenge a RIF action is addressed in Chapter VI, RIF Appeals, and Chapter VII, RIF Grievances.

Section A: What a Specific RIF Notice Is (and What Is Not)

Specific RIF Notice Basics. A specific RIF notice is a written communication from an agency official to an individual employee stating that the employee will be reached for a RIF action. An agency is required to issue a RIF notice only for a RIF reason and action. See Chapter III, Section C, for information on reasons and actions covered by the RIF regulations.

Communications That Are Not RIF Notices. None of the following communications is a specific RIF notice. None counts toward the mandatory RIF notice period, and none satisfies an employee's right to a specific RIF notice:

1. A notice of position abolishment issued to establish eligibility for discontinued service retirement (DSR). Chapter 44 of the CSRS and FERS Handbook for Personnel and Payroll Offices (CSRS/FERS Handbook) contains complete information on DSR, including a sample notice of position abolishment for purposes of establishing eligibility for DSR;
2. A Certification of Expected Separation (CES), which an agency may issue at its option to assist an employee with pre-RIF placement assistance and early outplacement assistance. The CES is addressed later in this section;

3. An advance informational notice, which an agency may issue at its option to alert employees that a RIF may be necessary. The RIF regulations do not provide any requirements for an agency's optional informational notice; and
4. A mock RIF notice, which an agency may issue at its option to alert employees that they may be reached for RIF actions. The RIF regulations do not include a definition of "mock RIF."

Section B: Content of the Specific RIF Notice

Content of Specific RIF Notice. A specific RIF notice must contain the following information:

1. What RIF action the agency is taking (for example, the employee will be separated, demoted, or furloughed for more than 30 days);
2. The reasons for the RIF action;
3. The effective date of the RIF action;
4. The employee's competitive area, competitive level, veterans' preference subgroup, tenure group and subgroup, service date, and the three most recent ratings of record received during the last four years;
5. A link to 5 CFR part 351 and information on how to access the agency's records pertinent to the reduction in force being taken;
6. If applicable, the reasons for retaining a lower-standing employee under a mandatory exception, a discretionary continuing exception, or a discretionary temporary exception;
7. Information on reemployment rights, except as permitted by section 351.803(a) of title 5, Code of Federal Regulations;
8. If applicable, notification that the employee is being released without regard to retention standing because the agency is abolishing all positions in the employee's competitive area, identification of the competitive area being abolished, and a statement that the employee was not ranked relative to other competing employees in the RIF; and
9. If applicable, the employee's right to appeal the RIF action to OPM, including the time limit for filing an appeal and the electronic filing system, identified on OPM's website, through which an appeal must be filed, or to grieve the action under a negotiated grievance procedure.

See Chapter VI for the appeal forum and time limits, which depend on the date the agency issued the RIF notice.

Requirement to Provide Employee with a Copy of the RIF Regulations. When an agency issues a specific RIF notice to an employee, the agency must, at the employee's request, provide the employee with a copy of the RIF regulations (part 351 of title 5, Code of Federal Regulations).

Notice to Bargaining Unit Representative. At the same time the agency issues a RIF notice to an employee, the agency must also notify the exclusive representative, as defined in section 7103(a)(16) of title 5, United States Code, of each affected employee at the time of the notice. This requirement applies only where the affected employee is in a bargaining unit with an exclusive representative recognized under chapter 71 of title 5, United States Code. It does not apply to employees of agencies or subdivisions excluded from chapter 71 pursuant to an executive order. Where chapter 71 applies, this notification requirement does not relieve the agency of any obligations under the Federal Service Labor-Management Relations Statute, or an applicable collective bargaining agreement.

Section C: The RIF Notice Period

Minimum 60-Day RIF Notice for All Employees. An agency must give each competing employee at least 60 days specific written notice before the effective date of the RIF action. The 60-day minimum notice period applies to all RIF actions, including separation, demotion, and furlough. The 60-day notice period is a statutory requirement. An agency, as a matter of its own policy, may provide for a longer minimum RIF notice period. The RIF regulations do not establish a maximum period for RIF notices.

Computing the RIF Notice Period. The notice period begins the day after the employee receives the RIF notice. The agency does not count the date the employee receives the notice, or the effective date of the RIF action, in computing the minimum RIF notice period. An agency may not count a Saturday, Sunday, or legal holiday as the last day of the minimum RIF notice period.

Use of a Discretionary Temporary Exception to Provide a Timely Notice. An agency may use a "discretionary temporary exception to satisfy a Government obligation" to the regular order of release in order to provide an employee with a minimum RIF notice when the agency was otherwise unable to give a timely notice to the employee, including when the agency must issue a new notice because of a more severe RIF action. See Chapter IV, Section A, for information on discretionary temporary exceptions.

Same Notice Requirements When Using an Individual Exception to the RIF Order of Release. When an agency makes an individual exception to the regular RIF order of release

under a mandatory, continuing, or discretionary exception, the retained employee is entitled to a specific written notice at least 60 days before the effective date of the RIF.

The implementation date of a RIF action for an employee covered by a discretionary continuing exception, or a discretionary temporary exception, is the date on which the exception expires. The agency may not continue the RIF notice period beyond the employee's retention period. See Chapter IV, Section A, for information on exceptions to the regular order of release by RIF.

Section D: Amended and New Notices

New Notice Required for More Severe RIF Action. An employee is entitled to a new RIF notice, and a new notice period of at least 60 days, only if the agency takes a more severe RIF action than stated in the prior notice to the employee. For example, a change from a one-grade demotion to separation is an example of a more severe RIF action. The employee is entitled to a new notice period of at least 30 days if the agency takes a more severe RIF action than stated in the prior notice and the agency has obtained OPM approval for a shorter notice period, as covered later in this section. A new 60-day notice period is not required when an agency takes the same, or a less severe, RIF action than specified in the prior notice.

Amended RIF Notice—Later Effective Date. An agency must give an employee an amended RIF notice if the RIF effective date is changed to a later date than in the original notice. An amended notice issued solely to state a later effective date is not a new specific reduction in force notice for the purposes of 5 CFR 351.507 and does not require the agency to redetermine or recalculate retention standing. Nothing in this paragraph affects the agency's obligation to correct an error in an employee's retention standing.

Amended RIF Notice—Earlier Effective Date. An agency may not take a RIF action before the effective date in the notice given to the employee. To take a RIF action before the effective date in the notice, the agency must cancel the RIF notice and issue the employee a new minimum 60-day RIF notice.

Amended RIF Notice—Better Offer of Assignment. An agency must give an employee an amended RIF notice and allow the employee to decide whether to accept a better offer of assignment to a position with a higher representative rate that becomes available before, or on, the effective date of the RIF. The agency must give the employee an amended notice regardless of whether the employee has accepted or rejected a previous offer. The employee is still entitled to only one offer of assignment and may be separated by RIF if the employee rejects the better offer, or fails to reply to the better offer within a reasonable time.

Expiration of RIF Notice. A RIF notice expires when it is followed by the RIF action specified in the notice, or by a RIF action that is less severe than specified in the prior notice (or than specified in an amendment to the notice), before the agency takes the action.

Employee's Duty Status During RIF Notice Period. An employee who receives a RIF notice may generally remain in a duty status for the duration of the notice period. An agency may, in its sole and exclusive discretion, place a participating employee on administrative leave for all or part of the transition period under 5 CFR 630.1403(c), as revised at 91 FR 65924 (October 19, 2026; effective November 18, 2026). Additionally, when, in an emergency, the agency lacks work or funds for all or part of the RIF notice period, the agency may, with or without the employee's consent, place the employee:

1. On annual leave;
2. In a leave without pay status; or
3. In a nonpay status.

When possible, the agency must retain the employee on active duty during the RIF notice period.

Section E: Additional Requirements for RIF Separations

Additional Information for Employees Separated by RIF. When an agency separates an employee by RIF, the agency must provide the employee — either in or with the RIF notice, or as a separate supplemental notice to the released employee — with information on:

1. Severance pay if the displaced employee is eligible, including an estimate;
2. Benefits available through the State under the Workforce Innovation and Opportunity Act (WIOA);
3. Authorizing the release of the displaced employee's resume to potential employers;
4. Registration for the RPL;
5. The agency's CTAP for local surplus and displaced employees;
6. The interagency ICTAP program; and
7. How to apply for unemployment insurance through the appropriate State office.

Notice to Other Organizations When 50 or More Employees Receive RIF Separation Notices. When an agency separates 50 or more employees by RIF from a competitive area, the agency has additional notice requirements to OPM and to other Federal and non-Federal

organizations. The agency must send this additional notice to the three organizations below at the same time it issues the separation notices to the employees:

1. The appropriate State program authorized by the Workforce Innovation and Opportunity Act (WIOA);
2. The chief elected government official of the local government(s) within which 50 or more employees will be separated by RIF; and
3. OPM, at the address provided at the end of this section.

Content of Notifications to Other Organizations. The additional notices to the three organizations listed above (i.e., State dislocated worker program, local governmental unit, and OPM) must include:

1. The number of employees the agency will separate by RIF, broken down by geographic area or other basis specified by OPM;
2. The effective date of the RIF separations; and
3. Any other information required by OPM, including information needs identified from consultation between OPM and the Department of Labor to facilitate delivery of placement and related services.

Section F: Requesting an Exception to the Minimum Notice Period

OPM Approval Required for RIF Notice of Less Than 60 Days. When a RIF is caused by unforeseeable circumstances (e.g., an earthquake or other unexpected natural disaster), an agency may request OPM to authorize a notice period of less than 60 days. The agency is still required to provide at least 30 full days' notice before the effective date of the RIF action. The request must be signed by the head of the agency or a specific designee in the headquarters.

Content of Agency's Request to OPM. An agency's request to OPM for a shorter RIF notice period must specify:

1. The organization and geographic location for which an exception is requested;
2. The effective date of the RIF;
3. The number of employees who will be issued RIF notices;
4. The number of days by which the agency requests the notice period be shortened;
5. The reasons why a shorter RIF notice period is needed; and
6. The name, telephone number, and title of an agency contact person in the event OPM needs additional information about the request.

OPM Address for Notices and Requests[VH1.1] under This Section. Agencies must send the notice required when 50 or more employees are separated by RIF, and any request for a shorter RIF notice period, to: WPIntake@opm.gov.

Section G: Certification of Expected Separation

Certification of Expected Separation (CES). At its option, an agency may issue a CES to allow otherwise eligible employees to participate in dislocated worker programs under the State programs authorized by the Workforce Innovation and Opportunity Act (WIOA) and administered by the U.S. Department of Labor. An agency may issue a CES up to 6 months prior to the expected effective date of a RIF. A CES is not a RIF notice, and an agency may not use a CES to meet any of the RIF notice requirements in this section.

Conditions for Agencies to Use the CES. An agency may issue a CES to a competing employee only when the agency determines:

1. There is a likelihood that the employee will be separated by RIF;
2. Employment opportunities in the same or similar position in the local commuting area are limited or nonexistent;
3. Placement opportunities within the employee's own agency or other Federal agencies in the local commuting area are limited or nonexistent; and
4. If eligible for optional retirement (including voluntary early retirement), the employee has not filed a retirement application or otherwise indicated in writing an intent to retire.

An agency may not issue a CES on the basis of an employee's possible separation as the result of declining geographic relocation resulting from reassignment, transfer of function, realignment, change of duty station, or similar action.

Content of CES. A CES must:

1. Be addressed to each individual eligible employee;
2. Be signed by an appropriate agency official;
3. Contain the expected date of the RIF;
4. Confirm that each condition listed above is met; and
5. Include a description of available WIOA programs, the agency's RPL, CTAP, and ICTAP.

Employees' Eligibility for Additional Outplacement Assistance After Receiving a CES. An agency provides intra-agency selection priority to an employee who has received a CES through CTAP and the RPL. An employee who has received a CES is not eligible for interagency selection priority through ICTAP.

Section H: RIF Notices When a Competitive Area is Abolished

When an agency is abolishing all positions in a competitive area, the notice must state what action the agency is taking, the reasons for the action, and its effective date; identify the competitive area being abolished; provide a link to 5 CFR part 351 and information on how to access the agency's records pertinent to the RIF; provide information on reemployment rights; state the employee's appeal rights; and state that, because all positions in the employee's competitive area are being abolished, the employee was not ranked relative to other competing employees in the RIF. The agency must also provide a copy of the retention regulations at the employee's request. The notice does not need to include the employee's retention standing information or the reasons for retaining a lower-standing employee under an exception. The agency should also include information about severance pay and retirement benefits, if applicable, and about how to apply for unemployment insurance through the appropriate State office.

Section I: RIF Notices for Employees Who Do Not Compete in a RIF.

When a Notice Is Required. An employee who is excluded from RIF competition is still covered by the RIF regulations. If the agency furloughs that employee for more than 30 days, separates, demotes, or reassigns the employee for a RIF reason, and the action is not merely the expiration of a temporary or time-limited appointment according to its terms, the agency must give the employee a written notice under the same notice provisions that apply to competing employees, including the minimum 60-day notice period.

Content of the Notice. The notice must state: what action the agency is taking, the reasons for the action, and its effective date; a link to 5 CFR part 351 and information on how to access the agency's records pertinent to the RIF; information on reemployment rights; the employee's appeal rights; and that the employee is not a competing employee and therefore was not ranked relative to competing employees on a retention register. The agency must also provide a copy of the retention regulations at the employee's request.

Content the Notice Does Not Require. The notice does not need to include the employee's competitive area, competitive level, veterans' preference subgroup, tenure group and subgroup, service date, or ratings of record, and it does not need to state the reasons for retaining a lower-standing employee under an exception.

When No Notice Is Required. The natural expiration of a temporary or time-limited appointment does not require a part 351 notice solely because the appointment ends.

Chapter VI: RIF Appeals

Note: RIF notices issued September 2, 2026, or later may be appealed to OPM. RIF notices issued before September 2, 2026, may be appealed to the Merit Systems Protection Board.

Right to Appeal a RIF Action. An employee has the right to file a RIF appeal with OPM if, under the RIF regulations, the employee was:

1. Separated;
2. Demoted; or
3. Furloughed for more than—
    a. 30 consecutive calendar days, or
4. 22 discontinuous workdays, but not more than 1 year.

An employee who accepts an offer of assignment to another position at the same representative rate of pay may not appeal the RIF action to OPM.

For a RIF noticed before September 2, 2026, Chapter VII addresses the situation of an employee in a bargaining unit covered by a negotiated grievance procedure with exclusive procedures for resolving any personnel action, including a RIF, that could otherwise be appealed to the Board. Such an individual must use the negotiated grievance procedure in lieu of appealing the RIF action to the Board unless, as provided in section 7121(d) of title 5, United States Code, the employee alleges discrimination. If the negotiated grievance procedure excludes RIF actions, then the employee may not use the grievance procedure, but instead may appeal the RIF action to the Board.

Time Limits for Filing an Appeal. An employee may file an appeal with OPM during the 30-day period beginning with the day after the effective date of the action being appealed. OPM will not accept an appeal that is filed on or before the effective date of the action. OPM may accept an appeal filed after the 30-day period if the agency did not advise the employee of the right to appeal an action or if the employee can establish the employee exercised due diligence or ordinary prudence under the circumstances. OPM may accept an appeal from employees alleging the agency used bad faith acts such as misrepresentation or coercion to downgrade or separate them.

Notice of Appeal Rights. When an agency issues a decision notice to an employee on a matter appealable to OPM, the agency must provide the employee with the following information:

1. Notice of the time limits for appealing to OPM;

2. Any applicable limits on the employee's right to file an appeal because of a bargaining agreement, if notice is issued before September 2, 2026;
3. If applicable, the right of the employee to elect whether to file a RIF appeal based on discrimination, in lieu of a grievance, if notice is issued before September 2, 2026; and
4. Electronic filing information, if notice is issued on or after September 2, 2026.

Agencies should consult the current RIF appeal regulations (part 351 of title 5, Code of Federal Regulations) prior to a RIF in order to have necessary information on the appeals process ready for distribution to affected employees. OPM's website provides complete information on filing an appeal.

Chapter VII: RIF Grievances

Note: For a RIF noticed before September 2, 2026, an employee may have a right to grieve the RIF action under a negotiated grievance procedure. A RIF noticed on or after September 2, 2026, is appealable to OPM under Chapter VI and is not subject to Chapter VII.

Employee Right to Grieve a RIF Action. An employee covered by a collective bargaining agreement with a provision that is the exclusive procedure for a RIF action must use that procedure to file a grievance if the employee believes that the agency failed to properly apply the RIF regulations.

As provided in section 7121(d) of title 5, United States Code, an employee covered by the exclusive grievance procedure who alleges discrimination under section 2302(b)(1) of title 5, United States Code, has the option of either filing a grievance under the negotiated grievance procedures or filing an appeal with the Merit Systems Protection Board, but not both.

If the negotiated grievance procedure excludes RIF actions, then the employee may appeal the RIF action to the Board, but may not use the grievance procedure.

Time Limits for Filing a Grievance. The time limits for filing a grievance under a negotiated grievance procedure are spelled out in the applicable collective bargaining agreement.

Election of Procedure Under the Exception to Grieve. When a discrimination issue is raised under section 2302(b)(1) of title 5, United States Code, the agency must advise each employee who would otherwise only have grievance rights under a negotiated grievance procedure, that the employee also has the option of filing a RIF appeal to the Board.

The employee may file an appeal with the Board during the 30-day period beginning with the day after the effective date of the action being appealed. When the employee's basic right is to file a grievance under a negotiated grievance procedure, a RIF appeal may not be filed before the effective date of the RIF action. An employee who elects to file a grievance must follow the procedures of the negotiated collective bargaining agreement.

Chapter VIII: Post-RIF Actions

Chapter VIII provides guidance on post-RIF actions:

- Career Transition Assistance Plan (CTAP) (Section A)
- Interagency Career Transition Assistance Plan (ICTAP (Section B)
- Reemployment Priority List (Section C)
- Retraining Options Under the Workforce Innovation and Opportunity Act (WIOA) (Section D)

Which Version Applies. For a RIF noticed before September 2, 2026, CTAP, ICTAP, and RPL eligibility are determined under the retention tenure groups and subgroups in effect on the date of the notice, and the agency applies the RPL eligibility periods and selection procedures in effect on that date. See Chapter III, Section B.

Section A: Career Transition Assistance Plan (CTAP)

Establishing Career Transition Assistance Plans. OPM requires that each agency establish a CTAP to actively assist its surplus and displaced employees. Each agency must ensure that it applies CTAP uniformly and consistently to all eligible employees.

The agency head, department head, a deputy secretary, or an under secretary (as applicable), must approve the agency's CTAP. Agencies must send their approved plans, and any later modifications, to OPM.

Career Transition Services. An agency's CTAP must include policies to provide the following types of career transition services to all employees who are surplus or displaced because of downsizing or restructuring (including employees in the excepted service and the Senior Executive Service):

- Excused absence for employees to use the career transition services and facilities;
- Continued employee access to the career transition services or facilities even if the employee is separated;
- A specific orientation session for surplus and displaced employees on the use of career transition services, the eligibility requirements for selection priority under both CTAP and the Interagency Career Transition Assistance Plan (ICTAP), and information on how to apply for vacancies under both CTAP and ICTAP;
- Retraining opportunities for employees;

- Access by employees, including those with disabilities, to career transition services at all locations, including headquarters, field offices, and remote site locations;
- Access to resource information on other forms of Federal, State, and local assistance which are available to support career transition for employees with disabilities;
- Role of employee assistance programs in providing career transition services; and
- Designation of career transition priority based upon individual agency components, if the agency elects this option.

Agency Special Selection Priority. An agency's CTAP must include policies to provide special selection priority to well-qualified surplus and/or displaced agency employees who apply for agency vacancies in the local commuting area.

Surplus and displaced employees receive selection priority through CTAP when they apply for vacant positions. The requirement to establish an internal agency selection priority program does not affect the Department of Defense, which uses its Priority Placement Program (PPP) to provide comparable selection priority to its employees.

When agencies recruit to fill vacancies, they must notify their surplus or displaced employees of these opportunities. This agency selection priority applies before the agency can select any other candidate from either within or outside the agency. This selection priority covers all agency components in the same local commuting area of the employee's present position. The agency's CTAP must describe agency procedures for reviewing questions concerning qualifications of the agency's surplus and/or displaced employees.

Reemployment Priority List. An agency's CTAP must include policies that implement selection priority procedures for current or former employees who are eligible for the agency's RPL. In order to have CTAP selection priority, the employee must still be on the agency's rolls.

Career and Career-Conditional Employees. For purposes of eligibility for CTAP, "surplus employee" includes a current competitive service employee in the competitive service tenure group — or in another qualifying competitive service appointment, as determined by OPM — at grade GS-15 or below (or equivalent), and who has received:

- A Certification of Expected Separation (CES)
- A notice stating that the employee is eligible for discontinued service retirement (DSR) (see Chapter 44 of the *CSRS and FERS Handbook for Personnel and Payroll Offices* for information on DSR; or
- A notice of position abolishment, or an equivalent notice indicating that the employee's position is surplus for purposes of CTAP eligibility.

Excepted Service Employees with Statutory Selection Priority. For purposes of eligibility for CTAP, "surplus employee" includes an employee in the executive branch serving on an excepted service appointment without time limit at GS-15 or below (or equivalent), who is eligible for noncompetitive appointment eligibility and special selection priority by statute for positions in the competitive service, and who has received:

- A CES;
- A notice stating that the employee is eligible for DSR; or
- A notice of position abolishment, or an equivalent notice indicating that the employee's position is surplus for purposes of CTAP eligibility; or
- A notice of separation by RIF or by adverse action for declining a position in a different local commuting area because of a transfer of function, realignment, reassignment, change of duty station, or similar reason.

Other Excepted Service Employees. For purposes of eligibility for CTAP, "surplus employee" includes a current employee who holds an excepted service appointment without time limit at GS-15 or below (or equivalent), and who has received:

- A CES;
- A notice stating that the employee is eligible for DSR;
- A notice of position abolishment, or an equivalent notice indicating that the employee's position is surplus for purposes of CTAP eligibility; or
- A notice of separation by RIF or by adverse action for declining a position in a different local commuting area because of a transfer of function, realignment, reassignment, change of duty station, or similar reason.

If the agency provides this option, the employee has selection priority for permanent excepted service positions in the same agency that are located within the same local commuting area as the employee's current position. The position to which the employee is appointed must have the same appointing authority (for example, Schedule A or Schedule B) as the excepted service position from which the employee is being involuntarily separated.

See Appendix M, Career Transition Assistance Plan (CTAP), for additional information on other qualifying conditions for eligibility, beginning date of eligibility, ending date of eligibility, notification requirements, order of selection, exceptions to the special selection order, application for vacancies, proof of eligibility, agency selections for vacancies, and oversight, complaints and appeals.

Section B: Interagency Career Transition Assistance Plan (ICTAP)

ICTAP provides eligible displaced competitive service employees with external selection priority over other outside candidates for competitive service vacancies that other agencies are filling in the same local commuting area as the employee's present agency from which the employee was, or will be, separated.

Agency Special Selection Priority. Under ICTAP eligible displaced employees receive selection priority when they apply for vacant positions in other agencies in the local commuting area. ICTAP does not provide a displaced employee with selection priority to positions in the agency from which the employee was, or will be, separated. An employee separated by RIF has selection priority over other outside candidates through the Reemployment Priority List (RPL). See Section C of this chapter for information on the RPL.

Career and Career-Conditional Employees. For purposes of eligibility for ICTAP, "displaced employee" includes a current competitive service employee of any agency in the competitive service tenure group — or in another qualifying competitive service appointment, as determined by OPM — at grade GS-15 or below (or equivalent), whose current performance rating of record is at least Fully Successful (Level 3) or equivalent, and who has received:

1. A specific notice of separation by RIF; or
2. A written notice of proposed removal (including a final decision) by adverse action for declining a directed reassignment, transfer of function, or other similar reason, outside of the employee's current local commuting area.

An employee who retired on the effective date of the RIF is eligible for ICTAP. An employee who declined a RIF offer of assignment is eligible for ICTAP. A Department of Defense employee who volunteers for RIF separation under section 3502(f) of title 5, United States Code, or other applicable authority is eligible for ICTAP on the same basis as other eligible employees.

The ICTAP definition of "displaced employee" excludes employees displaced from positions above GS-15, including Administrative Law Judge, Scientific and Professional (ST) and Senior-Level (SL) positions. An employee who has received only a CES is not eligible for ICTAP. For a former competitive service employee, the test is the employee's last performance rating of record rather than a current rating, and that rating must likewise be at least Fully Successful (Level 3) or equivalent.

Prior Removal Because of Compensable Injury. For purposes of eligibility for ICTAP, "displaced employee" includes a former competitive service employee in the competitive service tenure group — or in another qualifying competitive service appointment, as

determined by OPM — who was separated from a position at GS-15 or below (or equivalent) and:

1. Whom the former agency separated because of compensable injury or illness;
2. Whose compensation from the Department of Labor's Office of Workers Compensation Programs (OWCP) is now terminated; and
3. Whom the former agency is unable to place through the RPL. See Section C for information on the RPL.

Termination of Disability Annuity. For purposes of eligibility for ICTAP, "displaced employee" includes a former career or career-conditional competitive service employee:

1. Who retired with a disability annuity under the Civil Service Retirement System (CSRS) or under the Federal Employees' Retirement System (FERS); and,
2. Whose disability annuity has been, or is being, terminated.

Prior Discontinued Service Retirement After Receiving RIF Separation Notice. For purposes of eligibility for ICTAP, "displaced employee" includes a former competitive service employee in the competitive service tenure group — or in another qualifying competitive service appointment, as determined by OPM — who received a notice of separation by RIF from a position at GS-15 or below (or equivalent) and retired under the discontinued service retirement (DSR) option.

An individual who retired under the DSR option after receiving only a notice of position abolishment for purposes of DSR (i.e., the employee did not receive a specific notice of RIF separation), is not considered a displaced employee and is not eligible for ICTAP.

Chapter 44 of the *CSRS and FERS Handbook for Personnel and Payroll Offices* contains more information about DSR and is available on the OPM website.

Disabled Reserve or National Guard Technician. For purposes of eligibility for ICTAP, "displaced employee" includes a former Military Reserve Technician, or a former National Guard Technician, who is receiving a special disability retirement annuity from OPM under CSRS or FERS.

Excepted Service Employees with Statutory Selection Priority. For purposes of eligibility for ICTAP, "displaced employee" includes a current Senior Executive Service member serving in the executive branch on an excepted service appointment without time limit, who is eligible for both noncompetitive appointment and special selection priority by statute for positions in the competitive service, and has received:

1. A specific notice of separation by RIF; or

2. A written notice of proposed removal (including a final decision) by adverse action for declining a directed reassignment, transfer of function, or other similar reason, outside of the employee's present local commuting area.

See Appendix O, Interagency Career Transition Assistance Plan (ICTAP), for additional information on other qualifying conditions for eligibility, beginning date of eligibility, ending date of eligibility, notification requirements, order of selection, exceptions to the special selection order, application for vacancies, proof of eligibility, agency selections for vacancies, and oversight, complaints and appeals.

Section C: Reemployment Priority List

General Requirements. Each agency must establish and maintain a RPL for each local commuting area in which:

- The agency separates, or will separate, one or more competitive service employees by reduction in force (RIF); or
- A former employee of the agency recovers from a compensable injury after more than 1 year.

Coverage of RPL Regulations. The RPL regulations in subpart B of part 330, Code of Federal Regulations, apply to each agency with competitive service employees, or with employees who by statute have the same rights as competitive service employees. For example, a preference eligible employee of the Postal Service is covered by the RPL regulations.

When an agency establishes a RPL, all components of the agency in the local commuting area are responsible for giving priority consideration to all of the registrants on the List. If an agency has different components in a local commuting area, the agency may allow employees to indicate their availability on the RPL only for certain activities or locations within the local commuting area.

A Department of Defense employee who volunteers for RIF separation under section 3502(f) of title 5, United States Code, or similar authority, is eligible for the RPL on the same basis as other eligible employees.

Exception to RPL Coverage. An agency is not required to establish a RPL for employees who were, or will be, separated by RIF, if the agency:

1. Operates a placement program for its employees; and
2. Obtains OPM approval that the program satisfies the basic regulatory requirements covering the RPL.

This option allows individual agencies to implement different placement strategies that are effective for their particular programs, and still meet employees' legal entitlements to priority consideration for reemployment.

Requirement to Notify Eligible Employees. The agency must give each eligible employee information about the RPL at the same time the agency gives the employee a specific RIF notice of separation.

See Appendix N, Reemployment Priority List, for additional information on eligibility based on RIF, eligibility based on compensable injury, length of eligibility for selection, early loss of eligibility, employee registration based on RIF, employee registration based on compensable injury, employee consideration based on RIF, employee consideration based on injury compensation, restrictions on filling positions, RPL selections—general, selection from the RPL—retention standing order procedure, selection from the RPL—numerical scoring procedure, exceptions to the regular order of selection, qualifications for selection, RPL appeals and grievances and corrective action.

Section D: Retraining Options Under the Workforce Innovation and Opportunity Act of 2014

The Workforce Innovation and Opportunity Act provides both training and retraining options to assist displaced employees who are unlikely to return to their previous occupation. WIOA requires each State to provide employment assistance to all displaced workers, including Federal employees. The program is administered by the Department of Labor. WIOA provides a wide range of services to help individuals displaced from their positions because of workforce reshaping, including skills assessments, job development, counseling, job search assistance, and training or retraining. Specific services are available through State and local employment offices.

The RIF regulations require that an agency must provide each employee who receives a RIF notice of separation with information about the WIOA program. See Chapter V, Section E, for information on the special notice requirements when an agency separates employees by RIF.

CES Option. At its option, an agency may issue a Certification of Expected Separation (CES) to an employee who is likely to be separated within 6 months by RIF. (An employee who is excess because of possible relocation is not eligible to receive a CES.)

The CES makes a surplus employee eligible for some or all WIOA services before the employee actually receives a specific notice of RIF separation. Note that even with the CES, most States will not provide retraining services until the employee is actually separated by RIF.

The State-based WIOA offices offer many services for employees faced with involuntary separation because of RIF or relocation. The WIOA representatives will often come onsite to explain the benefits available to displaced employees, and then register the displaced employees for available programs. In most situations, the WIOA representatives are extremely flexible in providing valuable transition services to displaced employees. The agency should contact the appropriate WIOA and related State offices as soon as the agency finds that it may be necessary to carry out involuntary separations. The Department of Labor's website provides links to State-based WIOA offices and other State and local services for displaced employees.

Chapter IX: Transfer of Function

This chapter offers the following guidance for agencies on transfer of function and related actions:

- Applicability (Section A)
- Agency Responsibility (Section B)
- How to Apply the Regulations (Section C)
- Identification of Employees and Positions with a Transferring Function (Section D)
- Employees of Losing Agency (Section E)
- Employees of Gaining Agency (Section F)
- Transfer for Liquidation (Section G)
- Canvass Letters (Section H)
- Appeals and Grievances (Section I)

Section A: Applicability

Must Continue in Identifiable Form. In a transfer of function, the function must:

1. Cease in the losing agency at the time of transfer; and
2. Be performed in an identifiable form in a different agency where the function was not being performed at the time of transfer.

The "identifiable form" requirement means that the transfer of function regulations apply only when the transferred function will be performed by competing employees in the gaining agency. A transfer of function does not take place when the function of competing employees will not be performed by competing employees in the gaining agency; for example, a function is not performed in an identifiable form if the function transfers to a gaining agency and is outsourced for performance by contract employees, in a different agency, or by members of the Armed Forces, rather than by competing employees in the gaining agency.

Authority for a Transfer of Function. The transfer of function regulations apply whether or not the movement of work is authorized by:

- A statute;
- An Executive order;
- A formal reorganization plan; or

- Other authority.

A Transfer of Function is between agencies. An interagency transfer of a function and/or personnel requires specific statutory authorization. Without a specific statutory basis, there is no authority for an agency to permanently transfer a function and/or personnel to another agency on the basis of a memorandum of understanding, a directive from the Executive Office of the President, a reimbursable agreement, or other administrative procedure.

Statutory Exceptions to Usual Transfer of Function Requirements. Congress has the authority to:

- Exempt, expand, or modify intra- and interagency transfers of function and personnel from the transfer of function regulations; or
- Expand, limit, and/or modify the procedures agencies use to identify employees for intra- and interagency transfers of function.

Movement of a Function within an Agency is not a Transfer of Function. The movement of a function within a single agency does not meet the transfer of function conditions. The movement of a function from one organizational unit to another within the same agency is a reorganization, and the agency uses RIF procedures rather than transfer of function procedures for any employee separated or demoted as a result.

Transfer of a Function for Liquidation. Under the transfer of function regulations, a competing employee who is identified with a function that will be liquidated or terminated does not have a right to any continuing positions in the gaining agency. An employee whose position is transferred as a transfer of function solely for liquidation is not a competing employee for other positions in the agency gaining the function.

The liquidation exception to the transfer of function regulations applies to any function that is not specifically authorized at the time of transfer to continue in operation for more than 60 days in the gaining agency (i.e., the function is transferred to the gaining agency for termination). The transfer of function regulations do not apply to the transfer of a function that is associated solely with the completion of a terminated program, even when the closeout work continues in the gaining agency for more than 60 days.

Section B: Agency Responsibility

Management's Right to Make Transfer of function Decisions. The agency has the right and responsibility to determine whether the transfer of function regulations apply to the movement of work from one agency to another.

Management's Right to Take Other Actions. A transfer of function does not suspend management's right to take other personnel actions before, concurrent with, or after the transfer of function.

Basis for Transfer of function Decisions. The losing and the gaining agencies refer to relevant documents in determining whether the transfer of function regulations apply. The reference point for a transfer of function determination is the organizational manual and delegations of authority for the losing and gaining agencies, supplemented, if necessary, by the enabling legislation and other implementing instructions that serve as the basis for the performance of the function.

These documents provide evidence regarding whether the work that is being transferred meets the definition of a function. A function is defined as all or a clearly identifiable segment of an agency's mission (including all integral parts of that mission) regardless of how it is performed. If the work meets the definition of a function, these documents then serve as the basis for a decision on whether the transfer of function regulations apply to the movement of work to another agency.

Section C: How to Apply the Regulations

The Agency Considers the Same Transfer of function Criteria in Any Movement of Work Situation. Section B covers the general conditions under which the transfer of function regulations apply to the movement of work. The agency considers the same criteria in any movement-of-work situation, including:

- The transfer of a function that supports a different transferring function;
- The fragmentation of a function from one agency to two or more different agencies;
- A phased transfer of function in which portions of the function transfer to one or more different agencies over a period of time; or
- The closure of an activity under the jurisdiction of one agency, with a different agency assuming responsibility for a successor activity at the same duty site.

A potential transfer of function may involve any or all of the situations covered in the examples above. By isolating each transferring function as the work is documented by the losing agency and then determining if the same class of activity is performed by the gaining agency at the time of transfer, the losing and the gaining agencies may determine whether the transfer of function regulations apply to any situation.

Section D: Identification of Employees and Positions with a Transferring Function

Responsibility of the losing agency to Identify Positions and Employees. The agency losing the function is responsible for identifying positions and employees for transfer with the function.

Using the Official Position to Identify Employees for Transfer. The losing agency identifies each competing employee with a transferring function on the basis of the employee's official position.

The Half-Time Test. A competing employee is identified with a transferring function if the agency determines that the employee performs the function during at least half of his or her work time.

Supplementing the Position Description. In determining what percentage of time an employee performs a function in the employee's official position, the agency may supplement the employee's official position description with appropriate records — for example, work reports, organizational time logs and work schedules — and with information obtained from supervisors.

Section E: Employees of Losing Agency

Right of an Employee to Transfer with the Function. Regardless of an employee's personal preference, a competing employee who is identified for transfer only has a right to transfer with a function when the alternative is separation or downgrading of the employee by RIF in the agency losing the function.

Separation of an Employee Who Refuses to Transfer with the Function. The losing agency uses the adverse action procedures in 5 CFR part 752, if applicable, or other procedures required by law, regulation, or the terms of the employee's appointment, If the agency chooses to separate an employee who declines to transfer with the function to a different local commuting area (5 CFR 351.302(d)). See Section H for information on transfer of function canvass letters only with a functional transfer to a different local commuting area. **In lieu of using adverse action procedures to separate the employee who refuses to transfer with the function to a different local commuting area, the agency may instead:**

- Reassign the employee to another continuing position under the agency's general authority to reassign employees; or
- Allow the employee to compete for positions in a concurrent RIF in the losing agency.

An employee has no opportunity to decline transfer with the function to a position in the same local commuting area. At its option, the gaining agency of a transfer of function involving one local commuting area may separate an employee who declines to report, using adverse action procedures.

Use of RIF Procedures in the Losing Agency. The losing agency may not conduct a RIF solely for the employees who decline to transfer with their function. At its option, the losing agency may include employees who decline to transfer with their function as part of a concurrent RIF conducted for other reasons.

Section F: Employees of Gaining Agency

No Impact of the Transfer of Function on Employees of the Gaining Agency without Other Organizational Changes. The transfer of function regulations do not affect employees of the gaining agency if the transfer does not require a RIF or other personnel actions in that organization.

Transferring Employees Compete for Positions on the Basis of Their Positions of Record. The losing agency transfers each employee identified for transfer with the function to the gaining agency on the basis of the position that the employee held prior to the transfer. **If the gaining agency conducts a RIF at the same time as the transfer of function, the transferred employee competes for retention on the basis of the position that the employee held prior to the transfer.**

If the gaining agency does not conduct a RIF at the same time as the transfer of function, the gaining agency must still take an appropriate personnel action (for example, reassignment) to document the transfer of the incoming employee from the position the employee held prior to the transfer to a new position in the gaining agency.

Rights of Transferred Employees in the Gaining Agency. Competing employees identified for transfer with the function by the losing agency have a right to:

1. Transfer to the gaining agency before being separated or downgraded by RIF; and
2. Compete on equal terms with employees in the gaining agency in any reduction in force that takes place concurrent with, or after, the transfer of function.

Employees identified by the losing agency for transfer with the function compete in RIF on retention registers comprised of both themselves and employees working in the gaining agency at the time of transfer. A transferred employee who is reached for a RIF action in the gaining agency has no retention rights back to the losing agency.

Actual Relocation of Transferring Employees Not Necessary Before a RIF. The gaining agency may determine the retention rights of transferring employees in RIF conducted at the same time as the transfer of function without an actual relocation of employees from the agency. To assist in a RIF following the transfer of function, the losing agency may act as agent for the gaining agency in providing information to transferring employees and, if applicable, in processing lump-sum annual leave payments and severance pay.

Employees Separated by RIF Covered by RPL in Gaining Competitive Area. The gaining agency places each transferred employee who is separated by reduction in force on its RPL. Neither the losing agency nor the gaining agency has authority to place a transferred employee on the RPL of the losing agency after the employee receives a reduction in force separation notice from the gaining agency.

Status of Competitive Service Positions. When the position of an employee who is in the competitive service and has competitive status is moved to a new organization as part of a reorganization or transfer of function, the position remains in the competitive service during the employee's incumbency.

Section G: Transfer for Liquidation

Limited Rights After Transfer for Liquidation. Transfer for liquidation provides the employee with the right to transfer from the losing to the gaining agency when the function will be terminated or “liquidated” within 60 days in the gaining agency. A competing employee who is identified with a function specifically authorized at the time of transfer to continue in the gaining agency for no more than 60 days is not a competing employee for other positions in the gaining agency.

An employee identified with a liquidated function has the right to transfer to the gaining agency solely for the purpose of separation by RIF. An employee whose position is transferred solely for liquidation by RIF separation is placed on the RPL of the gaining, rather than the losing, agency.

No Right to Transfer with Terminated Function. The transfer of function regulations do not apply to the transfer of a function which is terminated in the losing agency and is subsequently transferred to another agency for final closeout.

A competing employee whom the agency identifies with a terminated program is a competing employee in the losing agency if the agency chooses to conduct a RIF. A terminated function may continue for more than 60 days in the gaining agency as the agency phases out the terminated function. An employee transferred with a terminated function that will continue for more than 60 days in the gaining agency has the right to compete with other

employees in the competitive area in which the gaining agency places the function in the event of a RIF. If reached for RIF separation, the employee is placed on the RPL of the gaining agency.

Section H: Canvass Letters

Purpose of Canvass Letters. The losing agency may use a canvass letter to ask each competing employee identified with a transferring function whether the employee will actually transfer with the function to a different local commuting area. The losing agency is not required to offer the employee a specific position in the transfer of function canvass letter. The canvass letter is simply an initial offer for an employee to transfer with the function to a different local commuting area.

Canvass Letters are Optional. The losing agency, at its option, may decide:

- Whether to issue a transfer of function canvass letter to employees;
- The format of the transfer of function canvass letter;
- How long before the transfer of function effective date to issue the canvass letter to employees; and
- How long before an employee who receives the transfer of function canvass letter must respond to the agency's request for a decision on whether or not the employee will relocate.

Content of Canvass Letters. The losing agency should use the canvass letter to provide an employee identified for transfer with sufficient information to decide whether the employee wishes to transfer with the function to a gaining agency. In the canvass letter, the losing agency must: give each employee information regarding the consequences of accepting the offer to transfer, and the consequences of declining the offer to transfer. The agency may require an employee to respond to the canvass letter within a set period of time but must give the employee at least 30 calendar days to consider the offer.

Acceptance of the Offer to Transfer. By accepting the initial offer in the canvass letter to transfer with the function, the employee simply indicates a willingness to transfer to the gaining agency. An employee who accepts the offer to transfer competes for retention in the gaining agency, in the competitive area the gaining agency has established for the transferred function, if the gaining agency conducts a RIF concurrent with or after the transfer.

An employee who initially accepts the offer to transfer with the function is not bound by that decision and may later change the acceptance without penalty. The agency may treat an employee's failure to respond to the canvass letter within the specified period as a

declination of the offer to transfer, unless the employee establishes that the failure to respond was due to circumstances beyond the employee's control, such as not receiving the letter or the illness of the employee or a family member (5 CFR 351.302(g)). The agency should deliver canvass letters electronically with documented receipt and track responses in its system so that the status of every employee identified with the function is current when the transfer and any related personnel are processed.

Declination of Offer to Transfer. If the employee declines the agency's offer to transfer in the canvass letter, the losing agency has the right to propose the employee's separation under adverse action procedures.

An employee who receives an adverse action notice of proposed removal or a final decision letter of removal after declining an offer to transfer with the function to a different local commuting area is entitled to selection priority in other Federal agencies through the Interagency Career Transition Assistance Plan (ICTAP). By electing not to transfer with the function in the canvass letter, the losing agency will not separate the employee any sooner than employees who elect in the canvass letters to transfer with the function.

Section I: Appeals and Grievances

No Basic Right to Appeal a Transfer of Function. An employee may raise a transfer of function issue as part of an appeal to the Office of Personnel Management of a subsequent RIF or adverse action that the employee believes resulted from the transfer of function.

Appendix A: Assigning Responsibilities to Facilitate the RIF

Importance of Assigning Duties and Responsibilities. In the first stages of planning for a RIF, management at the highest levels of the agency (or the agency's activity, as appropriate) should designate in writing the specific duties and responsibilities of all parties involved in the RIF. The agency should also provide for a mechanism to coordinate the respective teams (e.g., regular meetings among the teams to resolve key challenges). Finally, the agency should provide for clear management direction to minimize time lost by resolving questions of responsibility among the teams.

Agency Management. The agency's (or activities, if applicable) senior-level managers are generally responsible for actions such as:

- Identifying positions for abolishment;
- Identifying which positions are carried on the personnel roster (i.e., the manning documents) after the agency conducts the RIF;
- Communicating the agency's Strategic Plan to all levels of management, RIF teams, and all other employees, as well as where the agency or subdivision remains covered by chapter 71 of title 5, United States Code, any exclusive representative;
- Authorizing the resources needed to conduct the RIF;
- Approving major discretionary decisions related to the RIF and the agency's outplacement program (e.g., waiving qualifications for placement in certain vacancies, amount of official time available for employees to use outplacement services);
- Authorizing the agency's RIF-related teams;
- Authorizing freeze dates when needed (e.g., for personnel actions, employees' qualifications updates, and placing performance evaluations on record); and
- Developing policy for responses to interested parties from outside the agency (e.g., members of Congress, State and local elected officials, the media, public interest groups, and employee groups).

Immediate Supervisors. The agency's first- and second-level supervisors are generally responsible for decisions and actions such as:

- Distributing RIF notices and other material to employees;
- Working to effectively implement the agency's Strategic Plan;
- Helping employees maximize use of the agency's career transition services; and

- Referring employees to the appropriate RIF-related team for assistance on specific issues, as needed.

Human Resources Office (HRO). The agency's HRO is generally responsible for decisions and actions such as:

- Providing management's pre- and post-RIF personnel rosters to the RIF team;
- Coordinating RIF-related information between involved parties (e.g., higher-level managers, supervisors, the RIF teams, employees, and, where the agency or subdivision remains covered by chapter 71 of title 5, United States Code, exclusive representatives);
- Processing corrections to personnel records;
- Helping the RIF team prepare notices (e.g., specific RIF notice, Certifications of Expected Separation, position abolishment notices for purposes of discontinued service retirement eligibility);
- Helping the RIF team prepare career transition and other outplacement information;
- Helping the RIF team prepare severance pay and retirement estimates; and
- Helping the RIF team prepare and provide guidance on benefits issues (e.g., retirement, health benefits, life insurance, Thrift Savings Plan).

Core RIF Team. The agency's core RIF team generally is responsible for actions such as:

- Reviewing retention-related personnel records for accuracy, and requesting that the HRO make corrections when necessary;
- Keeping agency management informed on issues related to the RIF;
- Offering agency management advice on discretionary RIF options (e.g., size of the competitive area, offering vacant positions in RIF, offering assignment rights to excepted employees);
- Using the personnel rosters established by agency management to determine employees' relative retention standing under OPM's RIF regulations at 5 CFR part 351;
- Preparing RIF and related notices;
- Training supervisors on delivery of the RIF notices to employees;
- Briefing employees on RIF procedures and issues;
- Advising employees on RIF procedures, employee benefits, and severance pay;

- Working with the outplacement team to advise employees on career transition and reemployment selection priority;
- Assisting the agency in responding to any subsequent RIF appeals or grievances; and
- Preparing an after-action report to document the RIF process for the agency.

Outplacement Team. The agency's outplacement team is generally responsible for actions such as:

- Developing the agency's plan to provide displaced employees with maximum career transition assistance;
- Training outplacement counselors who will meet with displaced employees;
- Keeping agency management informed of pertinent outplacement-related issues;
- Providing employees with job search information;
- Briefing employees on career transition subjects and options;
- Helping employees make career decisions through:
    - Skills assessment;
    - Interests assessment;
    - Résumé assistance;
    - Job search strategies;
    - Interviewing techniques;
    - Salary negotiations;
    - Follow-up;
    - Writing a personal action plan;
    - Job search assistance (e.g., provide timely referrals to potential employers and job leads to displaced employees);
    - Job clubs for displaced employees, if appropriate;
    - Community services and resources for displaced workers.
- Maintaining and releasing the optional résumé referrals that displaced employees may provide to their agency for sharing with potential employers;
- Coordinating State-based training and retraining services available to displaced employees through an individual State's Workforce Innovation and Opportunity Act (WIOA) programs;

- Working with the HRO to conduct exit interviews for employees who voluntarily or involuntarily separate from the agency as a result of the RIF; and
- Evaluating the agency's outplacement program after the agency completes the RIF.

For maximum career transition effectiveness, the agency should have an outplacement team available as soon as the agency finds that some employees will likely be separated by RIF. At the same time, the agency's management should develop a policy on issues related to the work of the outplacement team. The HRO would then communicate these policies to employees, including a displaced employee's use of official time for career transition and job search opportunities, and government-furnished computers, email, and other office technology for personal career transition-related purposes.

Displaced Employees. The agency should explain that displaced employees generally are responsible for actions such as:

- Participating in the agency's career transition assistance programs;
- Following agency procedures in requesting time to visit the agency's career transition center or make use of similar outplacement initiatives;
- Reviewing the RIF-essential data in the employee's records (position description, ratings of record, service computation date, and veterans' preference documentation) and reporting any discrepancy by the agency's deadline;
- Providing a current résumé to the agency for use in determining qualifications for assignment and, at the employee's option, for the agency's outplacement team to share with potential employers; and
- Requesting counseling on RIF issues, and/or benefits questions.

Appendix B: Management's Decision to Implement RIF Checklist

Request RIF Approval

When the agency determines a RIF is likely, the agency should review its delegations of authority to determine which individual or organization in the agency's chain of command has authority to approve the RIF actions. The approval process may vary depending on the number of employees who may be separated by RIF (i.e., a large number of separations may require a higher level of approval). A long approval process could change management's planned effective date for the RIF.

Identify Abolished Positions

Agency management is responsible for determining the categories within which positions are required, where they are to be located, and when they are to be filled, abolished, or vacated. 5 CFR 351.201(a)(1). RIF procedures should not be used to target individuals, but instead to effectuate reorganizations based on evolving mission needs or agency priorities. Once the decision is made regarding which positions will be abolished, by job title, grade, series, component and location, the documentation must be provided to the RIF team and the HRO so the RIF can be run properly.

Identify Positions in the Post-RIF Organization

Agency management must identify which positions (if any) will remain after the RIF. Once the decision is made regarding which positions will remain post-RIF, the documentation of such positions (organized by job title, series, grade, component, and location) must be provided to the RIF team and the HRO so that the RIF can be run properly.

Determine Whether All Positions in the Competitive Area Will Be Abolished within 180 Days

If management will abolish every position in a competitive area (including positions of employees excluded from RIF competition) within 180 days, the agency may release employees under 5 CFR 351.605 without preparing a retention register, ranking employees, or applying assignment rights, and may issue the simplified notice described in Chapter V. The mandatory exceptions for Uniformed Services Employment and Reemployment Rights Act of 1994 (USERRA) restoration rights and use of annual leave to reach retirement or health-benefits eligibility still apply. Management should document this decision and provide the RIF team a list of every employee in the competitive area.

Documentation

Documentation can be a personnel roster, workforce planning document, personnel staffing plan, manning document or similar documents. At a minimum, the documentation should identify positions by title, series, grade, position number, organization, and name of incumbent. Some organizations also include additional information such as tour of duty, (e.g., full-time, part-time, seasonal, or intermittent), type of service (e.g., competitive or excepted), and other pertinent information.

Establish RIF Effective Date

Agency management must establish the effective date for the RIF. This will greatly assist the HRO and its RIF team in determining the timeline involved, including notification to employees, exclusive representatives (where applicable), press (if necessary, such as during a Base Realignment and Closure Act (BRAC) closure).

Freeze Discretionary Personnel Actions

Agency management may, at their option, establish an effective date to freeze some or all discretionary personnel actions before, during, and/or after the RIF effective date.

Although OPM's controlling statutory authority or regulations do not require a freeze of discretionary personnel actions in a RIF situation, some collective bargaining agreements purport to require such a freeze at varying times in the RIF process. Such provisions apply only where the agency or subdivision remains covered by chapter 71 of title 5, United States Code, and only to the extent they do not conflict with 5 CFR part 351 or interfere with management's reserved rights under 5 U.S.C. 7106(a)(2)(A). Agency management should consult agency counsel before treating a collective bargaining agreement freeze provision as binding.

Notify Collective Bargaining Representatives

Where the agency or subdivision remains covered by chapter 71 of title 5, United States Code, and when required by an applicable collective bargaining agreement, agency management must notify the union(s) with a right to bargain on the impact and implementation of the possible RIF, if not already covered by the collective bargaining agreement. No union notice or bargaining obligation applies in agencies or subdivisions excluded from chapter 71 by executive order. See Chapter I, Section B, Labor-Management Relations.

Establish RIF Team(s)

Agency management should establish the RIF team. When the agency has reached the stage of setting an effective date for RIF actions, agency management, in coordination with the HRO, should establish RIF core and support teams (e.g., an outplacement team, a records

cleanup team, and other teams to perform tasks related to the RIF process such as employee benefits teams).

Select the Automated RIF System (if applicable)

Agency management, with the HRO, should decide at the outset which automated RIF system the agency will use (e.g., OPM's Workforce Reshaping Tool (WRT), an appropriate SI system). Confirm that the system reflects the regulations that will be in effect on the date RIF notices are issued. Confirm that the agency can export the required employee data from its human resources data system. Deciding this early allows the RIF team to run mock RIFs on management's alternative restructuring proposals before decisions are final. See Chapter II, Section A, and Appendix F.

Direct an Employee Review of RIF-Essential Records

Agency management should direct the HRO to give each employee in the affected competitive area(s) an opportunity, by a stated deadline, to review and correct the official position description, ratings of record, service computation date, and veterans' preference documentation in the employee's records and to submit a current résumé or qualifications statement. Retention standing is fixed as of the date the employee receives the specific RIF notice. Corrections made before that date avoid amended notices, corrected actions, and appeals. See Chapter III, Section M, and Appendix D.

Request Employees to Provide Qualifications Updates

Agency management may formally ask employees to submit a current résumé or qualifications update by a specific cutoff date to assist the agency in determining employees' qualifications for assignment under the skills-based assessment requirements of 5 CFR 351.702(a)(4). The request should be made electronically and combined with the employee review of RIF-essential records described above.

Define the Competitive Area and the Local Commuting Area

Agency management should consult with the HRO before defining (or revising, if applicable) the agency's competitive area for the RIF. The competitive area defines the geographic and organizational boundaries for RIF competition. Once defined, the competitive area includes all employees in the geographic and organizational definition. For example, within the same geographic boundaries and organizational structure, an agency may not define separate competitive areas for supervisors and non-supervisors.

Under the revised RIF regulations (5 CFR 351.402, as amended), a competitive area must consist of organizational units appearing on the agency's official organizational chart, which must be publicly available on the agency's website or otherwise appropriately documented

and available for employee review. An organizational unit for this purpose must be clearly distinguished from other organizational units with regard to its operation, work function, staff, and supervisory oversight. Employees working at approved alternate work locations must be assigned to their official organizational unit for competitive area purposes, not the alternate location.

New OPM Approval Requirement: If the agency establishes a new competitive area, or materially modifies an existing competitive area, within 90 days before issuing specific RIF notices, the agency must submit a written description of the competitive area and a written explanation of its bona fide organizational basis to OPM for approval before proceeding with the RIF. The competitive area description and explanation must be made readily available for review consistent with FOIA and the Privacy Act. (See Appendix D for preliminary identification steps.)

Develop Communication Plan

Agency management should consult with the HRO, Public Affairs, Congressional Relations and Communications to ensure an effective communication strategy is devised. The agency's goal should be to develop a coordinated communication plan that will provide timely, accurate, and complete information to all parties on issues relating to organizational change and the RIF. Effective, open communication with immediate supervisors, non-supervisors, and other affected parties (including, where applicable, the exclusive representative) can minimize losses to organizational productivity.

Establish Policy on Discretionary RIF Procedures

Agency management should consult with the HRO in reviewing and possibly modifying the agency's policy as permitted by the RIF regulations on the options identified below. The HRO staff will assist agency management in determining whether the agency's present policy implements any of the options. The HRO staff will also assist management in determining whether the agency's headquarters policy allows subdivision or activity components any flexibility to implement these options. If agency management is considering a policy change to adopt or to eliminate any of the procedural options, the HRO can explain possible results of the new definition.

Use of Vacancies

Agency management may offer vacancies in a RIF situation. An agency is not required to fill vacant positions in a RIF. At its option, the agency may decide to fill all, some, or none of its vacant positions either as RIF offers to displaced employees, or as offers in lieu of a RIF action.

Waiving or Modifying Qualifications When Filling Vacancies

Agency management may, at its option, waive most qualification requirements when making a RIF offer of a vacancy to a released employee. The agency may waive qualification requirements if the agency finds that the employee has the capacity, adaptability, and special skills needed to perform the duties and responsibilities of the offered position. However, even with this option the agency may not waive positive education requirements for the position.

Establish Procedures to Break Ties in Retention Standing

Agency management should consider procedures to break ties in employees' retention standing. Employees rarely have ties in retention standing. A tie results when two or more competing employees have the same standing under OPM's RIF regulations (including identical service computation dates). However, the agency should still adopt one or more procedures to break a tie. The agency must document the method before the RIF and apply it uniformly. For example, the agency may provide that ties will be broken by a documented random selection performed in the presence of a witness, or by a random default procedure built into the automated RIF system that does not use Social Security numbers or other sensitive identifiers.

Assignment Rights for Excepted Service Employees

Agency management may provide released excepted service employees with assignment rights to other positions. At its discretion, an agency may implement a policy to provide assignment rights to released employees on excepted service appointments. These assignment rights are limited to excepted positions under the same appointing authority (e.g., a released Schedule A attorney may be assigned only to another Schedule A position on a different competitive level). The policy must be adopted in writing before the RIF.

Under the revised RIF regulations (5 CFR 351.701, as amended), assignment rights are determined by a single standard: a released employee may be assigned to a position held by another employee with lower retention standing in the same tenure group, within 3 grades below the released employee's position (or 5 grades for a preference eligible with a compensable service-connected disability of 30 percent or more), for which the released employee is qualified. The former bump-and-retreat framework has been eliminated. (See Appendix J for procedures on determining assignment rights under the revised regulations.)

Employees Excluded from RIF Competition.

Under the revised RIF regulations (5 CFR 351.202(d), as amended), the following employees are not "competing employees" and are excluded from RIF competition. Tenure Group III has been eliminated. An agency may retain, furlough, separate, demote, or reassign the following employees without applying retention register, order-of-release, or assignment right

procedures, provided the action is consistent with the terms of the employee's appointment and applicable law:

- Employees serving an initial probationary period (competitive service)
- Employees serving a trial period (excepted service)
- Employees serving a temporary or time-limited appointment of 1 year or less (competitive or excepted service)
- Schedule C employees
- Schedule G employees

If such an employee is furloughed for more than 30 days, separated, demoted, or reassigned for a RIF reason — and the action is not merely the natural expiration of the appointment — the agency must issue a modified written RIF notice stating: the action being taken, the reasons for the action, the effective date, a link to 5 CFR Part 351 and access to relevant agency records, information on reemployment rights, and any applicable appeal rights.

Terminate Reemployed Annuitants Before the RIF

Agency management may terminate any reemployed annuitants who would otherwise compete for retention in the RIF. A reemployed annuitant serves at the will of the appointing officer. The agency may separate the reemployed annuitant at any time regardless of the type of appointment held by the individual.

Terminate Temporary Employees Before the RIF

Agency management may terminate temporary employees before or at the same time as the RIF. Under the revised RIF regulations (5 CFR 351.202(d), as amended), employees serving temporary appointments of 1 year or less are not "competing employees" and are excluded from the retention register entirely. An agency may retain or separate such employees without regard to the order of release that applies to competing employees. If a temporary employee is separated, furloughed for more than 30 days, demoted, or reassigned for a RIF reason — and the action is not merely the natural expiration of the appointment — the agency must provide a modified written RIF notice. (See Issue B-3 above for modified notice requirements.)

Using Discretionary Temporary Exceptions to the Usual Order of Release from the Competitive Level

Agency management may temporarily retain a released employee past the effective date of the RIF. The RIF regulations at 5 CFR part 351 allow an agency discretion, under limited conditions, to retain a released employee past the RIF date under a discretionary continuing

exception to the regular order of release, or a discretionary temporary exception to the regular order of release.

Establish a Cutoff Date for Ratings of Record (optional)

The RIF regulations do not impose a default freeze on performance ratings of record. At its option, the agency may establish a cutoff date under section 351.503(c)(2) of title 5, Code of Federal Regulations, based upon a specified number of days before the agency will issue RIF notices. For example, an agency that elects a cutoff date may set it 30 to 60 days before issuing RIF notices. If the agency does not establish a cutoff date, it uses each employee's current rating of record.

Determine the Modal Rating Grouping for RIF Competition

The modal rating is defined in the RIF regulations; the agency does not set it. An employee who has not received any rating of record within the applicable 4-year period receives performance credit based on the modal rating for the summary level pattern that applies to the employee’s official position of record on the date of the RIF.

Define Performance Credit for Multiple Rating Patterns

Agency management may define the amount of additional performance credit when the competitive area includes employees with available performance ratings of record under more than one pattern of summary levels. If an agency has employees in a competitive area with ratings of record under more than one pattern of summary levels, the agency may, in its sole discretion, provide additional performance credit for documented exceptional performance consistent with 5 CFR 351.503(e). An agency has a "mixed pattern" only if the mixed ratings are among the three most recent ratings of record that the agency actually uses to determine employees' retention standing.

Under the revised regulations, performance is credited in direct points, not years of service: Level 5 = 7 points, Level 4 = 5 points, Level 3 = 3 points, Level 1 or 2 = 0 points. For a mixed pattern situation, the agency may transmute a rating to a higher summary level only when there is documented evidence of exceptional performance — such as receipt of the highest agency or departmental award, a quality step increase, or comparable performance awards. The agency must specify and document its criteria in advance, make them available for review, and apply them consistently to all competing employees.

Establish Policy to Reduce the Impact of the RIF

Agency management should consult with the HRO in reviewing and possibly modifying the agency’s policy on the transition options below that are authorized under OPM’s regulations. Where the agency or subdivision remains covered by chapter 71 of title 5, United States Code,

and changes are made, the agency should consult labor relations officials and agency counsel to determine whether any impact-and-implementation bargaining obligation applies; no such obligation applies in agencies or subdivisions excluded from chapter 71 by executive order, and bargaining should not delay the reshaping effort.

Designate Employees as Surplus for Early Registration in the Career Transition Assistance Plan

Agency management may consider whether to provide surplus employees with early intra-agency selection priority through the agency's Career Transition Assistance Plan (CTAP). At its option, an agency may provide the same CTAP intra-agency selection priority by giving an employee in an excess position a notice that designates the employee eligible for CTAP as a surplus employee before the employee receives a specific notice of separation.

Issue Surplus Employees a Certification of Expected Separation (CES)

At its option, an agency may issue a CES to an employee who is likely to be reached for RIF separation within 6 months. The CES provides a potentially displaced employee with intra-agency selection priority within the employee's present local commuting area through the Reemployment Priority List (RPL) and the CTAP. An agency may not issue a CES to an employee who may be separated by adverse action procedures for declining relocation to a different local commuting area.

Provide Additional Consideration to Displaced Employees on the Reemployment Priority List (RPL)

At its option, the agency may provide additional intra-agency selection priority by considering RPL registrants before considering internal candidates who are not surplus. For example, through its own internal placement program an agency may offer selection priority to a displaced employee who is eligible for the RPL in a different local commuting area (or areas) provided that:

- The agency has first met its obligation under CTAP to place surplus and displaced employees in the different competitive area; and
- The agency has first met its obligation to provide RPL rights to employees eligible for the RPL in the different competitive area.

Voluntary Early Retirement Authority (VERA)

Agency management may consider offering employees the Voluntary Early Retirement Authority (VERA) option to increase voluntary attrition.

Voluntary Separation Incentive Payment (VSIP)

Agency management may consider offering employees Voluntary Separation Incentive Payments (VSIP) to increase voluntary attrition and/or to provide placement opportunities for surplus or displaced employees.

Establish Agency Policy on Administrative Leave and Excusal from Regular Duties for Released Employees

An employee will under ordinary circumstances remain in a duty status during the RIF notice period under 5 CFR 351.806, as revised at 91 FR 65924 (effective November 18, 2026). However, the agency may, in its sole and exclusive discretion, place a RIF-affected employee on administrative leave for all or part of the notice period when it determines that such leave is appropriate and consistent with 5 CFR part 630, subpart N. Such circumstances may include those in which available work has ceased for the affected positions or where continued systems access during a large-scale reorganization presents security or records-integrity risks. Agency management should establish the agency's policy on the use of administrative leave for employees who may be or will be reached for RIF actions, consistent with OPM's Template for Agency Administrative Leave Policies (CPM 2025-12). Agency management should consider whether to implement a formal policy allowing employees to be excused from regular duties to attend orientation sessions and counseling on related subjects (e.g., RIF mechanics, retirement, health benefits, life insurance).

When employees are excused from regular duties for such agency-directed orientation and counseling sessions, the time is considered duty time; administrative leave should not be charged.

Appendix C: RIF Items Checklist

RIF Items Checklist	Check if Applicable
1. Management's Decisions to Implement a RIF (see Appendix B)	
2. Request RIF Approval	
3. Identify Abolished Positions	
4. Identify Positions in the Post-RIF Organization	
5. Determine Whether All Positions in a Competitive Area Will Be Abolished within 180 Days	
6. Documentation	
7. Establish the RIF Notice Date	
8. Establish RIF Effective Date	
9. Freeze Discretionary Personnel Actions	
a. Do Not Undertake Erosion-of-Duties Reclassifications After Announcing the RIF	
10. Notify Collective Bargaining Representatives	
11. Establish RIF Team(s)	

Management-Human Resource Office Coordination on Discretionary RIF Decisions	Check if Applicable
12. Define the Competitive Area and the Local Commuting Area	
a. Submit New or Materially Modified Competitive Areas to OPM for Approval	
b. Make Competitive Area Descriptions Readily Available for Review	
13. Develop Communication Plan	
14. Establish Policy on Discretionary RIF Procedures	
a. Use of Vacancies	
b. Waiving or Modifying Qualifications When Filling Vacancies	

Management-Human Resource Office Coordination on Discretionary RIF Decisions	**Check if Applicable**
c. Establish Procedures to Break Ties in Retention Standing	
d. Assignment Rights for Excepted Service Employees	
e. Identify Employees Excluded from RIF Competition	
f. Terminate Reemployed Annuitants Before the RIF	
g. Decide Whether to Release Employees Excluded from RIF Competition Before the RIF	
h. Using Discretionary Temporary Exceptions to the Usual Order of Release from the Competitive Level	
i. Confirm That Discretionary Temporary Exceptions Are Not Stacked	
j. Establish a Cutoff Date for Ratings of Record (optional)	
k. Select the Modal Rating Grouping	
l. Specify in Agency Issuances When a Rating of Record Is Considered Received	
m. Define Additional Performance Credit Under a Pass/Fail or Pattern D Rating System	
15. Define Performance Credit for Multiple Rating Patterns	
a. Request Employees to Provide Qualifications Updates	
16. Establish Policy to Reduce the Impact of the RIF	
a. Designate Employees as Surplus for Early Registration in the Career Transition Assistance Plan	
b. Issue Surplus Employees a Certification of Expected Separation (CES)	
c. Provide Additional Consideration to Displaced Employees on the Reemployment Priority List (RPL)	
d. Voluntary Early Retirement Authority (VERA)	
e. Voluntary Separation Incentive Payment (VSIP)	

Management-Human Resource Office Coordination on Discretionary RIF Decisions	**Check if Applicable**
f. Establish Agency Policy on Administrative Leave and Excusal from Regular Duties for Released Employees	
17. Preliminary Actions by the RIF Team	
18. Identify All Positions in RIF Competitive Area	
19. Document Noncompeting Employees on Nonpermanent Assignments	
20. Document Other Noncompeting Employees	
21. Document Each Employee in a Non-pay Status	
22. Document Each Employee Away on Active Duty in the Armed Forces With a Restoration Right	
23. Document Each Restoration Protected Employee and the Required Retention Register Entries	
24. Document Each Employee on Compensable Injury	
25. Review Position Descriptions	
26. Review Competitive Levels For Accuracy	
27. Determine Employees' Veterans' Preference Rights for Retention	
28. Preliminary Actions by the RIF Team (continued)	
29. Determine Employees' Service Computation Dates	
30. Verify Employees' Performance Ratings of Record That Are Used for Retention	
31. Determine Employees' Performance Credit Points	
32. Preparing and Using Retention Registers (see Appendix I)	
33. Project Employee Retention Data to the RIF Notice Date	
34. Prepare Retention Registers	
35. Decide Whether to Release Noncompeting Employees Before Releasing Competing Employees	
36. Identify Employees Released from the Competitive Level	
37. Determining Rights to Other Positions (see Appendix J)	

Management-Human Resource Office Coordination on Discretionary RIF Decisions	**Check if Applicable**
38. Determine Employees' Representative Rates	
39. Determine the Normal Line of Progression for Each Position	
40. Identify Vacancies Available for Assignment and Other Placement Offers	
41. Determine Released Employees' Qualifications for Assignment	
42. Determine Released Employees' Assignment Rights	
43. Run Mock RIF and Review Results for Accuracy	
44. Issuing RIF Notices (see Appendix K)	
45. Determine Each Released Employee's Eligibility for Benefits	
46. Prepare Specific Written RIF Notices and Mandatory Attachments	
a. Prepare the Notice for a Competitive Area Being Abolished	
b. Prepare the Notice for Employees Excluded from RIF Competition	
47. Issuing RIF Notices (continued)	
48. Send Notices to Other Organizations if 50 or More Employees Receive Separation Notices	
49. Notify Bargaining Unit Representative(s)	
50. Determine How Agency Will Deliver RIF Notices	
51. Prepare Packages for Separating Employees	
52. Deliver RIF Notices	
53. Rerun the RIF Only Where Required — Retention Standing Is Fixed as of the Notice Date	
54. Counseling Employees on Procedures and Options (see Appendix L)	
55. Planning for Effective Counseling	
56. Effective Outplacement Counseling	
57. Post-RIF Actions (see Appendix P)	

Management-Human Resource Office Coordination on Discretionary RIF Decisions	**Check if Applicable**
58. Review the Agency's Planning and Implementation of the RIF	
59. Respond to RIF Appeals, Grievances, and Other Third-Party Actions	
60. Continue Outplacement and Rehiring Initiatives for Displaced Employees	

Appendix D: RIF Team Preliminary Actions Checklist

Identify All Positions in RIF Competitive Area

The RIF team should conduct an inventory of positions in the competitive area to determine which positions are occupied, which are vacant, and also whether the actual inventory of positions is consistent with management's planned personnel roster of staff that will carry out work after the RIF effective date. Concurrently, the RIF team, should coordinate with the HRO to confirm that the RIF team can access each employee's electronic Official Personnel Folder (eOPF). They should also confirm that the employee data exported from the agency's human resources data system to the automated RIF system is complete for every position in the competitive area. If every position in the competitive area will be abolished within 180 days, the inventory itself becomes the list of employees to be noticed under 5 CFR 351.605, and the retention-register steps in this appendix and Appendix I are not performed for that competitive area.

The RIF team first reviews the personnel roster (also sometimes called "manning documents," or "workforce staffing rosters") for each competitive area to verify that every position listed as "encumbered" will actually be occupied on the RIF effective date by a permanent employee. If the position will not be encumbered on the effective date of the RIF, the team flags the position as a vacancy that the agency may possibly fill after the RIF on the personnel roster of the restructured organization. Finally, the team flags other vacancies listed on the personnel roster of each competitive area, again for possible filling as part of the RIF. See Appendix B for information on management's right to decide which positions are abolished in a RIF, and which positions are filled after the RIF in the restructured organization.

In identifying occupied and vacant positions in each competitive area, the RIF team should, as appropriate, coordinate with the HRO to reconcile any discrepancies between actual employees and positions carried on the personnel roster. For example, the agency's "on-board count" may omit employees in a non-pay status. For another example, the agency's full-time-equivalency (FTE) count might not accurately reflect employees in part-time or intermittent positions.

When the agency has multiple worksites, the RIF team should also identify each employee's duty station within a competitive area. When a local commuting area includes agency employees in different organizations with multiple competitive areas, the team should match each employee with the proper competitive area. For example, the agency may have headquarters personnel assigned to a field office site in a different local commuting area. Depending on the agency's definition of "competitive area," the headquarters employee

could be included in one of several possible competitive areas in the local commuting area of the headquarters or the field activity.

Document Noncompeting Employees on Nonpermanent Assignments

When accounting for positions in each competitive area, the RIF team should document each employee whose position of record is in the competitive area, but who is currently performing a different position through a nonpermanent personnel action. An employee's rights and benefits are always based upon the employee's official position of record, not a position performed by the employee on a nonpermanent basis such as a:

- Detail;
- Temporary promotion;
- Term promotion; or
- Any other nonpermanent basis.

The RIF regulations require that, before releasing an employee from a competitive level by RIF, the competitive level (which is also called a "retention register") must not include an employee serving on a detail or a nonpermanent promotion.

Document Other Noncompeting Employees

When accounting for positions in each competitive area, the RIF team should also document each employee in the competitive area who is a noncompeting employee under OPM's RIF regulations because of other exclusions from the retention regulations.

The RIF regulations require that, before releasing an employee from a competitive level (retention register) by RIF, the competitive level also must not include other noncompeting employees, such as an employee who:

- Holds a competitive service temporary appointment to a position in that competitive level;
- Received a written decision of removal or demotion from a position in that competitive level because of Unacceptable (or equivalent) performance; or
- Received a written decision of removal or demotion because of adverse action. Such an employee competes for retention from the position to which the employee will be, or has been, demoted.

Document Each Employee in a Non-pay Status

When accounting for positions in each competitive area, the RIF team should document each employee covered by OPM's retention regulations in the competitive area covered who is in a

leave without pay (LWOP) status. An employee covered by the RIF regulations competes in the RIF even if the agency carries the employee in a LWOP status.

Document Each Employee Away on Active Duty in the Armed Forces with a Restoration Right

When accounting for positions in each competitive area, the RIF team should document each employee covered by OPM’s retention regulations in the competitive area covered who, on the RIF effective date, is on active military duty with a restoration right.

The retention register does not include the name of a competing employee performing duty in the uniformed services with a restoration right.

The employee does not compete for retention under the RIF regulations. Instead, the employee has a restoration right under part 353 of title 5, Code of Federal Regulations, based on the military service.

Document Each Employee Who Has Returned from the Armed Forces with a Current Restoration Right

When accounting for positions in each competitive area, the RIF team should document each employee covered by OPM’s retention regulations in the competitive area covered who, on the RIF effective date, has a 6-month or 1-year restoration right based upon active service in the Armed Forces.

An employee who returns to the agency after active duty in the Armed Forces generally has additional retention rights for 6 months or 1 year after restoration. A "restoration protected employee" is defined under the revised regulations (5 CFR 351.203, as amended) as a competing employee restored or reemployed following uniformed service who, as of the date of the specific RIF notice, remains within the applicable 6-month or 1-year post-reemployment protection period under 5 CFR 353.209(b).

Under the revised regulations (5 CFR 351.606, as amended), the agency must apply a mandatory exception to the order of release for each restoration protected employee. The agency first determines the employee's ordinary retention standing under the retention register. The agency then applies the mandatory exception: the agency may not release a restoration protected employee from the competitive level if any other competing employee can be released instead.

If the entire competitive area is abolished and no other competing employee can be released, the agency may not separate the restoration protected employee by RIF during the protection period. Instead, the agency must reassign the employee to another position of like seniority, status, and pay. If the entire agency is abolished and the employee's function has

not been transferred to another agency, or if it is otherwise impossible or unreasonable for the agency to reassign the employee, OPM will provide placement assistance.

The agency must document the employee's ordinary retention standing, the basis for the restoration protection, the date the protection expires, and any employee released because the restoration protected employee was passed over.

Document Each Employee on Compensable Injury

When accounting for positions in each competitive area, the RIF team should document each employee covered by the RIF regulations in the competitive area covered who, on the RIF effective date, is receiving benefits from the Department of Labor's Office of Workers Compensation Programs (OWCP) based on a job-related, compensable injury covered by the regulations at part 353 of title 5, Code of Federal Regulations.

An employee carried on an agency's rolls because of a compensable injury has no special RIF protections and is generally subject to release on the same basis as other employees. If the employee has requested a return to duty by the effective date of the RIF action, the agency refers to part 353 of title 5, Code of Federal Regulations, and determines whether the employee:

1. Has recovered from the compensable injury; and
2. Is entitled to restoration.

In determining the assignment rights of an employee receiving injury compensation payments, the agency may not deny RIF assignment rights to an employee who is reached for release from a competitive level during a leave of absence that resulted from a compensable injury solely because the employee is physically disqualified as a result of the compensable injury.

If the agency separates the employee by RIF while the employee is receiving benefits for a job-related, compensable injury, the employee loses all restoration rights under part 353 of title 5, Code of Federal Regulations, based upon the compensable injury.

Review Position Descriptions

When accounting for positions in each competitive area, the RIF team should review the position description of each employee covered by OPM's retention regulations in the competitive area.

The team should first verify that each employee competing in the RIF has a position description available for the employee's official position of record. If the RIF team finds that no position description is available, the team should advise the HRO that a position

description is required in order to determine the retention standing of a released employee, as well as the potential assignment rights of a higher-standing employee to that position.

If time and resources allow, the team may coordinate with the HRO to update employees' position descriptions prior to the RIF. With this option, the HRO would possibly work with the RIF team to document that each position description accurately describes each position's qualifications, duties, and responsibilities. However, any change in the duties and responsibilities of a position by itself is a reorganization even when the grade of the position does not change.

The agency generally will not update position descriptions prior to the RIF if all positions will be abolished in a reorganization. The agency also generally will not consider updating position descriptions when faced with a short lead time prior to the RIF. Instead, the agency's finding that it plans to perform its work differently from the position descriptions simply supports the fact that the agency is undertaking a bona fide reorganization.

If the agency, prior to a RIF, updates position descriptions in a way that changes employees' entitlements under the retention regulations, the agency's employees may also perceive even a good-faith updating effort as a management plan to target individuals for separation, even if the outcome of the RIF would be the same whether or not the agency updated the position descriptions.

Rather than rewriting the position descriptions of positions that will be abolished in a reshaping situation, most agencies focus on writing accurate position descriptions for the personnel roster of the organization after the agency completes the RIF.

Have Employees Review Their RIF-Essential Records

Before the RIF team finalizes competitive levels and retention registers, the team, in coordination with the HRO, should give each employee in the competitive area a copy of (or secure electronic access to) the data that will determine the employee's retention standing and assignment rights, with a stated deadline to report discrepancies and to submit a current résumé or qualifications statement. The review material can be generated from the agency's human resources data system or the automated RIF system and should show, for each employee:

- The official position description of record (title, series, grade, work schedule, and any qualification, medical, or security clearance requirement), which the employee and the first-level supervisor should confirm accurately describes the duties the employee performs;
- The three most recent ratings of record in the applicable 4-year period, with the summary level and pattern of each;

- The RIF service computation date and the civilian and uniformed service on which it is based;
- The employee's veterans' preference status for RIF and the documentation on file; and
- The employee's tenure group and subgroup and appointment authority.

The team should track every discrepancy reported, resolve it from official records, process any required correction before the retention register is finalized, and retain the review material, the employee's response, and the resolution in the RIF records. Employee review does not replace the team's responsibility for the accuracy of the records, but it allows the team to focus its own review on exceptions. A supervisor's or employee's disagreement with the duties described in an accurate position description is not a basis for changing the position description after a RIF has been announced if the change would affect retention standing (see "Review Position Descriptions" above and Chapter III, Section D).

Review Competitive Levels For Accuracy

The RIF team has primary responsibility to determine accurate competitive levels based on the official position description of each employee competing for retention.

When establishing competitive levels, the RIF team will coordinate when necessary with the HRO for additional expertise on purely classification issues. Also when necessary, the team will coordinate input from a line program office to clarify the content of the position description.

Neither agency management nor the RIF team has any administrative discretion in establishing competitive levels (e.g., narrow competitive levels versus broad competitive levels). Instead, the team establishes competitive levels solely upon the record; the team compares each position description as written with the standard for competitive levels in the RIF regulations.

Even when an agency uses an automated system to determine employees' retention standing, if an employee appeals, the agency meets its burden of proof through the official records (electronic or paper) that served as the basis for the agency's decision, including the establishment of competitive levels.

Determine Employee's Veterans' Preference Rights for Retention

The RIF team has primary responsibility to accurately determine the veterans' preference rights of each employee competing for retention. OPM's website includes *VetGuide*, which provides comprehensive guidance on veterans' preference entitlements in the Federal service.

The RIF team should review the records of each employee who may be eligible for retention preference. This includes employees who may be eligible for derived preference (e.g., eligible spouses of certain disabled or deceased veterans). When necessary, the team should ask employees to submit current certification of eligibility for veterans' benefits.

The RIF team also should determine whether the employee is receiving disability benefits from VA. For reference, OPM's Standard Form 15 (Application for 10-Point Veteran Preference) provides that any VA letter issued after 1990 documenting a service-connected disability is proof of a permanent disability unless the letter specifically states that the disability is not permanent. The same post-1990 date also applies to disability notices from the Armed Forces. A copy of the revised SF-15 is available from the OPM website. If VA issued a letter to an employee prior to January 1, 1991, that employee must obtain an update from VA in order to have a post-1990 letter.

The RIF team also should carefully review the records of retired members of the Armed Forces to determine whether the Dual Compensation Act of 1964 bars preference in RIF competition for an individual employee.

Finally, the RIF team should review the records of all reservists who will reach age 60 on or before the effective date of the RIF. For example, an otherwise eligible reservist may lose eligibility for veterans' preference at age 60 when the individual begins to receive retired pay based upon the rank of major or higher.

Determine Employees' Service Computation Dates

The RIF team is responsible for accurately determining the service computation date (SCD) of each employee competing for retention. Computing the SCD for each employee has historically been the most time-consuming step in preparing for a RIF. The team should start with the SCD already in the agency's human resources data system. Use the system's validation reports and employee review feedback (see "Have Employees Review Their RIF-Essential Records" above) to find dates that are missing, don't match the employee's SF-50 history, or are disputed, and do a full file review only for those cases. Even if an automated system sets retention standing, the agency must rely on the official records (electronic or paper) that served as the basis for the agency's decision (including employees' SCDs) to meet its burden of proof if an employee appeals the RIF.

Depending on the size of the RIF, the agency may find it useful to establish a separate SCD support team to review the material in each employee's Official Personnel Folder and to compute individual employees' SCDs.

The SCD for RIF, leave, retirement, and severance pay may be different. If possible, the agency should verify all applicable SCDs for each employee reached for a RIF action.

Verify Employees' Performance Ratings of Record That Are Used for Retention

The RIF team has primary responsibility to verify the performance ratings of record that it uses to calculate each competing employee's numerical performance credit. Performance credit is no longer expressed as additional service credit added to a service computation date. There are three suggested steps in this process.

The first step for the RIF team in verifying employees' retention performance ratings of record is to note the applicable 4-year period for crediting performance ratings in the competitive area where the agency will conduct the RIF. The RIF regulations do not require an agency to freeze ratings of record. At its option, the agency may establish a cutoff date, a specified number of days before it issues RIF notices, after which no new ratings of record will be put on record and used for the RIF. If the agency uses a cutoff date, performance credit is based on the three most recent ratings of record received during the 4-year period before the cutoff date; if it does not, the 4-year period runs from the date the agency issues RIF notices. The team should confirm which approach the agency's issuances adopt, and should confirm that those issuances specify the conditions under which a rating is considered to have been received.

The second step for the RIF team is to review all ratings of record that fall within the applicable 4-year window for crediting employees' performance ratings of record. The RIF team must identify the three most recent ratings in the 4-year window period for each employee in the competitive area.

The RIF team may be able to download this information from the agency's automated human resources data system. Otherwise, the team must manually document this information. Specifically, the team must document each rating of record and the effective date for each rating.

The RIF team should also carefully review the agency's performance management plan (or other policy) and document what effective date to use when putting a rating "on record."

Most agencies simply use the date on which it enters each employee's rating of record into the agency's human resources data system. This common procedure used by most agencies may affect which ratings are included in the 4-year window period for retention service credit even when the actual rating cycle ends on a single date.

For example, Agency X's rating cycle ends on September 30, 2026. Agency X has a policy of using the date a rating is finalized in its performance management system as the date the rating is on record and available for all purposes, including RIF. The agency enters the rating of record of Employee A in its data system on October 15, 2026, the rating of Employee B on November 1, 2026, and Employee C on November 15, 2026. In this example, the agency uses the actual dates of the three ratings in determining which ratings of record are included in the

applicable 4-year window period, and whether a rating of record is not used for retention purposes because of a freeze.

In the third step, the RIF team should document:

- Which performance ratings of record for each employee are included in the agency's human resources data system;
- Whether the agency has a copy (electronic or paper) of each employee's rating of record;
- Whether each rating of record is complete with all appropriate reviews and signatures (5 CFR 351.503(c)(3));
- Whether each rating of record is included in each employee's electronic performance file;
- The date that the agency put each rating on record if the rating is included in the applicable 4-year window;
- The employee's summary level rating (e.g., Level 3, Level 5);
- The rating pattern for the summary level (e.g., Pattern A - Pass/Fail, Pattern C – Four-Level); and
- Each employee's current performance rating of record.

Verify Each Employee's Current Annual Performance Rating of Record

A released competitive service employee has assignment rights only if the employee's current annual performance rating of record is Level 2 (Minimally Satisfactory) or equivalent, or higher. An employee whose current annual performance rating of record is Level 1 (Unacceptable) has no assignment rights. The "current" rating of record is the rating for the most recently completed appraisal period.

The current rating operates as a single threshold and nothing more. An employee who meets it has the same assignment rights as any other employee who meets it: the rating does not limit the grades or positions to which the employee may be assigned, and the rating of the employee who would be displaced is not a factor.

The team should therefore flag the records of any competing employee whose current annual performance rating of record is Level 1, because that employee is excluded from assignment rights. A current Level 2 rating needs no flag — it carries the same assignment rights as a higher rating.

An employee with a current Level 1 rating still competes for retention on the retention register unless, as of the date of the RIF notice, the agency has issued a final written decision

of removal because of unacceptable performance or because of adverse action. In that case the agency lists the employee apart from the retention register and the employee does not compete.

Determine Employees' Performance Credit Points

After verifying performance ratings of record, the RIF team calculates each competing employee's performance credit using the following direct point values (5 CFR 351.503, as amended):

Summary Level	Description	Points Assigned
Level 5	Outstanding or equivalent	7
Level 4	Exceeds Fully Successful or equivalent	5
Level 3	Fully Successful or equivalent	3
Level 2	Minimally Satisfactory or equivalent	0
Level 1	Unacceptable	0

The performance credit is the sum of the point values for the employee's three most recent ratings of record within the 4-year period before the date the agency issues RIF notices (or the agency-established cutoff date, if earlier). There is no longer an adjusted service computation date. The actual service computation date is used only as a tiebreaker when employees have equal augmented performance credit and are in the same tenure subgroup.

Missing ratings — use the following proxy rules (5 CFR 351.503(f)):

- No ratings in the 4-year period: Use the modal rating (most common rating among employees under that summary level pattern in the competitive area), expressed in points.
- Two ratings in the 4-year period: Add the two point values and divide by 2 (the result may be a whole number or a number ending in .5); this proxy value is added to the two actual point values for the total performance credit.
- One rating in the 4-year period: Multiply that rating's point value by 3.

Veterans' preference points are then added to performance credit (5 CFR 351.504, as amended):

- Preference eligible with a compensable service-connected disability of 30 percent or more (Subgroup AD): add 5 points
- All other preference eligibles (Subgroup A): add 3 points
- Non-preference eligibles (Subgroup B): add 0 points

The resulting total augmented performance credit is the primary basis for ranking employees on the retention register within each tenure group. Veterans' preference subgroup (AD/A/B) continues to appear on the retention register as an identifier but functions as the source of additional points — not as a primary ranking tier.

Flag Level 1 current ratings: An employee whose current annual performance rating of record is Level 2 or higher has assignment rights. An employee with a current Level 1 (Unacceptable) rating has no assignment rights.

Notify Collective Bargaining Representatives:

Where the agency or subdivision remains covered by chapter 71, agency management must give the exclusive representative notice and an opportunity to bargain over the procedures and appropriate arrangements for the reshaping effort, to the extent not already covered by the collective bargaining agreement and must follow any additional notice terms in the agreement. See Chapter I, Section B.

Appendix E: RIF Team Skills Inventory Checklist

The RIF team skills inventory will assist the agency in maximizing the skills of potential members of the RIF teams. The skills inventory assumes that all or most RIF team members are part of the agency's HRO. The RIF team skills inventory will also serve as a tool to help the agency plan for specific training needed by members of the RIF teams. The agency may modify this sample skills inventory to meet its specific situation.

Sample entries include:

1. If the employee's downsizing skill is "Current," enter "Yes" or "No" in that box.
2. In the "Source of Skill" box, enter how the employee gained the skill:
    a. Formal Training = (T);
    b. Experience or On-the-Job Training = (E);
    c. Both (Formal Training & Experience) = (B); and
    d. Not applicable = (NA).
3. In the "Skill Level" box, enter the employee's skill level:
    a. Expert (EX) = The employee's downsizing skill is current, and the employee can provide advice and assistance on both routine and complex issues in this subject area.
    b. Intermediate (I) = The employee can advise on routine questions in this subject area, and the employee's advice is based primarily upon theoretical application.
    c. Novice (N) = The employee has basic knowledge, but no demonstrated ability in this subject area, and needs further training and/or experience in this area.
    d. None (O) = The employee has no training or experience in this subject area, and the employee needs development in this area.
    e. Interest (IN) = The employee has no training or experience in this area but is interested in development in this area.
    f. Narrative comments, if any.

RIF Team Skills Inventory Checklist

Employee Name: Date:

Skill	Current Skill **Yes or No**	Source of Skill **Answer Key:** Formal Training = T Experience or On-the-Job Training = E Both = B Not applicable = NA	Skill Level **Answer Key:** Expert = EX Intermediate = I Novice = N None = O Interest = IN	Comments
RIF Avoidance Techniques				
Position Management				
Position Classification				
Organizational Development				
Workforce Forecasting				
Workforce Skills Assessment				
RIF Planning				
RIF requirements				
Automated RIF/personnel systems				
RIF Execution				
RIF procedures/requirements				
Creditable service determinations/SCD calculations				
Qualifications determinations				
Veterans' preference determinations				
RIF Benefits/Entitlements				
Placement Programs				
Benefits (FEHB, FEGLI, Thrift Savings Plan (TSP))				
Retirement				
Severance Pay, Grade/Pay Retention				

Skill	Current Skill **Yes or No**	Source of Skill **Answer Key:** Formal Training = T Experience or On-the-Job Training = E Both = B Not applicable = NA	Skill Level **Answer Key:** Expert = EX Intermediate = I Novice = N None = O Interest = IN	Comments
Outplacement				
Program Development				
Career Counseling (Overall)				
Assessment Tools				
Identifying Career Objectives				
Retraining				
Employment Counseling (Overall)				
Federal Employment				
Other Public Sector				
Private Sector				
Résumés				
Outplacement (continued)				
Job Search Techniques				
Interviewing				
Self-Marketing				
Networking				
Salary/Benefits Negotiations				
Job Clubs				
Job Developers				
Self-Employment				
Career/Job Fairs				
Stress Management Counseling				
Crisis Management Counseling				
Relocation Counseling				
Retirement Counseling				

Skill	Current Skill **Yes or No**	Source of Skill **Answer Key:** Formal Training = T Experience or On-the-Job Training = E Both = B Not applicable = NA	Skill Level **Answer Key:** Expert = EX Intermediate = I Novice = N None = O Interest = IN	Comments
Outplacement Center (Designing and Running)				
Other:				
Designing Customer Surveying Instruments				
Sampling Techniques				
Conducting Focus Groups				
Instructor/Presentation Skills				
Marketing/Sales Skills				
Organizational Intervention Skills				
Contracting Skills				
Labor-Management Relations				
Employee Relations				
Agency Representative				

Appendix F: RIF Team Skills Update

The RIF team should have knowledge of the following:

RIF Regulations (part 351 of title 5, Code of Federal Regulations) including provisions relating to:

- Computing RIF SCDs;
- Determining eligibility for veterans' preference;
- Crediting performance in RIF competition;
- Determining employees' qualifications for assignment, including the job-analysis-based assessment required by 5 CFR 351.702(a)(4), the 5-year same-work exception, security clearance issues, and physical qualifications with accommodation when necessary;
- Determining what actions are covered by the RIF regulations (e.g., a reassignment is not a RIF action, a non-covered job erosion demotion may actually be covered by the regulations);
- Determining which employees are covered by the RIF regulations (e.g., a member of the Senior Executive Service is not covered by OPM's RIF regulations, but instead has retention rights under part 359, subpart F, of title 5, Code of Federal Regulations);
- Determining assignment rights involving formally-designated trainee or developmental positions;
- The RIF appeal procedures under 5 CFR part 351, subpart I (appeals to OPM, filed electronically, for a RIF noticed on or after September 2, 2026; appeals to the Merit Systems Protection Board or, if applicable, a negotiated grievance procedure for a RIF noticed before that date);
- Significant RIF appeals decisions of OPM under subpart I, prior RIF decisions of the Merit Systems Protection Board and the United States Court of Appeals for the Federal Circuit to the extent they remain relevant under the revised regulations, and RIF-related decisions of the Federal Labor Relations Authority (FLRA).
- Automated RIF Software versus Manual Retention Registers.

  Agencies are encouraged to use an automated RIF system to build retention registers and determine assignment rights. Agencies should use an automated RIF system to build retention registers and determine assignment rights. OPM's Workforce

Reshaping Tool (WRT), a web-based application available through OPM's reimbursable services (Appendix Q), is designed for this purpose and supports data validation, mock RIFs, and notice generation. Whichever system the agency uses, it must verify that the software has been updated to reflect the revised RIF regulations (RIN 3206-AO86, 91 FR 49178) before use. Specifically, agencies should confirm with their software vendor that the program has been updated to reflect: (1) the replacement of the adjusted-SCD model with the direct point-based performance credit system (Level 5 = 7 pts, Level 4 = 5 pts, Level 3 = 3 pts, Level 1/2 = 0 pts); (2) the new competitive service and excepted service tenure group and subgroup structure; (3) the elimination of Tenure Group III; (4) the elimination of bump-and-retreat logic; and (5) the exclusion of probationary, trial period, temporary (1 year or less), Schedule C, and Schedule G employees from retention registers. Software that has not been updated for the revised regulations will produce incorrect retention registers and assignment rights determinations. Contact OPM's Reshaping Services Program (see Appendix Q) for assistance.

A manual RIF is appropriate only for a very small RIF (for example, fewer than 10 actions in a single competitive level) or as a check on the automated results. To conduct a RIF manually, an agency generally first identifies competing employees, calculates performance credit points and augmented totals, prepares retention registers ranked by augmented performance credit within each tenure group, and then determines assignment rights based on the lower-retention-standing standard.

- Pay-related resources:
    - Severance pay regulations published by OPM in part 550, subpart G, of title 5, Code of Federal Regulations.
    - Severance pay fact sheet and estimation worksheet posted on the OPM website.
    - Grade and pay retention regulations published by OPM in part 536 of title 5, Code of Federal Regulations.
    - Grade retention and pay retention fact sheets and examples posted on the OPM website.
    - Some software packages include a severance pay calculator to assist the agency in making severance pay calculations for eligible employees who will be involuntarily separated. Section 351.803 of title 5, Code of Federal Regulations, requires that an agency provide an eligible employee with a severance pay estimate.

- Restoration Rights:
    - Active service in the Armed Forces, including rights under the Uniformed Services Employment and Reemployment Rights Act of 1994 (USERRA);
    - Compensable injuries under the Department of Labor's Office of Workers Compensation Programs (OWCP). OPM publishes restoration regulations in part 353 of title 5, Code of Federal Regulations.
    - Program-specific legislation (e.g., sections 233(d) and 625(b) of the Foreign Assistance Act of 1961); and
    - Agency-specific legislation (e.g., restoration within the Department of Defense after an overseas tour of duty authorized by section 1586 of title 10, United States Code).
    - A statutory restoration or reinstatement right may by itself require a RIF action for the agency to meet its obligation to an employee.
    - Employee Benefits:
    - Retirement (optional, discontinued service, voluntary early, and deferred);
    - Health benefits;
    - Life insurance; and
    - Thrift Savings Plan.
- Selection Priority Programs for Displaced Employees:
    - Reemployment Priority List (RPL);
    - Career Transition Assistance Plan (CTAP);
    - Interagency Career Transition Assistance Plan (ICTAP); and
    - Agency-specific selection priority programs such as the Department of Defense's (DoD) Priority Placement Program (PPP), which is available to help place separated and demoted DoD employees in other positions within the agency.

Even if the agency establishes a separate outplacement team, the agency's RIF team members should have a working knowledge of all intra-agency and interagency selective placement programs available to displaced employees. This should include the agency's policies when the agency implemented one or more of these discretionary options (e.g., the agency may have voluntarily implemented a policy of providing priority placement to former employees on the RPL before filling a position with a current agency employee).

Appendix G: Voluntary Early Retirement Authority (VERA)

Section 1: VERA Overview

Purpose of VERA. The purpose of the VERA option is to allow employees to voluntarily retire early under the Civil Service Retirement System (CSRS) or the Federal Employees' Retirement System (FERS) from an agency that is undergoing substantial organizational change (e.g., reduction in force (RIF), reorganization, reshaping, delayering). The voluntary VERA separation will often avoid an involuntary separation by RIF or relocation, and/or offer a placement opportunity to a surplus or displaced employee.

Exclusion. The Governmentwide VERA regulations do not apply to the Government Accountability Office (GAO) or the Department of Defense (DoD). Each of these agencies has its own agency-specific statutory VERA authority.

VERA and Discontinued Service Retirement. Though the age and service requirements are the same, discontinued service retirement (DSR) is not the same as VERA. DSR is based on an involuntary separation, while VERA is a voluntary retirement authority. The formula used to compute a DSR annuity is the same as the formula used to compute a VERA annuity. Chapter 44 of the *CSRS/FERS Handbook for Payroll and Personnel Offices*, contains information on DSR.

VERA and Buyouts. A Voluntary Separation Incentive Payment (VSIP) (also called a "buyout") is not the same as VERA. OPM approval of VERA for an agency does not automatically authorize VSIP incentives.

Additional VERA Guidance from OPM. OPM's website includes the *Guide to Voluntary Early Retirement*, and a Fact Sheet on voluntary early retirement.

Section 2: Employee Eligibility for VERA

Eligibility for VERA: To be eligible to retire under VERA, an employee must meet all six conditions below:

1. Attained the VERA minimum age and service requirements:
    - Completed at least 20 years of creditable service and be at least age 50, or
    - Completed at least 25 years of creditable service regardless of age;
2. Was continuously employed by the agency for at least 31 days before the date the agency requested OPM approval of VERA;
3. Is currently serving under an appointment that is not time-limited;

4. Has not received a final removal decision based upon misconduct or unacceptable performance;
5. Is currently serving in a position designated by the agency as covered by VERA; and
6. Retires under the VERA option during the window period designated by the agency (i.e., a period of time for employees to apply for VERA and to subsequently separate from the agency by VERA).

Statutory VERA Age and Service Requirements. The minimum age and service requirements are set by statute. OPM has no authority to waive either the minimum age or service requirement for VERA eligibility.

Employees on Active Duty in Armed Forces. An employee on active duty in the Armed Forces who would otherwise be eligible for a VERA offer will have 30 days following restoration to the agency to accept or reject the agency's offer of a VERA. The restored employee has the right to accept or reject the agency's offer of VERA even if the authority approved has expired.

Chapter 43 of title 38, United States Code, requires that agencies treat employees on active duty in the Armed Forces, for all practical purposes, as though they are still on the job, with no disadvantage because of service in the Armed Forces.

Use of Annual Leave to Reach Initial VERA Eligibility. An employee has the right to use accrued annual leave and remain on the agency's rolls past the effective date of a RIF separation in order to gain title to an immediate annuity. An employee also has the right to use accrued annual leave past the RIF date in order to establish eligibility to continue health benefits coverage into retirement.

Section 3: Requesting OPM Approval of VERA

Agency's VERA Decisions. In requesting VERA, the agency has a responsibility to:

1. Decide when to request VERA from OPM;
2. Decide whether to use an OPM-approved VERA;
3. Decide which employees are covered by the VERA request;
4. Establish the VERA window period(s) for accepting applications and for separating employees by VERA; and,
5. Determine the number of employees who may retire under the VERA and when those employees may separate.

VERA Request from Agency Headquarters. An agency's request to OPM for VERA must be signed by:

1. The head of the agency; or
2. A specific designee.

A "specific designee" is a senior officer or official within an agency who has been specifically designated to sign requests for VERA under a designation from the head of the agency. Examples include a Chief Human Capital Officer, an Assistant Secretary for Administration, and a Director of Human Resources Management.

Appendix H: Voluntary Separation Incentive Payment (VSIP)

Section 1: VSIP Definitions

Agency. "Agency" means an Executive agency as defined under section 105 of title 5, United States Code, and an individual employed by a county committee established under section 8(b)(5) of the Soil Conservation and Domestic Allotment Act, as covered in section 590h(b)(5) of title 16, United States Code.

Employee. "Employee" means an individual defined under section 2105 of title 5, United States Code, who is employed by an agency, and an individual employed by a county committee established under section 8(b)(5) of the Soil Conservation and Domestic Allotment Act, as covered in section 590h(b)(5) of title 16, United States Code.

"Employee" does not include an individual who:

1. Is serving under an appointment with a time limitation;
2. Has not been employed by the Government of the United States for a continuous period of at least 3 years;
3. Is a reemployed annuitant under chapter 83 (Civil Service Retirement System) or 84 (Federal Employees' Retirement System) of title 5, United States Code, or under another retirement system for employees of the United States Government;
4. Has a disability and is, or would be, eligible for disability retirement under CSRS or FERS, or under another retirement system for employees of the United States Government;
5. Is in receipt of a decision notice of involuntary separation for misconduct or unacceptable performance;
6. Previously received a VSIP from the Federal Government under any authority;
7. Is covered by statutory reemployment rights based on a transfer to another organization;
8. During the 36-month period preceding the date of separation for a VSIP, performed service for which the agency has paid or will pay a student loan repayment benefit under section 5379 of title 5, United States Code;
9. During the 24-month period preceding the date of separation for a VSIP, performed service for which the agency has paid or will pay a recruitment or relocation incentive under section 5753 of title 5, United States Code; or

10. During the 12-month period preceding the date of separation for a VSIP, performed service for which the agency has paid or will pay a retention incentive under section 5754 of title 5, United States Code.

Section 2: VSIP Overview

Purpose of VSIP. The VSIP option allows an agency in a reshaping situation to offer permanent employees a lump-sum payment up to $25,000 if the employee voluntarily retires or resigns. The voluntary VSIP separation will often avoid an involuntary separation by reduction in force (RIF) or relocation, and/or offer a placement opportunity to a surplus or displaced employee.

In some situations, the voluntary VSIP separation may also serve as a management tool to assist the agency in reshaping its existing workforce into better alignment with the skills and knowledge needed to perform updated positions that better reflect the agency's mission.

Exclusions. The Governmentwide VSIP regulations do not apply to the Department of Defense (DoD), which has its own agency-specific statutory VSIP authority. The Governmentwide VSIP regulations do not apply to the Government Accountability Office (GAO). GAO continues its agency-specific VSIP authority under section 2 of Public Law 108-271. Some agencies (e.g., the Federal Deposit Insurance Corporation, the Postal Service, and Treasury's Office of Thrift Supervision) offer VSIP under their own statutory authorities. A permanent agency-specific VSIP authority does not require OPM approval.

VSIP and Discontinued Service Retirement. Though the age and service requirements are the same, discontinued service retirement (DSR) is not the same as VSIP. DSR is based on an involuntary separation, while VERA is a form of voluntary retirement. The formula used to compute a DSR annuity is the same as the formula used to compute a VERA annuity.

Chapter 44 of the *CSRS/FERS Handbook for Payroll and Personnel Offices*, contains information on DSR. The Handbook is available on the OPM website.

Buyouts and VERA. A Voluntary Early Retirement Authority (VERA) is not the same as VSIP. OPM approval of VSIP for an agency does not automatically authorize VERA. See Appendix G for information on requesting OPM approval of VERA. OPM approval of VSIP for an agency does not change the minimum age and service requirements for VERA or other types of immediate retirement.

Additional VSIP Guidance from OPM. OPM's website includes the Guide to *Voluntary Separation Incentive Payments*, and a Fact Sheet on Voluntary Separation Incentive Payments.

Section 3: Requesting OPM Approval of VSIP

Agency's VSIP Decisions. In requesting VSIP, the agency has the responsibility to:

- Decide when to request VSIP from OPM;
- Decide whether to use an OPM-approved VSIP;
- Decide which employees are covered by the VSIP request;
- Establish the VSIP window period(s) for accepting applications and for separating by VSIP; and,
- Determine the number of employees who may retire under the VSIP and when those employees may separate.

VSIP Request from Agency Headquarters. An agency's request to OPM for VSIP must be signed by the head of the agency or a specific designee. A specific designee is a senior officer or official within an agency who has been specifically designated to sign requests to offer VSIP under a designation from the head of the agency. Examples include the Chief Human Capital Officer, the Assistant Secretary for Administration, the Director of Human Resources Management, or a deputy of one of these persons.

Submitting a VSIP Request to OPM. An agency submits its request to OPM for VSIP to: employ@opm.gov

Information in VSIP Request. The agency's request to OPM for approval of VSIP must include a plan outlining the intended use of VSIP, including a proposed organizational chart showing organizational goals after completion of the payments or the agency's human capital plan.

The agency's human capital plan must outline the agency's intended use of the separation incentives. The agency's human capital plan must also outline the expected changes in the agency's organizational structure after the agency has completed the VSIP offers.

The agency's plan submitted under either option above must always include:

1. Identification of the specific positions and functions to be reduced or eliminated, identified by organizational unit, geographic location, occupational series, grade level and any other factors related to the position;
2. A description of the categories of employees who will be offered separation incentives identified by organizational unit, geographic location, occupational series, grade level and any other factors, such as skills, knowledge, or retirement eligibility;
3. The time period during which separation incentives may be paid;
4. The number and maximum amounts of the separation incentives;

5. A description of how the agency will operate without the eliminated or restructured positions and functions;
6. A proposed organizational chart displaying the expected changes in the agency's organizational structure after the agency has completed the incentive payments;
7. If the agency has requested, or will request VERA, a short explanation of how the agency will use that authority in combination with separation incentives; and
8. If the agency is offering separation incentives under any other statutory authority, a description of how the agency is using that authority.

OPM and OMB Review of Agency's VSIP Plan. OPM will consult with the Office of Management and Budget (OMB) concerning an agency's plan to offer VSIP. The review of the agency's plan may include consideration of costs and benefits associated with using the authority.

- If there are questions concerning the agency's plan, OPM may:
- Contact the agency;
- Inform the agency's staff of OPM's concerns; and/or
- Require that the agency revise the plan to bring the plan into conformance with OPM's VSIP regulations.

OPM will notify the head of the agency in writing when OPM approves the agency's plan to offer VSIP. An agency may not offer VSIP without OPM approval.

Forwarding Overdue VSIP Reports to OPM. OPM may require an agency to forward overdue interim and final reports on a previous VSIP before OPM approves a new VSIP for the agency. OPM's approval letter to the agency contains the VSIP reporting requirements.

Competitive Sourcing Situations. An agency carrying out a competitive sourcing or similar study that could result in excess personnel and/or skills imbalances in an organization may initiate a request to OPM for contingent approval of VSIP authority before the study is completed. This option is available in situations when the agency is considering alternative methods to perform work, including a Most Efficient Organization (MEO) study and other similar options that potentially may involve the outsourcing of work.

Because of the detailed requirements related to a competitive sourcing study and the need for strict confidentiality in the process, it is difficult for the agency to forecast the outcome of the study and the effects of the study on the agency's workforce. Contingent OPM approval recognizes that the agency's need for VSIP would be subject to the outcome of the competitive sourcing or similar study.

For contingent approval of VSIP authority, the agency submits the information in the above paragraph to request VSIP authority, but using its projected outcomes for retaining the work, or outsourcing the work.

The agency must notify OPM of the outcome of the competitions for OPM approval to offer VSIP. If the competitive sourcing decision will result in the agency outsourcing the function, OPM will authorize immediate use of the VSIP, subject to OMB consultation. If the competitive sourcing decision is to retain the function in the agency, for OPM approval the agency must provide OPM with updated information to support the VSIP request. OPM will then review the data as part of the approval process that requires OMB consultation.

At its option, the agency may concurrently submit a request for contingent VERA approval.

Section 4: Offering VSIP to Employees

VSIP Offers Must Be Consistent with OPM-Approved Plan. An agency may offer a VSIP only as authorized in the plan approved by OPM. An agency may not (1) offer a VSIP later than the expiration date of the VSIP authority in the agency's approved plan; (2) establish an effective date for payment of a VSIP that is later than the expiration date of the VSIP authority in the agency's approved plan; and (3) offer a VSIP to an employee who is outside the scope of the VSIP authority approved by OPM.

Organizational Basis for VSIP Offers. An agency may offer VSIP only on the basis of organizational considerations such as:

- One or more organizational units;
- One or more occupational series or levels;
- One or more geographical locations;
- The skills, knowledge or other factors related to a position;
- Specific periods of time during which eligible employees may elect to voluntarily separate by retirement or resignation for a VSIP; or
- Any appropriate combination of the five factors above.

Selecting Employees for VSIP. An agency must accept VSIP applications from all employees eligible under the OPM-approved plan. However, the agency must limit the number of actual separations for a VSIP to no more than the number in the OPM-approved VSIP plan.

Each time an agency with VSIP authority establishes a window period to accept employees' applications for VSIP incentives, the agency may limit VSIP offers to its employees based

upon an established opening and closing date of the VSIP window, or the acceptance of a specific number of applications for VSIP incentives.

At the time the agency offers VSIP incentives to its eligible employees, the agency must notify its employees that it retains the right to limit the number of VSIP offers on the basis of a specific closing date of the VSIP window, and/or acceptance of a specific number of applications for VSIP incentives, along with setting the date for employees to separate with a VSIP.

If the agency amends its VSIP offer on the basis of a revised window closing date or number of VSIP applications that the agency will accept or a revised separation date, the agency must announce the revised closing date and/or number of VSIP applications to the same group of employees included in the original VSIP announcement.

If the agency offers VSIP incentives to its eligible employees in a separate or a new notice with a revised closing date and/or number of VSIP applications or a revised separation date, the agency may also offer the VSIP option to a different group of employees if these employees are covered by the approved VSIP authority.

The agency may administratively implement a procedure to determine which employees may separate with a VSIP when more employees apply for a VSIP than the agency can offer. Such a procedure may allow:

- All employees to subsequently decline separating by retirement or resignation for a VSIP even after the employee signs the applicable forms;
- No employees to subsequently decline separating by retirement or resignation for a VSIP even after the employee signs the applicable forms; or
- On a case-by-case basis for a reason such as hardship and specific agency approval as an exception, employees to subsequently decline separating by retirement or resignation for a VSIP even after the employee signs the applicable forms.

Ensuring That VSIP Separations Are Voluntary. The agency is responsible for ensuring that employees are not coerced into retiring or resigning to accept a VSIP, and the employee's decision to separate was not based upon erroneous or misleading information. When announcing an opportunity to separate for a VSIP, the agency should inform its employees that separation by retirement or resignation for a VSIP is a voluntary action by the employee. An agency's optional canvass letter to determine potential employee interest in a VSIP is not coercion, but is simply an accepted tool to help the agency meet its present and future staffing needs.

If an agency finds that an employee was coerced into separating by retirement or resignation for a VSIP, the agency has the responsibility to take appropriate corrective action. An

employee who separates by retirement or resignation for a VSIP, but who subsequently believes that the separation was actually involuntary, may potentially appeal the basis for the separation to Merit Systems Protection Board (MSPB). An employee may potentially appeal the basis for the separation even if the employee signs a statement that the retirement or resignation is voluntary and was not coerced.

Employees on Active Duty in Armed Forces. An employee on active duty in the Armed Forces who would otherwise be eligible for a VSIP offer will have 30 days following restoration to the agency to accept or reject the agency's offer of VSIP. The restored employee has the right to accept or reject the agency's offer of VSIP if the authority approved has expired. Chapter 43 of title 38, United States Code, requires that agencies treat employees on active duty in the Armed Forces, for all practical purposes, as though the employee is still on the job, with no disadvantage because of service in the Armed Forces.

Waiver of the Usual Health Benefits Participation Requirement. Benefits Administration Letter (BAL) 04-208, dated September 8, 2004, covers "Federal Employees Health Benefits Program: Participation Requirements for Employees Retiring During a Period of Voluntary Separation Incentive Payments or Voluntary Early Retirement Authority." BAL 04-208 covers OPM's policy on waivers of the usual participation requirements for employees who retire during a period during which their agency has authority to offer VERA or VSIP. BAL 04-208 is available from OPM's website.

Processing VSIP Separation. The *Guide to Processing Personnel Actions* contains processing instructions for VSIP separations. The Guide is available from OPM's website.

For employees retiring with a VSIP under the VERA option, the Guide states that Authority Code "ZLM/P.L. 107-296, VERA No. and date" covers employees under the Civil Service Retirement System.

For employees retiring with a VSIP under the VERA option, the Guide states that Authority Code "USM/5USC Chapter 84 and AZM/OPM Office, VERA No. and date" covers employees under the Federal Employees' Retirement System.

Service Agreements and VSIP Separations. An agency should request an interpretation from its legal staff before deciding whether to release from a service agreement an employee who is interested in separating for a VSIP. Common service agreements cover an employee's obligation to perform service with the agency for a specific period of time following training, relocation, or similar situations.

Section 5: Agency Management of VSIP

Notifying OPM of VSIP Changes. After OPM approves an agency's plan to offer VSIP, the agency is required to immediately notify OPM of any subsequent changes in the conditions that served as the basis for the separation incentives. OPM will consult with OMB, and notify the agency in writing of any changes in the agency's plan to offer VSIP.

Section 6: OPM Oversight of VSIP

OPM May Amend, Limit, or Terminate VSIP Because of Changed Situation. OPM may amend, limit, or terminate an agency's VSIP authority if OPM determines that the agency is no longer undergoing the condition (e.g., downsizing, restructuring, reshaping) that was the basis for OPM's approval of the VSIP authority.

OPM May Amend, Limit, or Terminate VSIP Because of Agency's Actions. OPM may amend, limit, or terminate an agency's VSIP authority if OPM determines that the agency did not administer the authority in a manner that is consistent with applicable law and/or regulation.

Section 7: VSIP Repayment Requirement from Reemployment

Obligation to Repay VSIP. An employee who voluntarily separated for a VSIP under an OPM-approved VSIP authority and accepts employment with the Federal Government within 5 years after the date of separation must repay the gross amount of the VSIP to the agency that paid the incentive. The former employee must repay the entire amount of the VSIP before the individual's first day of reemployment.

Service in the Armed Forces or in the uniformed services (i.e., Armed Forces, the Commissioned Corps of the Public Health Service and of the National Oceanic and Atmospheric Administration) is not considered Federal employment for purposes of invoking the VSIP repayment obligation. Also, service as a Peace Corps volunteer is not considered employment with the Federal Government for purposes of invoking the VSIP repayment obligation.

Explanation of Employment. For purposes of the VSIP repayment obligation, "employment" means any reemployment:

- For compensation with the Federal Government, unless the employment was under a waiver of the VSIP repayment obligation (see Section 8 of this Appendix for information on submitting VSIP waiver requests to OPM); and
- Under a personal services contract or other direct contract with the Federal Government, but not with a legislative branch entity.

The legal staff of each agency is responsible for determining what is a personal services or direct contract for purposes of the buyout repayment provisions in section 3524 of title 5, United States Code. Agencies (and employees considering employment with a contractor) are advised to seek further guidance from their appropriate legal staff office when considering contracting with a former Federal employee who separated for a VSIP.

Legislative Branch Exclusion for Personal Services Contracts. The legislative branch is excluded from the usual repayment requirement for an OPM-approved VSIP only for purposes of a personal services or other direct contract with a legislative branch entity. Otherwise, the individual who separates for an OPM-approved VSIP must repay the VSIP if reemployed in the legislative branch unless the head of the legislative branch entity or the legislative branch appointing official waives the buyout repayment under section 3524(c)(2) of title 5, United States Code.

Obligation to Repay VSIP Under Other Authority. An executive branch employee who voluntarily separated for a VSIP on or after March 30, 1994, under authority that was not approved by OPM and accepts employment with the Government of the United States within 5 years after the date of separation should refer to the controlling statute authorizing the VSIP to determine the former employee's obligation to repay the VSIP; and whether the obligation requires repayment of the entire amount of the VSIP before the first day of employment.

Section 8: Waiver of the VSIP Repayment Requirement

OPM Waiver of the VSIP Repayment Requirement for Executive Branch Reemployment. The head of an executive branch agency may request OPM to waive the VSIP repayment obligation under an OPM-approved VSIP if:

- The individual seeking reemployment possesses unique abilities and is the only qualified applicant available for the position; or
- In the case of an emergency involving a direct threat to life or property, the individual seeking reemployment has skills directly related to resolving the emergency and will serve on a temporary basis only so long as that individual's services are made necessary by the emergency.

The option of requesting a waiver of the VSIP repayment obligation does not include the Government Accountability Office, the Postal Service, or the Postal Regulatory Commission.

Waiver of the VSIP Repayment Requirement for Legislative Branch Reemployment. For employment in the legislative branch, the head of the legislative branch entity or appointing official may waive the VSIP repayment obligation of the former executive branch employee

applicable to an OPM-approved VSIP if the individual seeking reemployment possesses unique abilities and is the only qualified applicant available for the position.

The head of the legislative branch entity or appointing official may also waive the VSIP repayment obligation applicable to an OPM-approved VSIP if the waiver is based upon reemployment with the Federal Government or employment under a personal services contract or other direct contract with the Federal Government.

Waiver of the VSIP Repayment Requirement for Judicial Branch Reemployment. For employment in the judicial branch, the head of the judicial branch entity or appointing official may waive the VSIP repayment obligation of the former executive branch employee applicable to an OPM-approved VSIP if the individual seeking reemployment possesses unique abilities and is the only qualified applicant available for the position.

The head of the judicial branch entity or appointing official may not waive the VSIP repayment obligation applicable to an OPM-approved VSIP if the waiver is based upon reemployment with the Federal Government or employment under a personal services contract or other direct contract with the Federal Government.

Waiver of a VSIP Repayment Requirement Under Other Statutes. For a VSIP authorized under authority other than an OPM-approved VSIP, the hiring entity should review the statute that authorized the VSIP to determine whether a waiver is permitted under the controlling statute and how to submit a waiver request.

Submitting a VSIP Repayment Waiver Request to OPM. An agency submits its request for a VSIP repayment waiver to: employ@opm.gov

Appendix I: Preparing and Using Retention Registers

First Step. The first step for the RIF team is to prepare retention registers, determine which employees are released from these registers because of position abolishment's, and determine whether the released employees have a right to a continuing position on a different retention register. This appendix does not apply to a competitive area the agency is abolishing in its entirety within 180 days: under 5 CFR 351.605 the agency does not prepare a retention register, rank employees, or apply assignment rights, and instead issues the modified notice described in Chapter V and Appendix K.

When the RIF team begins preparing retention registers, the team should be confident that its employee data are accurate, including each competing employee's:

1. Title, series, and grade as documented in the employee's official permanent position of record;
2. Position description number and competitive level assignment;
3. Eligibility for veterans' preference under OPM's RIF regulations, and the resulting veterans' preference subgroup (AD, A, or B);
4. The three most recent ratings of record received during the applicable 4-year period before the date the agency issues specific RIF notices (or before the agency-established cutoff date, if earlier);
5. The numerical performance credit calculated from those ratings under Chapter III, Section J, including any proxy or modal rating value applied where the employee has fewer than three ratings of record;
6. Any additional or transmuted performance credit assigned under the pass/fail and multiple-rating-pattern provisions described in Chapter III, Section J;
7. The veterans' preference points added to the performance credit — 5 points for Subgroup AD, 3 points for Subgroup A, and 0 points for Subgroup B — and the resulting augmented score;
8. Work schedule on the official position of record;
9. Appointment authority (especially for excepted service employees);
10. Tenure group (competitive service or excepted service) and tenure subgroup (Subgroup I or Subgroup II) as of the date of the RIF notice;
11. The employee's actual RIF service computation date (SCD), which includes creditable civilian and military service and is used only as the final tie-breaker in retention standing.

Project Employee Retention Data to the RIF Notice Date.

Under the revised regulations at 5 CFR 351.507, the retention standing of each employee released from a competitive level is determined as of the date the employee receives a specific RIF notice — not the effective date of the RIF. This change was made to prevent alterations to retention standing between the notice date and the RIF effective date, and to provide stability when effective dates are delayed by litigation or other unforeseen factors.

In preparing retention registers, the RIF team calculates all retention data — performance credit, veterans' preference points, tenure subgroup, and service computation date — as they stand on the date the employee receives the specific RIF notice. If the agency has established a cutoff date for ratings of record, performance ratings are frozen as of that date; otherwise, the 4-year period runs from the date the agency issues specific RIF notices.

An amended notice issued solely to state a later effective date is not a new specific RIF notice and does not require the agency to recalculate retention standing. However, if the agency discovers an error in an employee's retention standing, it must correct the error and adjust any erroneous RIF action to accord with the employee's proper retention standing as of the effective date established by this section.

The RIF team uses the notice date of the RIF to project items, including, for example:

- The basic RIF SCD (e.g., adjustments for excess leave without pay (LWOP),work performed on an intermittent work schedule);
- A change in tenure (e.g., conversion from career-conditional to career);
- Other conversions (e.g., conversion from excepted service Veterans Recruitment Appointments (VRA) to a competitive service appointment);
- Career ladder promotions (unless a freeze applies); and
- Change in preference eligibility (e.g., certain reservists begin receiving Armed Forces retired pay at age 60, an employee qualifies for derivative preference after the agency issues specific RIF notices).

Prepare Retention Registers. The RIF team uses the information summarized above to prepare retention registers consistent with the RIF regulations. Agencies maintain a separate retention register for each tenure group. The retention register applies to a competitive level after applying the four retention factors required by section 3502 of title 5, United States Code, in the order established by the RIF regulations and described in Chapter III, Section H:

- Performance — each employee’s numerical performance credit is the primary factor;
- Veterans’ preference — preference points are added directly to the performance credit;

- Tenure subgroup — used to break ties between employees with the same augmented score (Subgroup I ahead of Subgroup II); and
- Length of service — the employee's actual SCD breaks any remaining ties, with the earlier SCD ranking higher.

After the agency applies the four retention factors to a competitive level, a retention register lists employees covered by the RIF regulations in the order of their relative retention standing in a single competitive level.

The agency should continue to review each retention register for accuracy. Agencies must verify that any automated program used to construct retention registers has been updated to reflect the revised regulations (RIN 3206-AO86, 91 FR 49178) before use. Software that has not been updated will produce incorrect registers. Even when an agency uses an updated automated program to construct a retention register, in a RIF appeal the agency's burden of proof is still based on the official records (electronic or paper) documenting the employee's retention standing. In reviewing each retention register, the RIF team should document items such as:

- The identification of all individuals in the competitive area;
- The identification of all positions in the competitive area, including all vacancies available for possible offers (i.e., including vacancies in a competitive level with an abolished position);
- The identification of positions abolished by management;
- The basis for establishing competitive levels;
- The identification of each official position of record included in a competitive level;
- Each employee's official position description;
- The date each competing employee received the specific RIF notice, since retention standing is determined as of that date under 5 CFR 351.507;
- Each employee's tenure group and tenure subgroup, and the separate retention register maintained for each tenure group;
- Each employee's veterans' preference subgroup (AD, A, or B) and the points added to that employee's performance credit;
- The point value assigned to each rating of record used, and the resulting performance credit and augmented score for each competing employee;

- The modal rating determined for each summary level pattern used in the competitive area, and any proxy values applied for employees with only one or two ratings of record;
- Where a pass/fail (Pattern A) or Pattern D rating pattern was used, the agency's advance written criteria for assigning additional performance credit and the documentation of each award relied upon;
- Any meetings, correspondence, disputes, or agreements with the agency's exclusive representative(s), if any;
- The agency's policy on placing a performance rating of record for purposes of the RIF regulations;
- Performance crediting decisions where mixed patterns occurred, including any ratings transmuted to a higher summary level and the documented evidence of exceptional performance supporting each transmutation;
- The cutoff date for submitting and accepting new performance ratings of record;
- Each employee's actual service computation date and its application as the final tie-breaker; and
- Any documents that support each employee's retention standing (e.g., each competing employee's performance ratings of record, SF-50's documenting positions held, DD-214's documenting Armed Forces service, letters from the Department of Veterans Affairs documenting a compensable service-connected injury).

In reviewing the retention register for accuracy, the agency should verify that the register is based solely upon employees' official positions of record rather than upon a nonpermanent action such as a detail or a temporary promotion.

Option to Release Employees Before Releasing Competing Employees from the Competitive Level. Before releasing a competing employee from the competitive level, the RIF team, in coordination with the HRO, determines which employees in that level are excluded from RIF competition and may release them first. The agency is not required to release them first, provided that any action it takes is consistent with the terms of that employee's appointment and applicable law.

Identify Employees Released from the Competitive Level. The RIF team applies the list of abolished positions and then determines which employees are reached for release from each retention register. In competing for retention within the competitive level, an employee competes on the basis of the four retention factors to retain the present position (or a very similar interchangeable position) and remain in the competitive level. After employees are

released from a competitive level, the agency then determines whether released employees have assignment rights to a position on a different competitive level. Under the revised regulations (5 CFR 351.701, as amended), a released competitive service employee with a current annual performance rating of Level 2 or higher may be assigned to a position held by another employee with lower retention standing in the same tenure group, within 3 grades below the released employee's position (5 grades for a preference eligible with a compensable service-connected disability of 30 percent or more), for which the released employee is qualified. (See Appendix J for procedures on determining assignment rights.)

Appendix J: Determining Rights to Other Positions

This appendix does not apply to a competitive area the agency is abolishing in its entirety under 5 CFR 351.605, where assignment rights must not be applied (the USERRA reassignment obligation in Chapter IV, Section A, still applies).

Determine Employees' Representative Rates. The RIF team begins determining assignment rights by establishing the "representative rate" for each position in the competitive area. "Representative rate" is defined in Appendix S, Glossary of Terms.

When two or more positions are in different pay schedules, the RIF team uses the representative rates of the individual positions to determine equivalent grade levels and the best offer of assignment for a released employee. A released employee may not have an offer of assignment higher than the representative rate of the employee's official position of record.

The team does not use representative rates when the positions are in the same pay schedule. With one pay schedule, the team directly compares the grades or levels of the individual positions.

The RIF team compares the employees' representative rates that are in effect on the date the agency issues specific RIF notices, unless the agency knows that new pay rates are officially approved and will be implemented by the effective date of the RIF.

If the RIF team finds that the competitive area includes prevailing rate employees (e.g., Federal Wage System (FWS) wage grade employees) on different rate schedules, the team should verify that any automated RIF program used by the team will accept more than one rate schedule for the same pay plan.

Determine the Normal Line of Progression for Each Position. The RIF team then determines the "normal line of progression" for each position in the competitive area.

The RIF team determines the normal line of progression on the basis of the official position an employee holds as of the date the employee receives the specific RIF notice, regardless of how the employee progressed to the position.

To determine the normal line of progression for each position, the team should have access to references such as the:

- *Introduction to Position Classification Standards*;
- The agency's (or activity's) merit staffing and promotion plans;
- The agency's (or activity's) position management plan; and
- The agency's (or activity's) personnel rosters and organization.

Under the revised regulations (5 CFR 351.701, as amended), a released competitive service employee with a current annual performance rating of Level 2 or higher has assignment rights to a position that meets all three of the following criteria:

1. The position is held by another employee with lower retention standing in the same tenure group;
2. The position is not more than 3 grades (or appropriate grade intervals) below the released employee's position — or not more than 5 grades for a preference eligible with a compensable service-connected disability of 30 percent or more; and
3. The released employee is qualified for the position, as determined by a job-analysis-based assessment (see qualification requirements below).

There are no longer separate bump rights (displacement of employees in lower subgroups) or retreat rights (displacement of employees in the same subgroup at a lower grade). All assignment rights are governed by a single standard: lower retention standing in the same tenure group within the applicable grade range.

The same grade limits apply to a RIF offer of assignment to a vacant position. The grade limits do not apply to an offer of a lower-graded position in lieu of a RIF action (e.g., an offer of a voluntary change to lower grade in the same or in a different competitive area in lieu of separation by RIF).

Identify Vacancies Available for Assignment and Other Placement Offers. For the next step, the RIF team determines whether a released employee will receive a vacant position as either a RIF offer of assignment, or as an in-service placement action (e.g., reassignment, offer of a voluntary change to lower grade, a position in a different competitive area).

After management decides which positions will be staffed on the personnel roster for the post-RIF organization, the RIF team applies the RIF retention regulations to determine which employees will actually encumber these positions.

The RIF regulations require consideration of employees' retention standing only in the competitive area that is conducting the RIF. For positions in a different competitive area, the team, in coordination with the HRO, offers positions consistent with the agency's merit staffing plan.

When identifying positions available for placement offers, to prevent any misunderstanding, the RIF team should identify each position in an automated system or manually by:

1. Position title, series, and grade (including any promotion potential);
2. Position description number;
3. Competitive level;

4. Organization;
5. Duty station;
6. Tenure—temporary, term or permanent; and
7. Work schedule.

Determine Released Employees' Qualifications for Assignment. The RIF team evaluates each released employee's qualifications for assignment to a position on a different retention register that is held by an employee with lower retention standing.

An employee released from a competitive level by RIF has assignment rights to a position held by an employee with lower retention standing only if the released employee is qualified for the position. Under the revised regulations (5 CFR 351.702(a)(4), as amended), in determining whether a released employee is qualified for a position, the agency must use an assessment that:

- Allows for demonstration of job-related skills, abilities, knowledge, and competencies;
- Is based on a job analysis; and
- Does not consist solely of, or principally rely on, an automated self-assessment.

Acceptable assessment methods include structured interviews, work-related exercises, structured resume reviews, or another assessment that demonstrates job-related technical skills, abilities, and knowledge relevant to the position. The agency must apply the assessment consistently to all released employees being evaluated for assignment to the same position.

The agency is not required to administer an assessment if, during the 5-year period ending on the date the employee receives a specific RIF notice, the employee occupied the same position — or a position at the same grade or pay level with substantially the same duties, occupational series, qualification requirements, and conditions of employment — and received a rating of record of Level 3 (Fully Successful), or higher, or the equivalent, for performance of those duties.

The RIF team reviews available records with information on the released employee's education, training, and experience.

The RIF team reviews the employee's OPF, as well as any updates to the employee's qualifications requested by the HRO, to determine whether the released employee is qualified for assignment to an occupied or vacant position in a different competitive level.

Automated RIF systems, including OPM's WRT, allow the team to make qualification determinations up front and enter the results in the system, or to make individual qualification determinations on each employee as potential placements are identified.

If the RIF team uses the "front-loading" method, the team makes qualification determinations by competitive level for all possible placements within the competitive area. Under this method, the team must decide if the released employee:

- Is qualified for the position because the 5-year same-work exception applies or because the employee has been assessed as qualified under 5 CFR 351.702(a)(4); or
- Would qualify only if the agency waived qualification requirements for assignment to a vacant position (see Chapter IV, Section H).

If the team chooses to make individual qualification determinations on each employee as potential placements are available, the team will make fewer individual qualification determinations than if the team makes qualification determinations up front and enters the results in the system. However, the process of running the RIF may take longer as the team stops to determine qualifications for each potential placement.

Whichever method the team chooses, the team will probably save time by gathering as much qualification information as possible before beginning to determine assignment rights. Many agencies prepare a worksheet on each employee for quick reference, with the worksheet identifying each released employee's education, all prior positions, and any special qualifications (e.g., licenses, certificates, documented special skills).

If more than one member of the RIF team or other HRO staff reviews the qualifications of the released employee, the team leader must ensure the decisions are consistent throughout the RIF process. The team should document all qualification determinations, including background notes when appropriate. The HRO should then retain this documentation for future reference in defending the agency's decisions in RIF appeals or grievances. The same information will often help the HRO outplacement in providing employees with career transition options.

Determine Released Employees' Assignment Rights. The RIF team is now ready to determine whether each released employee has assignment rights to a position on a different competitive level that is held by an employee with lower retention standing in the same tenure group.

The team also determines whether to offer a vacant position to a released employee.

To simplify the assignment-rights determination, the team may develop Master Retention Lists (MRL) that combine the names of employees in the competitive area who are released from their competitive levels.

Each MRL identifies released employees in the absolute order of the employees' respective retention standing without regard to the grades or classification series of the employees'

official positions of record. However, the team establishes separate MRLs for employees on different tours of duty (e.g., full-time, part-time, seasonal, and intermittent).

If the agency chose to provide assignment rights to its excepted service employees, besides separate MRLs for different tours of duty, the team would also establish a separate MRL for each excepted service appointment authority. As part of the same simplified procedure, the team may also develop comparable MRLs that combine the names of all competing employees in the competitive area who were not released from their competitive levels.

To determine employees' assignment rights, the team first determines whether the released employee with the highest retention standing on the Master Retention List of Released Employees (MRLRE) has an assignment right to a position on the comparable list of employees who were not released from a competitive level (i.e., the Master Retention List of Employees in Continuing Positions (MRLECP)).

The team works through the Master Retention List of Released Employees (MRLRE) from highest to lowest retention standing. For each released employee, the team identifies whether any employee in a continuing position (on the Master Retention List of Employees in Continuing Positions, MRLECP) has lower retention standing in the same tenure group and holds a position within the applicable grade range for which the released employee is qualified. If so, the released employee is offered assignment to that position. The employee holding the lower-standing continuing position is then released and added to the MRLRE in order of retention standing. The team continues this process through all released employees. Because assignment rights are based on a single retention standing comparison — not categorical subgroup displacement — the process is substantially simpler than under prior regulations and does not generate the cascading displacement chains associated with the former bump-and-retreat framework.

The MRLRE/MRLECP procedure provides each released employee with the best possible offer of assignment. Because the team begins with the highest-standing employee on the MRLRE in determining the assignment rights of each released employee, no released employee can claim a better offer of assignment on the MRLECP than a higher ranking individual based on higher retention standing.

The team may have additional MRL options available, depending on the basis for the RIF. For example, in a reorganization in which some positions are abolished while other positions continue in the new organization, the team may use retention standing through the MRLECP to "bridge" employees to the same or a successor position in the new organization.

For another option, if the agency abolishes all positions in the old organization and establishes all new positions (i.e., none of the old and new positions are placed in the same competitive level), the team may reduce its requirement to establish competitive levels by

simply placing all positions in the competitive area on an appropriate MRLRE. The team may then use retention standing through the MRLECP to determine employees' best offers to positions in the new organization. This option differs from abolishment of an entire competitive area under 5 CFR 351.605: because new positions remain in the competitive area, a retention register is still required.

As necessary, the RIF team should document the reasons for offering, or denying, a released employee assignment to another position. Even when the team uses OPM's Workforce Reshaping Tool (WRT) or a comparable system to determine employees' assignment rights, the agency's burden of proof in a RIF appeal is still the official records (including the documented qualification assessments) that serve as the basis for the team's decisions. For example, the team should document:

- Qualification determinations (including, when necessary, decisions on physical qualifications or security clearances);
- The basis for waiving qualifications in assignment to a vacant position (if the agency elects this option);
- Reasons for denying assignment rights; and
- Any decisions relating to undue interruption in providing or denying assignment rights.

Run Mock RIF and Review Results for Accuracy. After the RIF team determines the assignment rights of released employees, the team may conduct a mock RIF to identify possible problems with retention records before the agency actually implements RIF actions.

The RIF retention regulations do not include a definition of "mock RIF." An effective mock RIF reflects the results of management's decisions to abolish positions in the RIF, and which positions to staff in the organization after the RIF.

With an automated system such as OPM's Workforce Reshaping Tool (WRT), a mock RIF can be run in hours rather than weeks, which allows agency management to compare the impact of different restructuring scenarios (e.g., a 20-percent reduction in funding, the privatization or automation of a function, the consolidation of multiple locations, alternative competitive area definitions) before committing to a decision. Agencies should treat mock RIFs as a routine planning tool, not a one-time check, and should use the mock RIF results to identify the employees for whom a qualification assessment will be needed (Chapter IV, Section H).

Agency managers often use the results of a mock RIF to conduct a cost/savings analysis of a potential RIF before it actually takes place. For example, direct RIF costs may include severance pay, unemployment compensation, lump-sum annual leave payments, relocation expenses, grade retention, pay retention, transition assistance, and payroll costs (including

overtime) which the HRO and its teams can estimate or identify prior to actually conducting the RIF.

The RIF team may also use the same results of the mock RIF to determine benefits for employees potentially reached for RIF actions (e.g., immediate retirement, severance pay, grade retention, pay retention). This helps the team save time later when it is preparing to issue specific RIF notices.

Both the HRO and the RIF team should ensure that management does not use the results of the mock RIF to modify the pre- or post-RIF personnel rosters for the purpose of reaching an employee for separation or demotion, or saving an employee from a potential RIF action.

If the team conducts a mock RIF, the HRO, in coordination with agency management, should consider whether to share the results with the workforce. If the effective date of the RIF is established and is in the near future, the HRO provides the results of the mock RIF to agency management for the principal purpose of informing management of the impact of the RIF upon the old and the successor organizations. If the effective date of the RIF is tentative or not immediate, the HRO may coordinate with agency management regarding whether or not to release the results of the mock RIF.

If agency management believes the agency's potential post-RIF staffing decisions are tentative and subject to change, publicizing the results of a mock RIF may needlessly upset some people or may give other employees a false sense of security. Also, a subsequent RIF based on different job abolishment and staffing decisions could hamper the agency's effective implementation of its Strategic Plan.

However, if agency management believes the agency's potential post-RIF staffing decisions are definite, the agency may be able to provide early career transition assistance options, and surplus employees will have additional time to make critical career-related decisions.

In either situation, the HRO should always advise employees that the outcome of a subsequent actual RIF may be different from the results of a mock RIF because of changed assumptions by agency management. Some advantages of sharing the results of a mock RIF include:

- Motivating employees to seriously consider career transition assistance options;
- Issuing advance notices (e.g., surplus notices, Certificates of Expected Separation) to provide surplus employees with early eligibility for agency placement programs (e.g., the CTAP, the Reemployment Priority List, and agency-specific selection priority programs), and training and retraining opportunities; and
- Providing surplus employees with as much information as early as possible.

Some disadvantages of sharing the results of a mock RIF include:

- The possibility that an actual RIF will result in different outcomes than the mock RIF because of changes in management's decisions to abolish positions, successful career transition employee attrition through voluntary early retirement and outplacement initiatives, etc.;
- Potential negative impact on productivity;
- Disruption to the workforce because of possible uncertainty and change; and
- The possibility that employees will misperceive the mock RIF as targeting specific employees for separation or movement to a different line of work.

Appendix K: Issuing RIF Notices

Determine Each Released Employee's Eligibility for Benefits. The RIF team must determine what benefits are available to each employee who will be released from a competitive level by a RIF action. The team must provide appropriate benefits information in each employee's specific RIF notice. For some items, the team may provide benefits information in an attachment or supplement to the specific RIF notice.

The RIF team issues different notices depending on the released employee's eligibility for benefits (e.g., an employee who is reached for separation by RIF receives a different notice from an employee who has an assignment right to a position at the same grade). If the RIF team previously ran a mock RIF and reviewed each released employee's potential eligibility for benefits, the team should be able to readily update the benefits information in preparing subsequent actual RIF notices to the workforce.

An employee may be separated, downgraded, offered another position at the same grade, or furloughed for more than 30 days, under the RIF regulations. An employee reached for a RIF action may be eligible for benefits such as:

- Grade retention;
- Pay retention;
- Severance pay;
- Discontinued service, optional, or other immediate retirement annuity (including the FERS MRA + 10 option);
- Selection priority in applying for positions in the same or in a different agency;
- Unemployment compensation;
- Training or retraining.

The RIF team, in coordination with the HRO, should easily be able to identify employees who meet the minimum age and service requirements for an immediate annuity. This includes an otherwise eligible employee who may establish initial eligibility for an immediate annuity by using accumulated annual leave after the effective date of the RIF.

The RIF team should use a worksheet to note each employee's eligibility for grade retention, pay retention, and/or severance pay. The RIF team should complete the worksheet as soon as it identifies the final action for each employee. Any tentative worksheets prepared by the team in a mock RIF will expedite the process.

Some automated systems will calculate severance pay. If possible, the team should thoroughly test the automated software so both the team and the employees in RIF competition have complete confidence in all severance pay estimates prepared by the team.

Even when using an automated program, the team should manually verify each employee's eligibility for severance pay, and the civilian service credit used to compute the amount of severance pay. In computing severance pay, the team computes the amount payable based on the RIF effective date. However, if the employee resigns prior to the effective date of the RIF, the team must recompute the amount of severance pay to reflect the employee's actual separation date from the agency.

Prepare Specific Written RIF Notices and Mandatory Attachments. The RIF team now prepares specific written RIF notices that document for each released employee the personnel action the agency is taking, and the employee's eligibility for certain benefits because of the personnel action. For a competitive area being abolished in its entirety under 5 CFR 351.605, the notice omits the retention-standing and ranking information, identifies the competitive area being abolished, and states that the employee was not ranked relative to other competing employees because all positions in the competitive area are being abolished (see Chapter V, Section B).

If possible, the RIF team should begin drafting sample notices when agency management develops a communication plan to share information related to a RIF. In drafting the RIF notices, the team should develop standard language when appropriate (e.g., all notices should contain the same language on the reasons for the RIF). Also, the team and the HROs should have agency management, and the agency's legal staff, approve the notices. Finally, the team should designate staff to review and proofread each notice for any errors in content, format, and spelling.

For consistency, the team should limit non-standard pages to a minimum. This allows the team to produce the standard pages in bulk in the first stages of preparing RIF notices.

The team can later combine the standard notice pages with any custom notice pages.

The actual specific notice should be as brief as possible, with attachments providing more information. The RIF regulations require the agency to include information on designated items in the specific RIF notice, but allow the agency to provide information on other items in one or more attachments to the RIF notice.

For example, attachments to specific written RIF notices offer one or more of the following items, as applicable:

1. The form for the released employee to accept or decline an offer of another position;

2. Information on how to file a RIF appeal with OPM through the electronic filing system identified on OPM's website, including the filing deadline (or, for a RIF noticed before September 2, 2026, how to file an appeal with the Merit Systems Protection Board or a grievance under a controlling collective bargaining agreement);
3. The name of a HRO employee to contact for information on retention rights or eligibility for benefits; and
4. Eligibility, as applicable, for benefits such as:
    - Severance pay, including estimate;
    - Grade retention;
    - Pay retention;
    - Retirement options;
    - Intra- and interagency priority placement programs (e.g., the CTAP, ICTAP and RPL);
    - Eligibility for intra-agency repromotion priority to the grade of the position from which demoted;
    - Refunds (e.g., retirement contributions and the Thrift Savings Plan (TSP));
    - Lump-sum payment of annual leave;
    - Health and life insurance benefits;
    - Additional internal and external outplacement assistance;
    - Unemployment insurance;

Authorization to release resumes to interested public and private sector employments;

- Training benefits under the Workforce Innovation and Opportunity Act (WIOA); and
- Using annual leave to gain initial entitlement to an immediate annuity and/or continuance of health benefits into retirement.

Send Notices to Other Organizations if 50 or More Employees Receive Separation Notices. The RIF team helps the HRO prepare notices with additional information that the agency sends to OPM and two external organizations if the agency issues RIF separation notices to 50 or more employees.

If the agency issues RIF separation notices to 50 or more employees in a competitive area, the agency must provide a notice to:

1. The chief elected official of local governments(s) within which the agency will separate 50 or more employees by RIF;
2. The appropriate State dislocated worker program authorized by the Workforce Innovation and Opportunity Act (WIOA);
3. OPM.

Notify Bargaining Unit Representative(s). At the same time the agency issues a specific written RIF notice to one or more employees, the agency must also notify all appropriate exclusive bargaining unit representatives where the agency or subdivision remains covered by chapter 71 of title 5, United States Code. The agency may have additional notice obligations under an applicable collective bargaining agreement.

Determine How Agency Will Deliver RIF Notices. The HRO should coordinate with agency management, the agency's legal staff, and possibly with security, in developing procedures to deliver RIF notices to individual employees. A RIF potentially raises the stress level for employees reached for RIF actions, as well as for agency coworkers and line managers who must continue to implement the agency's Strategic Plan while maintaining continuity of the agency's line programs.

When planning for delivery of RIF notices to employees, the HRO and others involved in the decision process should consider:

- Developing an automated tracking system that will account for the status of each notice both before and after delivery to employees;
- Designating which manager or official will give RIF notices to individual employees (e.g., the first-level supervisor, the second-level supervisor, a higher-level manager in the organization, an individual in the HRO);
- Training the individual who will deliver the notices (e.g., additional training in close coordination with the agency's Employee Assistance Program (EAP));
- Mobilizing crisis intervention resources (again including the agency's EAP counselors);
- Deciding whether to designate another manager or official (e.g., a first- or second-level supervisor) to witness delivery of the notices to individual employees;
- Delivering the notices at the same time of the workday (e.g., at the beginning of the workday or shift, at the end of the workday or shift, at a group meeting);
- Designating the place where the agency will distribute the RIF notices (e.g., a manager's office or conference room);
- Preparing a statement for the manager or official who will deliver the notices;

- Covering additional options to minimize the immediate impact of a RIF notice upon an individual employee (e.g., unscheduled annual leave, excused absence);
- Preparing for additional security if necessary; and
- Developing procedures for delivering notices the agency is unable to deliver in person (e.g., the employee is on extended absence from the workplace).

Prepare Packages for Separating Employees. Working with the RIF team, the HRO should begin preparing out-processing packages for separating employees no later than the date the agency issues specific RIF notices to employees who do not have an offer of another position. If the HRO will out-process a large number of employees, the office, in close coordination with the RIF team, should consider preparing the separation packages in large quantities with specific written instructions for distribution.

To distribute the material, options range from distribution at a large session for a group of separating employees to simply forwarding the material through the employee's first-level supervisor for distribution to the separating employee. Whichever option the agency chooses, the HRO should encourage the practice of having all individuals who sign the out-processing checklist do so at one location. This centralization is more convenient for the agency and its displaced employees.

The HRO should coordinate with agency management and the agency's workforce information staff in deciding which organization(s) will prepare Standard Form 52s documenting each personnel action. For example, in a large RIF, the HRO or another common service organization generally produces the SF-52 forms as a bulk operation. As another option in some agencies, each organization involved in job abolishment or other actions could prepare the appropriate SF-52 forms.

The HRO should verify that the agency has a current address for each employee who will separate from the agency. As part of the agency's out-processing procedure, the HRO should verify the employee's current address, as written on the SF-52 and/or another form.

OPM's *Guide to Processing Personnel Actions* identifies the information required for the agency's out-processing package. As soon as possible, the HRO and the RIF team should assemble the electronic forms and related materials needed for out-processing. No later than the date the agency issues specific RIF notices, the HRO and the team can obtain and begin preparing the necessary out-processing forms (e.g., notices covering the Thrift Savings Plan, health benefits, life insurance, unemployment insurance).

Most State employment offices need a copy of the SF-50 documenting the employee's separation by RIF. If possible, the HRO and the RIF team should give each employee the separation SF-50 on the employee's last day of work. Otherwise, the office and the team

should mail the form to the employee as soon as possible after the effective date of the RIF. The office and the team should verify that each employee's SF-50 clearly documents the employee's involuntary separation from the Federal service (i.e., review the standard terminology on the form and related material in the "Remarks" section of the SF-50). The outplacement team should contact the appropriate State unemployment compensation office to verify which documents a displaced employee needs to establish eligibility for benefits, and whether the employee who separates before the RIF effective date is still eligible for unemployment compensation.

If an employee with a separation notice resigns or retires before the effective date of the RIF, the employee may lose eligibility for selection priority for rehiring (e.g., loss of eligibility for the RPL and ICTAP). Depending on the State where the RIF takes place, the employee may also lose eligibility for unemployment compensation and retraining programs.

As part of out-processing, the HRO may choose to conduct exit interviews. This provides the agency with useful feedback on the RIF process, particularly about each employee's perception of the agency's career transition assistance programs and other outplacement initiatives.

Besides exit interviews, the HRO may consider asking separating employees to provide feedback through an electronic survey that the employee can complete before or after separation. Survey options include asking the employee for feedback at the time of separation, and/or after the employee actually separates from the agency.

Deliver RIF Notices. The HRO will coordinate the delivery of specific written RIF notices consistent with the agency's policy. The HRO should verify that each supervisor or management official who delivers RIF notices to employees is fully aware of all procedures in the agency's plan for distribution of the notices. For example, the office must ensure that the individual who delivers the notices is aware of the agency's procedure to document delivery of the notices, crisis intervention resources, such as the agency's EAP counselors, that are available if needed, and other elements of the agency's plan.

Consistent with the agency's plan for distribution of RIF notices, the HRO is responsible for documenting the delivery of each notice. The agency may deliver notices in person, by secure electronic means that records when the employee received the notice (for example, through the agency's human resources system or an encrypted email with an acknowledgment of receipt), or by mail. The minimum notice period begins the day after the employee receives the notice, the delivery record should establish the date of receipt. If the agency mails a notice to an employee who is not available at a worksite or electronically, the HRO should use a method that provides proof of delivery, such as registered mail with a return receipt, and may send a second copy by regular mail as a backup.

In rare situations, an employee may refuse to acknowledge receipt of the RIF notice at the work site, or even to accept the RIF notice. If necessary, the agency should use registered mail, or request a return receipt, to document delivery of the RIF notice.

Immediately before the agency delivers RIF notices to individual employees, the HRO should provide first- and second-level supervisors, as well as other appropriate management officials, a list of all employees in their work unit who will be affected by RIF actions.

Rerun the RIF Only Where Required — Retention Standing Is Fixed as of the Notice Date. An employee's retention standing is fixed as of the date the employee receives the specific RIF notice, based on all positions in the competitive area as of that date. An amended notice issued solely to state a later effective date does not require the agency to redetermine or recalculate retention standing. The RIF team reruns the RIF only where the agency issues a new specific RIF notice, or where the agency must correct an error in an employee's retention standing.

After the first run of the RIF, some employees must decide whether to accept or decline offers of any positions. If any employee declines an offer, the RIF team must rerun the RIF to determine whether another released employee will receive an offer or a better offer of a position on the effective date of the RIF. For example, the team may find that the agency may now make a better offer of assignment to a released employee or offer a position to an employee originally identified for separation. In making the revised offers of positions, the HRO and the team should always advise each employee concerning how the new offer may affect the employee's benefits if the employee accepts or declines the offer.

The RIF team must also rerun the RIF to determine whether a released employee will receive a first offer or a better offer as the result of another employee in the competitive area separating before or on the effective date of the RIF for a reason such as retirement, resignation, or transfer to another agency.

Finally, the RIF team must rerun the RIF to determine whether a released employee will receive a first offer or a better offer if agency management authorizes additional vacancies before or on the effective date of the RIF. As the effective date of the RIF approaches, the HRO and the RIF team may need to modify the time period for employees to accept or decline their RIF placement offers. This procedure will assist the team in offering the position to another employee if the first employee declines the offer.

At the end of a large RIF, the team should have information to contact any employee in the event the team can make a last-minute offer by telephone.

Appendix L: Counseling Employees on Procedures and Options

Planning for Effective Counseling. Employees usually prefer one-stop counseling sessions for whatever questions may be raised. However, this option is generally not feasible. Instead, (particularly in an initial session) the counselors should first summarize the specific subject to ensure that the released employees have a correct understanding of the topic before taking questions from the individual employees. Many times, the summary session will answer most of the employees' questions. The team can then provide subsequent individual counseling sessions to released employees with specific concerns about their situation.

For example, after a group counseling session on RIF mechanics, the HRO may provide individual counseling by a member of the RIF team. The HRO should be able to use a similar approach to provide released employees with information on the full range of options under related subjects (e.g., grade retention, pay retention, severance pay, retirement, health benefits, life insurance, Thrift Savings Plan). The HRO should coordinate with team leaders and their counselors in deciding the format for each session (e.g., the length of each session, the subject(s) to be covered, involvement of personal or union representatives, availability of retention records).

If possible, a group session on a specific subject should not last more than one to two hours. A subsequent individual session should generally last no more than 30 minutes. The counselors should try not to rush employees but should provide the employee with sufficient time and information to answer each employee's questions.

Many agencies wait several days after delivery of RIF notices to employees before providing counseling sessions. This allows employees to review OPM's or the agency's summaries of RIF procedures and benefits before the counseling sessions. However, the HRO may still begin signing up employees for the counseling sessions beginning with the day the employee receives a RIF notice. If scheduling conflicts develop, the HRO should give priority to employees considering an offer of another position because of the relatively short time period to make a final decision.

The HRO should verify that supervisors and managers are allowing employees time to attend each session consistent with the agency's policy on excusing released employees from regular duties. The HRO should also maintain a record of each group or individual counseling session in the event an employee alleges misinformation as an issue in a subsequent RIF appeal or grievance. The HRO should consult the agency's legal staff to resolve any issues concerning access to retention records.

Effective Outplacement Counseling. In a mid-size or large RIF, the HRO often establishes a specialized team to provide surplus and displaced employees with effective counseling on career transition options. Outplacement services under the agency's CTAP include:

- Allowing excused absences so employees may use the agency's career transition services and facilities (which may be onsite or at a different location);
- Providing continued employee access to the agency's career transition services or facilities even if the employee is separated;
- Convening an orientation session for surplus and displaced employees that explains how to use the agency's career transition services, and the eligibility requirements for selection priority under CTAP, ICTAP, and the RPL;
- Providing retraining opportunities for surplus and displaced employees;
- Allowing access by employees, including those with disabilities, to career transition services at all locations, including headquarters, field offices, and remote site locations;
- Allowing access by disabled employees to information on other forms of Federal, State, and local assistance available to support career transition for employees with disabilities;
- Providing employee assistance programs to surplus and displaced employees; and
- Designating career transition priority based upon individual agency components, if the agency elects this option.

Other common features of an effective outplacement program include sessions on:

- Preparing resumes; and
- Negotiating a salary with a private-sector employer.

All surplus and displaced agency employees are eligible for these outplacement services (but not necessarily for selection priority), including excepted service employees and members of the Senior Executive Service (SES) who are not covered by OPM's RIF regulations.

Depending on the size of the RIF, available staff, and agency resources, agency options to maximize career transition opportunities include:

- Establishing its own outplacement center;
- Using a contractor for briefings and/or counseling; and
- Referring displaced employees to other available outplacement services.

Appendix M: Career Transition Assistance Plan (CTAP)

Section 1: Qualifying Conditions for Eligibility

To be eligible for selection priority under CTAP, a surplus or displaced employee must meet all of the following conditions.

1. The employee must have a current performance rating of Level III or higher (for example, Fully Successful or equivalent); this requirement does not apply to employees in positions excluded from a performance appraisal system by law, regulation, or OPM administrative action;
2. The employee must apply for a vacancy that is at or below the grade level of the position from which the employee may be or is being separated, and has no greater promotion potential than that position;
3. The employee must occupy a position located in the same local commuting area as the vacancy, or at the agency's discretion, a position in a different local commuting area (with this option, a CTAP eligible employee may exercise expanded selection priority to positions in a different local commuting area only when the agency has no eligible surplus or displaced employees within the additional local commuting area who (i) apply for the vacant position(s), and (ii) are found by the agency to be well-qualified for the vacant position);
4. The employee must file an application for a specific vacancy within the time frames established by the hiring agency;
5. The employee must provide proof of eligibility for selection priority under CTAP; and
6. The employee must be well-qualified (as determined by the agency) for that specific vacancy (see definition of "well-qualified" for purposes of CTAP eligibility in Appendix S, Glossary of Terms).

Section 2: Beginning Date of Eligibility

Qualifying Notices. A displaced or surplus employee is eligible for selection priority under CTAP beginning with the date the individual receives:

- A specific notice of separation by RIF;
- A written notice of proposed removal (including a final decision) by adverse action for declining a directed reassignment, transfer of function, or other similar reason, outside of the employee's present local commuting area;
- A Certificate of Expected Separation (CES);

- A notice stating that the employee is eligible for discontinued service retirement (DSR); or
- A notice of position abolishment, or an equivalent notice indicating that the employee's position is surplus for purposes of CTAP eligibility.

Section 3: Ending Date of Eligibility

RIF Separation. A displaced employee is eligible for CTAP selection priority until the date the employee is separated by RIF.

Removal For Declining Relocation. A displaced employee is eligible for CTAP selection priority until the day after the employee is removed by adverse action for declining a directed reassignment, transfer of function, change of duty station, or other similar relocation outside the employee's present local commuting area.

Cancellation of Notice. A displaced employee is no longer eligible for CTAP selection priority beginning with the date the agency cancels the employee's proposed or final notice of removal by adverse action for declining a directed reassignment, transfer of function, change in duty station, or other similar relocation outside the employee's present local commuting area.

Other Notices. A surplus employee is no longer eligible for CTAP selection priority beginning with the date the agency cancels the employee's CES, or other applicable agency certification that identifies the employee as surplus for purposes of CTAP eligibility.

Voluntary Separation. A surplus or displaced employee is no longer eligible for selection priority under CTAP beginning with the date the employee voluntarily separates from the agency by resignation, retirement under authority other than DSR, transfer, or other reason.

Voluntary Retirement or Resignation, Including VSIP. A displaced employee is no longer eligible for selection priority under CTAP after the agency accepts the employee's application to voluntarily retire or resign from the agency. This includes a voluntary retirement or resignation in which the employee and the agency enter into a separation agreement in exchange for a Voluntary Separation Incentive Payment (VSIP, also known as a "buyout").

A surplus employee is still eligible for selection priority under CTAP after the agency accepts the employee's application to voluntarily retire or resign from the agency, unless the agency cancels the applicable agency certification that identified the employee as surplus. This includes a voluntary retirement or resignation when the employee and the agency enter into a separation agreement in exchange for a VSIP.

Acceptance of Another Position. A surplus or displaced employee's eligibility for selection priority under CTAP ends on the date the employee receives a career, career-conditional, or excepted appointment without time limit, in any agency and at any grade level. Entitlement to selection priority may end even if the employee accepts a term or temporary position in the agency because the employee no longer meets the definition of a surplus or displaced employee.

Declination of Permanent Position. At the agency's option, a surplus or displaced employee's eligibility for selection priority under CTAP may end on the date the employee declines a career, career-conditional, or excepted appointment without time limit, for which the individual has both applied and been rated well-qualified by the agency.

Section 4: Notification Requirements

Orientation Session. Agencies must actively provide placement assistance to displaced and surplus employees through their CTAPs. An individual agency's specific OPM-approved plan includes the agency's policies to provide career transition services to all surplus and displaced agency employees affected by downsizing or restructuring. This includes a requirement that the agency provide a specific orientation session for surplus and displaced employees on the use of career transition services and the eligibility requirements for selection priority under both the CTAP and ICTAP. The orientation session must include information on how eligible employees apply for vacancies under both CTAP and ICTAP.

Notification of CTAP. At the time an agency issues a specific notice of separation by RIF, or by adverse action procedures for declining relocation to a position in a different local commuting area, the agency must give each of its eligible employees information in writing about the special selection priority available to them under the agency's CTAP. This information must contain guidance to the employee on how to apply for vacancies under CTAP and what documentation is generally required as proof of eligibility.

The agency must provide the same information to each employee who has received a CES, or other official agency certification that identifies an employee as being likely to be separated by RIF or other involuntary action not for cause.

Notification of Vacancies. The agency must take reasonable steps to ensure that surplus and displaced employees who are eligible under CTAP are notified of all vacancies that the agency has announced in the local commuting area. The agency is responsible for notifying eligible surplus and displaced employees of:

- How eligible surplus and displaced employees within the agency can apply for the vacancies;

- What proof of eligibility surplus and displaced employees need for selection priority to vacancies under CTAP; and
- What the agency's definition is of "well-qualified" for selection priority to a specific position under CTAP.

Agency Failure to Provide Eligibility Notification. If the agency does not properly notify the employee of his or her eligibility for selection priority as required, at its discretion the agency may contact OPM to determine whether corrective action is appropriate. This may include reviewing agency appointments to determine whether other corrective action is necessary.

Notification of Qualifications Determination. Each agency is required to advise, in writing, candidates under CTAP who apply for specific vacancies within the local commuting area of the results of their application, and whether or not they were found well-qualified for a vacancy.

If an agency finds that a candidate is not well-qualified, the agency is required to conduct and document an independent second review of the application. The agency must also advise the applicant in writing of the results of the second review.

If the agency finds that a candidate is well-qualified, but the agency selected another well-qualified surplus or displaced candidate for the vacancy, the agency must notify the candidate who was not selected for this action.

Section 5: Order of Selection

Specific Order of Selection. When filling a vacancy, as defined in Appendix S, Glossary of Terms, the agency must select a surplus or displaced employee who is eligible for CTAP selection priority before selecting any other candidate for the vacancy from within or outside the agency. Under CTAP, the agency may decide the specific order of selection of its eligible employees. For example, the agency may specify that it will select:

- Displaced employees before surplus employees, or
- Displaced employees and/or surplus employees from within a component of the agency before selecting displaced employees and/or surplus employees from a different component of the agency.

Temporary Help Services. When filling a vacancy, as defined in Appendix S, Glossary of Terms, the agency must select a surplus or displaced employee who is eligible for selection priority under CTAP before procuring temporary help services.

Priority from Different Local Commuting Area. After the agency has met its obligation to provide selection priority under CTAP to surplus and displaced employees within a local

commuting area, the agency may then provide selection priority for vacancies at that location to surplus and displaced employees from one or more different local commuting areas. The agency may provide this option only when the agency has no eligible surplus or displaced employees within the additional local commuting area who both apply for the vacant position and are found by the agency to be well-qualified for the vacant position.

Other Internal Candidates. After the agency has met its obligation to provide selection priority under CTAP to its surplus and displaced employees, the agency may use appropriate staffing procedures to select any other competitive service career or career-conditional candidate for a vacancy.

External Candidates. After the agency has met its obligation to provide selection priority under CTAP to its surplus and displaced employees, the agency must apply the selection order in (1) through (4) below to select a candidate from outside its workforce for a vacancy:

1. First in the order of selection and under appropriate selection procedures—Current or former employees of the agency who are eligible under the agency's Reemployment Priority List (RPL);
2. Second in the order of selection and under appropriate selection procedures—At the agency's option, any other former employee who was displaced from the agency;
3. Third in the order of selection and under appropriate selection procedures—Current or former Federal employees who were or will be displaced from other agencies, and are eligible for selection priority under ICTAP; and
4. Fourth in the order of selection and under appropriate selection procedures—At the agency's option, any other candidate for the vacancy.

Section 6: Exceptions to the CTAP Special Selection Priority

CTAP selection priority does not apply to the following actions:

- Internal Selections When No Well-Qualified CTAP Eligibles Apply (i.e., covering reassignments, changes to lower grade, promotions, and other merit and promotion actions);
- Reemployment Rights, including the reemployment of injured workers who have either been restored to earning capacity by the Department of Labor's Office of Workers Compensation Programs (OWCP), or who have received a notice that their compensation benefits will cease because of recovery from the disabling injury or illness;
- Disciplinary Actions (i.e., position changes when filling a job via disciplinary actions);

- Temporary Appointments Less Than 121 Days (including all extensions). An agency's temporary appointments of less than 121 days (including all extensions) are not covered by CTAP;
- Internal Job Swaps (i.e., when the actions involve no increase in either grade or promotion potential);
- Noncompetitive Conversion from Excepted Service Positions, including the conversion of an employee serving on a Veterans Recruitment Appointment to a career-conditional appointment. This exception also includes the agency's reinstatement of an SES member to the employee's former position (or an equivalent position);
- RIF and Transfer-of-Function Actions, including when the agency finds that another employee would otherwise be separated by RIF unless the agency takes the placement action;
- Noncompetitive Movement During Reorganization (e.g., an employee's former position ceases to exist, and no new actual vacancy exists);
- Intergovernmental Personnel Act;
- Excepted Service Positions, including appointments to positions (such as Schedule A attorneys) which can only be filled through excepted service appointments, as well as excepted service appointments to competitive service positions (such as appointments of disabled persons or those eligible for Veterans Recruitment Appointments);
- Details;
- Temporary Promotions Less Than 121 Days;
- Noncompetitive Movement of Surplus or Displaced Employees (within the agency, and within the same local commuting area);
- Movement of Excepted Service Employees within an Agency;
- Movement Resulting from Medical Condition (as an alternative to disability retirement);
- Movement Resulting in a Reasonable Offer (for purposes of discontinued service retirement (DSR) eligibility). For DSR purposes, "reasonable offer" is generally defined as the offer of another position within the same agency when the offered position is within two grades of the employee's present position, is located in the same local commuting area, and has the same status, tenure, and work schedule. For information on DSR see Chapter 44 of the CSRS and FERS Handbook for Personnel and Payroll Offices.

- Career Ladder Promotions;
- Reclassification Actions (e.g., application of new position classification standards, or the accretion of duties);
- Recall of Seasonal and Intermittent Employees, from a nonpay/nonduty status to a pay and duty status.
- Movement Resulting from Medical Accommodation, internally when the agency identifies a position in which the employee can be offered reasonable accommodation for the employee's condition.
- Settlement of Dispute, i.e., a formal complaint, grievance, appeal, or other litigation (does not include actions taken to resolve a complaint still in the informal stage);
- Return of an Employee to His or Her Original Position During Supervisory or Managerial Probationary Period;
- Excepted Positions Brought Into the Federal Service. CTAP does not cover the retention of individuals whose positions are brought from the excepted service into the competitive service and are subsequently converted to career or career-conditional competitive service appointments. This exception includes:
- The retention of incumbents of positions brought into the competitive service when the Government takes over a public or private enterprise;
- The retention of incumbents of positions brought into the competitive service from the excepted service; and
- The conversion incumbent to a competitive service position.
- Retention of Individuals Covered by a Variation of OPM Regulations (5 CFR 5.1);
- Selection within a Component after the agency has met its obligation to provide selection priority within the local commuting area to surplus and displaced employees of the same component under CTAP;
- Reemployment of an Individual Under an Agency's Formal Trial Retirement Program;
- Extension of Temporary or Term Appointments (i.e., an extension of a temporary or term appointment up to the full period allowed, when the original vacancy announcement specified that CTAP eligibles could apply). The original announcement must also state that an extension of the appointment is possible without further announcement.

- Noncompetitive Movement of Employees Between Agencies, as a result of an interagency reorganization, interagency transfer of function, interagency mass transfer, interagency realignment, or similar interagency action;
- Guaranteed Placement of SES Member to a position in another personnel system under 5 CFR part 317;
- Voluntary Transfer Under Memorandum or Agreement;
- Reassignment via Mobility Agreement, when an employee whose position description (or other written mobility agreement) provides for reassignment outside the employee's present local commuting area as part of a planned rotational program within the agency;
- Appointments made for the college graduate hiring authority under 5 USC 3115;
- Appointments made for the post-secondary students hiring authority under 5 USC 3116.

Section 7: Application for Vacancies

Application Procedures. In order for an eligible employee to receive special selection priority under CTAP, the individual must:

1. Apply for a specific vacancy in the same local commuting area as the employee's present position;
2. Submit all required forms or documents, including proof of eligibility, within the time frames set by the employee's agency; and
3. Be well-qualified for the vacancy, as determined by the agency.

Status of Application After Eligibility Expires. Once an eligible surplus or displaced employee's CTAP selection priority eligibility expires, the employee no longer receives selection priority for the vacancy, even if the employee was eligible when he or she filed an application for the position. (See Section 3 of this Appendix for information on eligibility expiration).

Section 8: Proof of Eligibility

RIF Separation Notice. A specific notice of separation by RIF is proof of eligibility for CTAP.

Removal Notice After Declining Relocation. A proposed notice of removal by adverse action for declining a directed reassignment, transfer of function, or other similar relocation outside the employee's present local commuting area, is proof of eligibility for CTAP. The initial

reassignment notice, and/or the employee's notice declining the reassignment, is not proof of eligibility for CTAP.

Discontinued Service Retirement Notice. An official notice from the agency indicating that an employee is eligible for DSR is proof of eligibility for CTAP.

Certification of Expected Separation. A CES is proof that an employee is eligible for CTAP.

Other Agency Certification. An agency may also issue other official certification identifying an employee as being in a surplus organization or occupation as proof that the employee is eligible for CTAP.

Section 9: Agency Selections for Vacancies

Overall Order of Selection. In making selections for a vacancy from among candidates with selection priority under CTAP, the agency must first follow the overall order of selection covered in Section 5 of this Appendix. For example, the agency must select an employee who is eligible for CTAP before selecting any other candidate from within or outside the agency unless the agency can show that another employee would otherwise be separated by RIF.

As possible options consistent with CTAP selection priority, at its discretion the agency may choose to select:

- Displaced employees before surplus employees, or
- Displaced employees (and/or surplus employees) from within one component of the agency before selecting displaced employees (and/or surplus employees) from a different component of the agency.

Eligible Employees. An agency may not select another candidate for a vacancy if the agency has an available eligible employee.

Two or More Eligible Employees. If two or more eligible employees apply for a vacancy and the agency determines the employees are well-qualified under CTAP, the agency may select any of these eligible employees for the vacancy. The agency must provide a written notice to an employee eligible for selection priority under CTAP if the agency selects another employee for the position.

No Eligible Employees Apply. If no eligible employees apply for a vacancy, the agency may select another career or career-conditional agency employee without regard to CTAP.

No Well-Qualified Employees Apply. If no eligible employees apply for the vacancy or the agency finds none of the applicants for a vacancy are well-qualified, the agency may select another career or career-conditional agency employee without regard to CTAP.

Section 10: Oversight, Complaints, and Appeals

OPM Oversight and Review. OPM is responsible for oversight of CTAP. OPM at any time has the right to conduct reviews of an agency's actions relating to the agency's specific CTAP actions. OPM also provides advice and technical assistance to agencies implementing CTAP.

No Appeal Right to the Merit Systems Protection Board. An employee has no right to appeal a CTAP issue to the Merit Systems Protection Board (MSPB).

Other Possible Options for Complaints. Employees may be able to pursue complaints concerning the agency's CTAP actions through the agency's administrative grievance system. Bargaining unit employees in agencies or subdivisions that remain covered by chapter 71 of title 5, United States Code, may be able to pursue a complaint through a negotiated grievance procedure, if the applicable agreement does not exclude the matter. Complaints involving accusations of discrimination are filed through the Equal Employment Opportunity (EEO) complaint process. Complaints that the agency's action is a prohibited personnel practice are filed with the Office of Special Counsel.

Appendix N: Reemployment Priority List

Section 1: Eligibility Based on RIF

To be placed on the RPL because of a RIF action, the employee must:

1. Be serving under a competitive service appointment in the competitive service tenure group (Subgroup I or II), or another qualifying competitive service appointment as determined by OPM. (See Appendix R for a summary of the revised tenure group and subgroup structure.);
2. Have received a rating of record of at least Fully Successful (Level 3) or equivalent as the most recent performance rating of record;
3. Have received a specific notice of separation by RIF or received a Certification of Expected Separation (CES) (see Chapter V, Section G, for information on the CES); and
4. Not have declined an offer of assignment under the RIF regulations to a position with the same type of work schedule and with a representative rate at least as high as that of the position from which the employee will be, or was, separated.

Beginning of Eligibility. An employee may register for the RPL as soon as the employee receives a:

- Specific notice of separation by RIF; or
- Certificate of Expected Separation.

Time Limit for Processing Registration. The agency must register an eligible former employee on the RPL within 10 calendar days of having timely received a registration form (a registration form is timely received if submitted within 30 days after RIF separation).

RIF Demotion Not Covered. An employee who will be downgraded, or has been downgraded, by RIF is not eligible to register on the RPL. An employee who is involuntarily downgraded is eligible for priority consideration in repromotion through the agency's internal staffing plan only if the agency provides this option.

No RPL Eligibility from CTAP or Other Agency Placement Programs. An agency may not register an employee for the RPL solely on the basis of eligibility in the Career Transition Assistance Plan (CTAP) or comparable agency-initiated program (such as the Department of Defense's Priority Placement Program (PPP)).

Section 2: Eligibility Based on Compensable Injury

To be placed on the RPL because of a compensable injury or disability, the former employee must have:

1. Separated from the former position because of a compensable injury or disability, except as provided in the next paragraph below;
2. Have been serving in, or separated from, an appointment in the competitive service in the competitive service tenure group — or another qualifying competitive service appointment, as determined by OPM — at the time of the employee's separation;
3. Fully recovered from the injury or disability more than 1 year after the injury compensation started; and
4. Requested consideration for reemployment in the agency within 30 days after the date compensation ceases, except that when an appeal for continuation of compensation is filed, the 30-day period begins the day after resolution is reached.

Eligibility with Demotion. An agency places on the RPL an employee who accepted a lower-graded position in lieu of separation because of a compensable injury or disability, provided that the employee meets the four conditions in the paragraph above.

Eligibility with Partial Recovery. A partially recovered employee has no right to restoration, or to register for the RPL.

Eligibility with Disability Annuity. A former employee's eligibility for registration on the RPL because of recovery from a compensable injury is not affected by the individual's continued eligibility for a disability annuity under the Civil Service Retirement System, or under the Federal Employees' Retirement System.

Format for Requesting Registration. The former employee may request consideration for reemployment and registration for the RPL orally or in writing (i.e., no specific format is required).

Time Limit for Processing Registration. The agency must register an eligible former employee on the RPL within 10 calendar days of having timely received an oral or written request (a request is timely if made within 30 calendar days after worker's compensation ceases).

Section 3: Length of Eligibility for Selection

Eligibility Period. The agency enters an employee on the RPL based on the employee's RIF retention standing at the time of the employee's separation (i.e., pending or completed

separation) from the Federal service. The RPL is available only to competitive service employees; an excepted service employee is not an RPL eligible. For an employee eligible by reason of RIF, RPL registration expires 2 years from the date of the employee's RIF separation. For a former employee eligible because of recovery from a compensable injury, registration expires 2 years from the date the agency registers the employee. The 2-year period is the same for every RPL eligible and does not vary by tenure subgroup. An eligible remains registered for the full 2 years unless removed from the RPL for a reason covered in Section 4 of this Appendix.

Extension of the Registration Period. OPM may extend the registration period where an RPL eligible did not receive a full 2 years of placement priority — for example, because of an agency's administrative or procedural error. Either the agency or the RPL eligible may request an extension, and the request must describe the error that caused the shortened registration. OPM's decision on an extension request is not appealable.

Reason for Eligibility Does Not Change Time Period. The reason an employee became eligible for the RPL does not change the length of time the present or former employee is carried on the list — 2 years in every case. The reason does, however, determine when the period begins: it runs from the date of RIF separation for an employee eligible by reason of RIF, and from the date of registration for a former employee eligible because of recovery from a compensable injury.

Agency Must Be Able to Contact Registrant. The agency may suspend RPL consideration for both permanent and nonpermanent positions for any individual whom the agency is unable to contact. The individual may later submit an updated application to restore consideration from the RPL, but the employee's 2-year period of eligibility on the list is not extended beyond the expiration date of the original registration period.

Declining Nonpermanent Employment Does Not Affect Eligibility. An employee's declination of an offer of a nonpermanent position has no effect on the employee's future eligibility on the RPL, or future consideration of positions offered through the RPL. For example, an employee registered on the RPL may decline a temporary or a term position and retain full eligibility on the list.

Section 4: Early Loss of Eligibility

An agency must remove an employee from the RPL before the end of the 2-year period of eligibility described in Section 3 above if the individual takes any of the actions covered below in this section.

Employee Declines RIF Offer. An agency must remove an employee from the RPL if the employee declines a RIF offer of assignment to:

- A position with a representative rate equal to the rate of the position from which the employee was, or will be, separated; or
- A career or career-conditional appointment, or an excepted appointment without a time limit.

Employee Declines or Fails to Respond to RPL Offer. An agency must remove an employee from consideration on the RPL for all positions with a representative rate at, or below, that of any position the agency offers through the RPL, and for which the individual has:

- Declined an offer of a career appointment;
- Declined an offer of a career-conditional appointment;
- Declined an offer of an excepted appointment without a time limit; or
- Failed to respond to an inquiry from the agency when the position offered from the RPL meets the acceptable conditions covered on the individual's registration form.

An employee who declines an offer of a position from the agency's CTAP rather than an offer from the agency's RPL does not lose future eligibility for offers from the RPL.

RIF Notice Cancelled or Expires. An employee who is no longer subject to separation by RIF as the result of the cancellation, or expiration, of a specific RIF notice is not eligible for the RPL.

Employee Voluntarily Leaves Position Before RIF Separation. An agency must remove an employee from the RPL if the employee voluntarily leaves the position before being separated by RIF. For example, the employee may voluntarily leave the position by retirement, resignation, transfer to another agency, or by a change of positions (including a permanent or nonpermanent position in the same or a different agency).

Removal at Employee's Request. An agency must remove an employee from the RPL if the employee requests removal.

Employee Accepts a Non-temporary Position. An agency must remove an employee from the RPL if the employee accepts, in any agency, a position under a career, career-conditional, or excepted appointment without a time limit.

Employee Declines Interview. An agency must remove an employee from the RPL if the employee:

- Declines an interview for a position; or

- Fails to appear for a scheduled interview, after being notified by the agency that the declination or absence would eliminate the employee's future eligibility on the RPL.

When an agency removes an individual from the RPL because of failure to reply either to a specific offer of a permanent position or to an inquiry of availability for a specific permanent vacancy, the agency must have evidence to show that:

1. The agency made a written offer or inquiry; and
2. The individual received the offer or inquiry.

The written offer or inquiry to the individual must clearly state that failure to respond will result in future loss of consideration from the RPL for all grades or for lower grades, as appropriate.

Leaves that are covered by an overseas RPL. An agency must remove from the RPL an employee (or former employee) who is eligible based upon Alaska or overseas service if the employee registered on the RPL for Alaska or overseas leaves the local commuting area covered by that RPL, or the employee becomes disqualified for overseas employment because of previous service or residence.

Section 5: Employee Registration Based on RIF

Time Limit for Registration. An employee who is eligible for registration on the agency's RPL on the basis of receiving a RIF separation notice must submit a completed application to the agency no later than 30 days after the date on which the employee was separated by RIF. An employee who does not submit a timely application is not eligible for registration on the RPL.

If the agency chooses to implement an application-based RPL procedure (see description below), the eligible employee must complete any initial documentation requested by the agency no later than 30 calendar days after the date on which the employee was separated by RIF. Section 6 of this Appendix notes that the agency may also implement the same application-based RPL procedure for a former employee who is eligible for the RPL on the basis of a compensable injury.

If the agency did not properly notify the employee of the right to register for the RPL, the agency must determine whether corrective action is appropriate.

First Opportunity for Registration. An employee may request registration on the RPL at any time after the employee receives either (1) a specific notice of separation by RIF, or (2) a CES. If the employee registers for the RPL before the date of separation by RIF, the 2-year period of eligibility still runs from the date the agency separates the employee by RIF, not from the date of registration. Registering early on the basis of a Certification of Expected Separation

therefore does not shorten the employee's eligibility. There is no authority for the agency to register an employee on the RPL if the employee has not received either a RIF separation notice or a CES.

Registration Forms. The agency determines what form it uses to register employees for the RPL. The registration form must allow each eligible employee to specify other acceptable conditions under which the employee will accept a position from the RPL. The agency should assist each employee in identifying positions for which the employee is qualified, and listing these positions on the employee's RPL registration form.

The eligible employee has the default option to request RPL consideration for all potential positions at the same or lower grade that are covered by the RPL. For example, when the employee wants consideration for all possible positions, there is no basis for an agency to limit RPL consideration only to positions, grades, and series specifically identified by the registrant.

If the employee wants to limit RPL consideration, the employee may restrict consideration by identifying other acceptable conditions of employment.

These restrictions apply to positions that have a different grade and/or work schedule as the position the employee held at the time of RIF separation. Conditions of employment may include grade, occupation, minimum work hours, and/or designated components or certain duty sites in the local commuting area.

After the employee files the registration form, the employee should advise the agency of any significant changes to the information in the form. For example, if the employee completes a retraining program after separation by RIF, the individual should notify the agency to ensure maximum consideration for positions being filled.

Application-Based RPL. At its option, the agency may establish an application-based procedure to replace or supplement the usual single registration procedure for the RPL. The application-based procedure allows an eligible employee to directly apply for RPL consideration for a vacancy that the agency plans to fill with an outside candidate.

Under the application-based procedure option, the eligible employee has RPL consideration only when the employee files an application for a vacant position covered by the RPL. If the eligible employee has no interest in a position and does not apply by the filing deadline, the agency does not consider whether the employee has selection priority to that position under the RPL.

To implement the application-based option, the agency should have a policy to ensure each eligible employee has access to the agency's vacancy announcements for positions in the local commuting area that are covered by the RPL. For example, the agency may post the

vacancies on its website, fax copies of the vacancy announcements to its displaced employees, mail copies of the vacancy announcements to its displaced employees, and/or call its displaced employees to alert them concerning the vacancies. The vacancies will also be listed on OPM's website as positions open to job candidates from outside the agency's current workforce.

Time Limit for Processing Registration. The agency must register an eligible employee on the RPL within 10 days of having timely received a registration form (submission of the form is timely if made within 30 days after RIF separation). If the agency finds that it did not meet the 10-day time limit, the agency must review its appointments to determine whether corrective action is appropriate, as covered in Section 17 of this Appendix.

Section 6: Employee Registration Based on Compensable Injury

Time Limit for Registration. Except as provided below, a former employee who is eligible for the RPL on the basis of a compensable injury must request reemployment within 30 days after the date the employee's compensation is discontinued. The request can be made orally or in writing.

An agency may elect not to register an employee early for the RPL based on compensable injury. If the agency implements an application-based RPL procedure described in Section 8 above, a former employee who is eligible for the RPL on the basis of a compensable injury must complete any documentation requested by the agency within 30 days after the date the employee's compensation ceases.

Exception to Time Limits. When an employee files an appeal with the Department of Labor for continuation of compensation, the 30-day period for requesting reemployment as described above begins the day after resolution of the appeal is reached.

An employee who has filed an appeal for continuation of compensation is still eligible for the RPL based upon termination of the compensation. The employee may register for the RPL while the compensation appeal is pending, or the employee may wait until the compensation appeal is resolved and then apply for registration within 30 days after the appeal is resolved.

Registration Forms. The agency determines what form it uses to register employees for the RPL. The registration form must allow each eligible employee to specify other acceptable conditions under which the employee will accept a position from the RPL.

In completing the registration form, a former employee who is eligible for the RPL on the basis of a compensable injury also has the default option to request RPL consideration for all potential positions at the same or lower grade that are covered by the RPL. As an alternative, the former employee may limit consideration by identifying other acceptable conditions of

employment, such as positions at a lower grade and/or with a different work schedule than the position the employee held at the time of separation from the service due to a compensable injury. After the former employee files the registration form, he or she should advise the agency of any significant changes to the information in the form.

Time Limit for Processing Registration. The agency must register an eligible employee on the RPL within 10 days of having timely received a registration form. If the agency finds it did not meet the 10-day time limit, the agency must review its appointments to determine whether corrective action is appropriate, as covered in Section 17 of this Appendix.

Section 7: Employee Consideration Based on RIF

Grade Limits-General. An employee who is eligible for the RPL on the basis of either a specific RIF notice of separation or a CES is registered on the RPL for positions with a representative rate no higher than the rate of the position the employee held when the employee was separated, or will be separated, unless the employee was previously downgraded by RIF. An employee who was downgraded by RIF in one or more prior actions, and who has now received a notice of separation from a lower-graded position in another RIF, is placed on the RPL for positions with a representative rate no higher than the highest rate of the former position(s) the employee held when downgraded.

Promotion Potential. The position offered through the RPL may not have any greater promotion potential than the position the employee held at the time of separation from the service, unless the employee was previously downgraded by RIF.

Work Schedule. An agency must consider an employee who is eligible for the RPL on the basis of a RIF separation notice only for positions with the same category of work schedule (full-time, part-time, intermittent, or seasonal) that the employee holds on the date of separation from the service because of a prior RIF.

At its option, an agency may allow an employee eligible for the RPL to also register for positions having a different work schedule from the position that is the basis for the employee's RIF separation notice or a CES.

Local Commuting Area-General. Except as described below in "Local Commuting Area and Agency Placement Program," an employee who is eligible for the RPL on the basis of a RIF separation notice or a CES is entered on the RPL only for the local commuting area of the employee's position. Apart from the two exceptions (i.e., when a transfer of function takes place or for positions in Alaska or overseas), an agency has no authority to register an employee who is eligible because of a RIF separation notice on a RPL in a different local commuting area.

The RPL covers all components of the agency in a local commuting area. However, an employee registering for the RPL may limit coverage to only specified components within the local commuting area.

Local Commuting Area and Agency Placement Program. Through its own internal placement program, an agency may also offer priority placement in a different local commuting area (or areas) to employees eligible for the RPL, provided that the agency has first met its obligation:

1. Under CTAP to place surplus and displaced employees in the different local commuting area: and
2. To provide RPL rights to employees eligible for the RPL in the different commuting area.

Local Commuting Area After a Transfer of Function. An employee who is separated by RIF after a transfer of function is entered on the RPL for the local commuting area of the gaining competitive area that conducted the RIF. There is no authority for the agency to register an employee on a RPL covering the local commuting area of the losing competitive area.

Local Commuting Area-Alaska and Overseas Positions. An employee eligible for the RPL on the basis of a RIF separation notice or a CES from a position in Alaska or overseas is also entered on the RPL only for the local commuting area of the employee's former position, except as described below. An employee who leaves a local commuting area in Alaska or overseas that is covered by the employee's RIF separation notice or a CES may submit a written request for registration on the RPL applicable to:

- The local commuting area where the employee worked immediately before the Alaskan or overseas service; or
- Another local commuting area within the United States that is mutually acceptable to the agency and the employee.

An employee serving under an agency's specific program for rotating certain employees between the United States and overseas may register for the RPL in one other local commuting area in the United States that is acceptable to both the agency and the employee if the employee's total overseas service would exceed the maximum allowed under the agency's program. This option is available if the employee's total service or residence immediately preceding the RIF separation notice or CES, when added to projected additional overseas service or residence, would exceed the agency's total allowable overseas service or residence.

Section 8: Employee Consideration Based on Injury Compensation

Consideration for Same Position. A former employee who is eligible for the agency's RPL on the basis of a compensable injury is placed on the RPL for the employee's former position, or an equivalent position (i.e., a position with the same representative rate as the employee's former position). An employee who was downgraded by RIF in one or more prior actions, and who has now received a notice of separation from a lower-graded position in another RIF, is placed on the RPL for positions with a representative rate no higher than the highest rate of the former position(s) the employee held when downgraded.

Local Commuting Area-General. An employee eligible for the RPL on the basis of a compensable injury is entered on the RPL for the local commuting area of the position last held by the employee.

Consideration of Additional Local Commuting Areas. An employee who is eligible for the RPL on the basis of a compensable injury, but whom the agency is unable to reinstate in a position in the employee's former local commuting area, is entitled to priority consideration for an equivalent position elsewhere in the agency at the time, and in a manner, as the agency determines will provide the individual with maximum opportunities for consideration. The expanded search for a position may include registering the former employee on the RPL for one or more additional local commuting areas.

The expanded search for a position may also include:

- Registering the former employee in another placement program administered by the agency; or
- Referring the former employee for consideration by other locations within the agency.

A former employee who is eligible for the RPL based on a compensable injury may decline expanded consideration for positions in other locations, even though the agency is unable to reinstate the employee to his or her former (or an equivalent) position in the former local commuting area. Instead, the former employee may request consideration for another position in the local commuting area.

Section 9: Restrictions on Filling Positions

General Coverage of the RPL. Apart from the exceptions described below in this section, the agency must refer to its applicable RPL before filling a competitive service position with an individual who is not presently employed by the agency.

Permanent and Nonpermanent Competitive Positions. The RPL includes competitive service vacancies filled by permanent or non-status appointment (e.g., term or temporary).

Grade Level. The agency must clear the RPL only at the grade level at which it fills the position, regardless of the position's full performance level. If the agency advertises a position at multiple grade levels, the agency must clear the RPL only at the grade level at which the agency fills the position.

Private-Sector Temporaries. The RPL covers the use of private-sector temporaries hired under authority of part 300, subpart E, of title 5, Code of Federal Regulations. The agency must clear the RPL before contracting with a private-sector company under that authority.

Later RPL Registrants After Agency Commits a Position. After the agency has cleared the RPL and made a final hiring commitment to an individual who is not registered on the RPL, the subsequent registration of another employee on the RPL does not block the agency's commitment to hire the employee from outside the agency.

New Appointment. The agency may not make a final employment commitment to an individual who is not listed on the RPL, and fill a permanent or temporary competitive service position by a new appointment, unless the individual appointed is a qualified 10-point veterans' preference eligible.

Delegated Hiring Authority. The RPL covers a competitive service position filled by an appointment under a direct-hire authority, or an examining authority delegated by OPM (5 CFR part 330, subpart B).

Transfer or Reinstatement. The agency may not make a final employment commitment to an individual who is not registered on the RPL, and fill a competitive service position by transfer or reinstatement, unless the individual is:

- A preference eligible;
- Exercising restoration rights based on service in the Armed Forces, or recovery within 1 year from a compensable injury or disability; or
- Exercising other statutory or regulatory reemployment rights.

Internal Placement Action. Subject to the requirements of CTAP, first filling vacancies with surplus or displaced employees, an agency may fill a vacant competitive service position without regard to the RPL when the agency offers the vacancy to a current, qualified employee as:

1. A detail or a position change (including promotion, demotion, and reassignment);
2. A conversion to a competitive service appointment of an employee serving under an appointment with eligibility for noncompetitive conversion (e.g., conversion of an employee serving under a Veterans Recruitment Appointment, under an appointment

for 30 percent or more disabled veterans, under a Schedule A appointment for persons with disabilities, under a Presidential Management Fellow appointment, or under a Schedule B Student Career Experience Program appointment);

3. A reappointment by temporary appointment of 1 year or less, without a break in service, to the same position currently held by an employee serving under a temporary appointment of 1 year or less; or
4. An extension of an employee's temporary appointment for the maximum period authorized by the appointment authority, or as authorized by OPM.

Special Appointment Action. An agency may fill a vacant competitive service position through a 30-day special needs temporary appointment without regard to the RPL

Exception to the Regular Order of Selection. An agency may fill a vacant competitive service position without regard to the RPL when the agency makes an exception to the regular order of selection from the RPL. See Section 13 of this Appendix for additional information on exceptions to the regular RPL order of selection.

Section 10: RPL Selections-General

Choice of Two Selection Procedures. An agency has two methods for selecting employees from its RPL:

- Retention Standing Order, which is covered in Section 11 of this Appendix; or
- Rating and Ranking Order, which is covered in Section 12.

Options in Setting Selection Procedure. In setting its selection procedure from the RPL, the agency may adopt the same agency-wide procedure for all RPLs administered by the agency, or allow components in different local commuting areas to decide which of the two selection procedures is used for the RPL.

Options in Modifying Selection Procedure. After the agency adopts one of the two selection methods for its RPL in a designated local commuting area, the agency must use that method in filling all positions. The agency may subsequently change the selection procedure from the RPL method that it adopted for a local commuting area.

The agency may not vary the RPL selection procedures by individual vacancy. This means that the agency may not use different selection procedures on the basis of individual vacant positions, appointment considerations, potential pool of candidates, or other similar factors.

Section 11: Selection from the RPL-Retention Standing Order Procedure

Retention Standing Order Procedure. The first of the two procedures available for agencies to select registrants for vacancies to be filled from the RPL uses the RIF retention standing of the eligible employees. For each vacancy to be filled using the RPL, the agency places registrants in their RIF retention group and subgroup order in accordance with the RIF regulations.

Retention Standing Order for RPL Selection. For each vacancy to be filled using the RPL Retention Standing Order procedure, the agency ranks qualified RPL candidates by total augmented performance credit (performance credit points plus veterans' preference points) in descending order. The agency may not pass over a candidate with higher total augmented performance credit to select a candidate with lower total augmented performance credit. When two or more candidates have the same total augmented performance credit, the agency uses tenure subgroup (Subgroup I ranked ahead of Subgroup II) as a tiebreaker, and then service computation date (earliest date first) as a second tiebreaker.

No Specific Priority For Employee's Prior Position. If the agency adopts the Retention Standing Order of selecting employees from the RPL, the agency may make an exception to this selection order only in accordance with the provisions covered in Section 13 of this Appendix.

Section 12: Selection from the RPL-Numerical Scoring Procedure

Numerical scoring Procedure. The second of the two procedures available for agencies to select registrants for vacancies to be filled from the RPL ranks eligible registrants by numerical score. For each vacancy to be filled using the RPL, the agency rates registrants according to their job-related skills, knowledge, and competencies, using a job-analysis-based assessment that does not principally rely on an automated self-assessment. The assessment must allow for demonstration of job-related skills, abilities, knowledge, and competencies and must be applied in a fair and consistent manner. Acceptable assessment methods include structured interviews, work-related exercises, structured resume reviews, or another job-related assessment tool relevant to the position. (5 CFR 330.213(c), as amended.)

Assigning Employees Numerical Scores. Based on the rating of employees' experience and education described in the preceding paragraph, the agency assigns each qualified registrant a numerical score of at least 70 on a scale of 100, based on the evaluation criteria developed under this paragraph, and then adds:

- Five additional points to this score for a registrant entitled to veterans' preference as a nondisabled veteran; or

- Ten additional points to this score for a registrant entitled to veterans' preference under 5 U.S.C. 2108(3)(C) through (G) as a disabled veteran, or based on derived preference.

See OPM's *VetGuide* for information on eligibility for veterans' preference.

Ranking Employees' Numerical Scores. After assigning registrants a numerical score as covered in the paragraph above, the agency ranks registrants based on their scores in the following order by:

1. Listing, in the order of their total rating scores, employees with 10-point veterans' preference eligibility because of a service-connected compensable disability of 10 percent or more, except when the position being filled is a professional position at or above grade GS-9 (or equivalent);
2. Listing all other registrants in the order of their total scores:
    - Registrants entitled to 10-point veterans' preference are listed first at each score;
    - Registrants entitled to 5-point veterans' preference are listed second at each score; and
    - Registrants not entitled to veterans' preference are listed at each score.

The agency must make its selection for the vacancy from among the three highest-rated registrants who are available for the position.

Exception to the Order of Selection. If the agency adopts the Numerical Scoring Procedure for selecting registrants from the RPL, the agency may make an exception to the selection order, and pass over a registrant who is eligible for veterans' preference to select a registrant who is not eligible for veterans' preference, only in accordance with Section 13 below.

Section 13: Exceptions to the Regular Order of Selection

Undue Interruption Exception. An agency may make an exception to either of the two regular orders of selection from the RPL covered in Sections 11 and 12 of this Appendix only if the agency finds that the exception is necessary to obtain an employee for duties that cannot be taken over without undue interruption to the agency by an employee who is on the RPL, or has higher standing on the RPL than another registrant on the RPL whom the agency wishes to place in the position.

Agency Options. When using an exception to the regular order of selection from the RPL, the agency may:

- Appoint an individual who is not on the RPL;
- Appoint a registrant on the RPL who has lower standing than another employee on the RPL; or
- Pass over a registrant on the RPL who is eligible for veterans' preference in order to select an employee who is not eligible for veterans' preference.

Limitation on Use of Exceptions. An agency may not make an exception to the regular order of selection from the RPL on the basis that the registrant with the higher retention standing on the RPL is not as well qualified as another candidate for the vacancy.

Documenting Exceptions. When an agency makes an exception to the regular order of selection to the RPL, the agency must notify, in writing, each registrant on the RPL who is adversely affected by the exception, including the reasons for the exception and the right of the registrant to appeal the exception to MSPB.

Section 14: Qualifications for Selection

General Requirements. An employee registered on the RPL is considered qualified for selection from the RPL for a vacancy if the registrant meets:

- All OPM-established qualification standards and requirements for the position, including any minimum educational requirement;
- The capacity, adaptability, and special skills needed to satisfactorily perform the duties and responsibilities of the position, as measured by an assessment that allows for demonstration of job-related skills, abilities, knowledge and competencies, is based on a job analysis, and does not consist solely of, or principally rely on, an automated self-assessment. The agency must rate and rank RPL placement priority candidates in a fair and consistent manner;
- All selective placement factors established by the agency;
- All medical and physical qualifications, with reasonable accommodation where appropriate, to perform the duties of the position;
- Any special qualifying conditions that OPM has approved for the position; and
- Any other applicable requirements for competitive service appointment, including employment suitability requirements under part 731 of title 5, Code of Federal Regulations.

The agency may not consider the employee's gender in determining qualifications without approval by OPM.

Exception to Qualifications. An agency, at its option, may make an exception to the qualification standard covered above, and adopt an alternative qualification standard for a position if:

- The agency applies the exception consistently and equitably in filling a position;
- The registrant meets any minimum educational requirements for the position; and
- The agency determines that a registrant found qualified under the exception has the capacity, adaptability, and special skills needed to satisfactorily perform the duties and responsibilities of the position, as demonstrated through a job-analysis-based assessment that allows for demonstration of job-related skills, abilities, knowledge, and competencies and does not consist solely of, or principally rely on, an automated self-assessment. (5 CFR 330.202, as amended.)

When a registrant's qualifications for a position are an issue in an RPL appeal filed with MSPB, the general standard described above applies.

No Waiver of Selection Order. In adopting an alternative qualification standard described above, an agency may not waive the order of selection for either the Retention Standing Order Procedure or the Numerical Scoring Procedure for selection from the RPL.

Section 15: Reserved

Section 16: RPL Appeals and Grievances

Right to Appeal. An eligible current or former employee may appeal to MSPB if the individual believes the agency violated RPL rights by:

- The employment of another person who otherwise could not have been appointed properly;
- An exception to the order of selection from the RPL; or
- The denial of the individual's request for reemployment after injury compensation ceases.

The individual's right to appeal an RPL issue also applies where an agency operates an approved alternative agency placement program (see Chapter VIII, Section C, "Exception to RPL Coverage").

Agency Notice of Appeal Rights. An agency is required to advise eligible employees about the RPL when it issues a RIF notice of separation. The notice of employees' rights under the RPL must include information about appeal rights and the appeals process. An agency is also required to advise eligible employees about the right to file an RPL appeal when the agency uses an exception to the RPL in filling a position from outside of the agency.

Agency Notice of How to Appeal. When an agency issues a decision notice to an employee on a matter appealable to MSPB, the agency must provide the employee with the following information:

1. Notice of the time limits for appealing to MSPB;
2. Any applicable limits on the employee's right to file an appeal because of a bargaining agreement and notice of any applicable right of the employee to file a grievance;
3. If (2) is applicable, the right of the employee to elect whether to file an appeal to MSPB based on discrimination in lieu of a grievance;
4. The address of the appropriate MSPB office where the employee should file the appeal;
5. A copy, or access to a copy, of MSPB's regulations found in 5 CFR part 1201; and
6. A copy of the appeal form found in 5 CFR part 1201-Appendix I of MSPB's regulations.

MSPB's complete appeals regulations, forms and procedures are available on its website..

Section 17: Corrective Action

MSPB Finds RPL Error. MSPB may order a retroactive remedy if it finds that an agency violated the letter or the spirit of OPM's RPL regulations. See Section 16 of this Appendix for information on RPL appeals.

Agency Finds RPL Error. If an agency finds on its own initiative that it filled a position without regard to the RPL, the agency may find that corrective action is appropriate, which may include accepting a completed application even if more than 30 calendar days elapsed since the employee was separated by RIF, and/or reviewing agency appointments to determine whether other corrective action is appropriate.

Appendix O: Interagency Career Transition Assistance Plan (ICTAP)

Section 1: Other Qualifying Conditions for Eligibility

General Eligibility Conditions. To be eligible for selection priority under ICTAP, a displaced employee must meet all of the conditions covered in (1) through (6) below. The employee must:

1. Have a current performance rating of Level III or higher (Fully Successful or equivalent) (this requirement does not apply to employees in positions excluded from a performance appraisal system by law, regulation or OPM administrative action, or to an employee eligible for ICTAP because of compensable injury or disability annuity, including a special disability retirement benefit paid to a military reserve or National Guard technician);Apply for a vacancy that is at or below the grade level of the position from which the employee may be or is being separated and has no greater promotion potential than that position, based upon the employee's position of record at the time of separation.
2. Occupy a position located in the same local commuting area as the vacancy;
3. File an application for a specific vacancy within the time frames established by the hiring agency;
4. Provide proof of eligibility for selection priority under CTAP (see Appendix M, Section 8); and
5. Be well-qualified (as determined by the agency) for that specific vacancy (see Chapter VIII, Section B).

Section 2: Beginning Date of Eligibility

Qualifying Notices. A displaced employee is eligible for selection priority under ICTAP beginning with the date:

1. The individual receives a specific notice of separation by RIF;
2. The individual receives a written notice of proposed removal (including a final decision) by adverse action for declining a directed reassignment, transfer of function, or other similar relocation outside the employee's present local commuting area; The agency certifies that it cannot place an individual who was separated because of compensable injury or illness, and whose compensation has been terminated; or

3. An individual who is receiving a disability annuity under CSRS or FERS (including a special disability retirement benefit paid to a military reserve or National Guard technician) is notified that the annuity has been or will be terminated.

Section 3: Ending Date of Eligibility

RIF Separation Notice. ICTAP selection priority expires 1 year following the date of separation by RIF. A displaced employee is no longer eligible for ICTAP selection priority, beginning with the date the agency cancels the employee's specific notice of separation by RIF.

Removal for Declining Relocation. ICTAP selection priority expires 1 year from the date the employee is removed by adverse action for declining a directed reassignment, transfer of function, change of duty station, or other similar relocation outside the employee's present local commuting area.

Agency Failure to Restore from Injury Compensation. Selection priority under ICTAP expires 1 year from the date the agency certifies that it cannot place an individual separated because of compensable injury or illness, and whose compensation has been terminated.

Termination of Disability Annuity. Selection priority under ICTAP expires 1 year from the date an individual receiving a disability annuity is notified that the annuity has been or will be terminated.

Cancellation of Notice. ICTAP selection priority expires beginning with the date the agency cancels the employee's proposed or final notice of removal by RIF, adverse action for declining a directed reassignment, transfer of function, or other similar relocation outside the employee's present local commuting area.

Voluntary Retirement or Resignation, Including VSIP. A displaced employee is no longer eligible for selection priority under ICTAP after the agency accepts the employee's application to voluntarily retire or resign from the agency. This includes a voluntary retirement or resignation in which the employee and the agency enter into a voluntary separation agreement in exchange for a Voluntary Separation Incentive Payment (VSIP, also known as a "buyout").

Acceptance of Another Position. Selection priority under ICTAP expires the day before the individual receives a career, career-conditional, or excepted appointment without time limit, in any agency and at any grade level.

Entitlement to selection priority ends even if the employee accepts a term or temporary position in any agency before involuntary separation because the employee no longer meets

the definition of a displaced employee. An employee who accepts a time-limited position after involuntary separation retains eligibility for selection priority under the Plan for 1 year from the date of involuntary separation.

Commitment to Voluntarily Separate. A displaced employee loses eligibility for selection priority under ICTAP if the employee makes a commitment to separate voluntarily from the agency. For example, a displaced employee is no longer eligible for selection priority under ICTAP after the agency accepts the employee's application to voluntarily retire or resign from the agency. This includes a voluntary retirement or resignation when the employee and the agency enter into a voluntary separation agreement in exchange for a Voluntary Separation Incentive Payment (VSIP, also known as a "buyout").

Declination of Permanent Position. At the agency's option, a displaced employee is no longer eligible for selection priority under ICTAP from the date the individual declines a career, career-conditional, or excepted appointment without time limit, for which the individual has both applied and been rated well-qualified.

Failure to Respond to Inquiry. At the agency's option, a displaced employee is not eligible for selection priority under ICTAP from the date determined by the agency when the individual fails to respond within a reasonable period of time to an offer of a position, or an official inquiry of availability for a position.

Preference Eligible Separated from Restricted Position Because of A-76 Contracting Out. A preference eligible employee who is separated from a restricted position by RIF under the RIF regulations because of Office of Management and Budget (OMB) Circular A-76 contracting out has interagency selection priority under ICTAP for 2 years following separation from the restricted position.

Section 4: Notification Requirements

Orientation Session. Agencies must actively provide placement assistance to displaced and surplus employees through their overall CTAP. An individual agency's specific OPM-approved plan includes the agency's policies to provide career transition services to all surplus and displaced agency employees affected by downsizing or restructuring. This includes a requirement that the agency provide a specific orientation session for surplus and displaced employees on the use of career transition services, and the eligibility requirements for selection priority under both the CTAP and ICTAP. The orientation session must include information on how eligible employees apply for vacancies under both CTAP and ICTAP.

Notification of CTAP. At the time an agency issues a specific notice of separation by RIF, or by adverse action procedures for declining relocation to a position in a different local

commuting area, the agency must give each of its eligible employees information in writing about the special selection priority available to them under the agency's CTAP. This information must contain guidance to the employee on how to apply for vacancies under CTAP and what documentation is generally required as proof of eligibility.

The agency must provide the same information to each employee who has received a Certification of Expected Separation (CES), or other official agency certification that identifies an employee as being likely to be separated by RIF or other involuntary action not for cause.

Notification of ICTAP. At the time the agency issues a specific notice of separation by RIF, or a notice of proposed removal by adverse action procedures for declining relocation to a position in a different local commuting area, the agency must give each of its eligible employees information in writing about the special selection priority available to them under the ICTAP. This information must contain guidance to the employee on how to apply for vacancies under the ICTAP and what documentation the employee needs as proof of eligibility for selection priority.

Notification of Qualification Requirements. A hiring agency must take reasonable steps to ensure that a displaced employee eligible under ICTAP is notified of what is required to be found well-qualified for a vacancy. After an agency has announced a vacancy to ICTAP eligibles, the agency is not required to re-announce the position before making additional selections if the announcement stated the agency may fill more than one vacancy from the applicant pool established by the announcement.

Notification of Qualifications Determination. Each agency is required to advise, in writing, candidates under ICTAP who apply for specific vacancies within the local commuting area of the results of their application, and whether they were found well-qualified for a vacancy.

If the agency finds a candidate is not well-qualified, the notice to the candidate must include information on the results of an independent, second review conducted by the agency. The agency must ensure that a documented, independent second review is conducted whenever the agency finds an otherwise eligible employee not well-qualified. The agency must also advise the applicant in writing of the results of the second review.

If the agency finds that a candidate is well-qualified, but the agency selected another well-qualified displaced candidate for the vacancy, the agency must advise the candidate who was not selected of this action.

Section 5: Order of Selection

Specific Order of Selection. When filling a vacancy, the agency must select a displaced employee who is eligible for ICTAP selection priority before selecting any other candidate for

the vacancy from outside the agency. When filling a vacancy from outside the agency's permanent competitive service workforce, the agency must use the following order of selection:

1. First in the order of selection—current or former employees of the agency who are registered under the agency's RPL;
2. Second in the order of selection and under appropriate selection procedures—at the agency's option, any other former employee who was displaced from the agency;
3. Third in the order of selection—current or former Federal employees who were displaced from other agencies and are eligible for selection priority under ICTAP;
4. Fourth and last in the order of selection and under appropriate selection procedures—at the agency's option, any other candidate for the vacancy.

Covered Actions. The following actions are covered by ICTAP and are subject to the order of selection above:

1. Competitive appointments to the Federal service from registers or delegated examining authority (this also includes a new competitive service appointment for an employee already on the agency's rolls);
2. Noncompetitive appointments to the competitive service;
3. Movement of personnel between agencies, except when the movement is a permitted exception and results from the noncompetitive movement of displaced employees between agencies as the result of a reorganization, transfer of function, mass transfer, or similar action under appropriate authority;
4. Reinstatement actions, except when the agency, at its option, elects to reinstate any other former employee who was displaced from the agency; and
5. Time-limited competitive service appointments of 121 days or more, including all extensions, except as provided as an authorized exception for extensions of certain temporary or term appointments up to the full period allowed.

Temporary Help Services. When filling a vacancy, the agency must select a surplus or displaced employee who is eligible for selection priority under CTAP or ICTAP before procuring temporary help services.

Section 6: Exceptions to the ICTAP Special Selection Priority

ICTAP selection priority does not apply to the following actions:

- Selections from a Reemployment Priority List;

- CTAP Selections;
- Appointments of 10-Point Preference Eligibles (See *Vet Guide* on the OPM website for information on veterans' preference issues);
- Reemployment of Former Agency Employees Who Have Regulatory or Statutory Reemployment Rights (including the reemployment of injured workers who have either been restored to earning capacity by the Department of Labor's Office of Workers Compensation Programs (OWCP), or who have received a notice that their compensation benefits will cease because of recovery from the disabling injury or illness);
- Temporary Appointments of Less Than 121 Days;
- Placements from RIF and Transfer-of-Function Actions under 5 CFR 351;
- Filling Positions in the Excepted Service (including appointments to positions (such as Schedule A attorneys) which can be filled only through excepted service appointments, as well as excepted service appointments to competitive service positions (such as appointments of persons with disabilities or those eligible for Veterans Recruitment Appointments);
- Noncompetitive Conversion from Excepted Service Positions (e.g., a Veterans Recruitment Appointment to a career-conditional appointment);
- Noncompetitive Movement of Employees Between Agencies Resulting from Interagency Reorganization, Interagency Transfer of Function, Interagency Mass Transfer, Interagency Realignment, or Similar Interagency Action (An interagency transfer of a function or involuntary permanent movement of personnel can be carried out only with the specific authorization of Congress. See Chapter IX for information on transfer of function);
- Reemployment Under a Trial Retirement Program;
- Actions Taken Pursuant to the Settlement of a Dispute (e.g., a formal complaint, grievance, appeal, or other litigation. This exception does not apply to actions taken to resolve informal complaints);
- Extension of Temporary or Term Appointments up to the Full Period if Allowed, unless the original vacancy announcement specified that the position is open to displaced employees eligible under ICTAP and that an employee has a right to selection priority if the agency finds the individual well-qualified for the vacancy (the original announcement must have stated that an extension of the appointment is possible without further announcement);

- Reappointment of former agency employees to hard-to-fill positions, the duties of which require unique skills and experience necessary to conduct a formal skills-based training program for the agency. This exception includes extensions to the 2- or 4-year limit allowed for temporary and term appointments, respectively, that OPM may grant);
- Public or Private Enterprise That Becomes Federal Function (i.e., the retention of an individual whose position is brought into the competitive service, and subsequently converted to a career or career-conditional competitive service appointment, following the assumption by the Federal Government of a public or private enterprise);
- Excepted Positions Brought into the Federal Service (i.e., the retention of an individual whose position is brought from the excepted service into the competitive service, and subsequently converted to a career or career-conditional competitive service appointment. This exception includes the movement of an excepted service position into the competitive service, and the conversion of the incumbent to a competitive service appointment);
- Retention of Individuals Covered by a Variation of OPM Regulations (5 CFR 5.1);
- Guaranteed Placement of SES Member to a Position in Another Personnel System (including the agency's return of an SES member to the employee's former position (or an equivalent position) when the senior executive's limited appointment is terminated for reasons other than misconduct, neglect of duty, or malfeasance);
- Interagency Details;
- Interagency Job Swaps (i.e., a job swap to avoid involuntary separations, under a specific job swap plan approved by OPM. This exception does not apply to an individual arrangement to exchange jobs initiated by employees and/or managers for other reasons, such as personal desire to relocate);
- Transfer of ICTAP-Eligible Employee, provided that the position to which the individual is transferring must not have any greater promotion potential than the position that the individual currently holds, or last held in the competitive service. Also, the employee must not have been separated from the last position for performance or conduct reasons;
- Reinstatement of ICTAP-Eligible Employee, provided that the position to which the individual is reinstated must not have any greater promotion potential than the position the individual last held in the competitive service. Also, the employee must not have been separated from the last position for performance or conduct reasons;

- Voluntary Transfer Under Memorandum or Agreement (e.g., an interagency training program where several agencies cooperate to create a centralized training program. One agency appoints and trains the employees, who are transferred to the rolls of one of the participating agencies after they complete the program. This exception does not apply to an individual arrangement to exchange jobs initiated by employees and/or managers for other reasons, such as personal desire to relocate);
- Appointment to Positions Restricted to Veterans under section 3310 of title 5, United States Code. Retaining, or finalizing the appointment of, an employee serving a probationary period pursuant to 5 CFR 11.2 of this chapter. (5 CFR 330.707(w), as amended.)
- Appointment using the college graduate hiring authority under 5 U.S.C. 3115 and 5 CFR part 315.614.
- Appointment using the post-secondary student hiring authority under 5 U.S.C. 3116 and 5 CFR316, subpart I.

Section 7: Reserved

Section 8: Application for Vacancies

Application Procedures. In order for an eligible employee to receive special selection priority under ICTAP, the individual must:

- Apply for a specific vacancy in the same local commuting area as the employee's present (or last) position; and
- Attach the appropriate proof of eligibility.

The individual must apply for the vacancy and submit all required forms or documents, including proof of eligibility, within the time frames set by the hiring agency. The individual is eligible for selection priority under ICTAP only if the hiring agency finds that the applicant is well-qualified for that vacancy. An ICTAP applicant who is not well-qualified, but is otherwise eligible and qualified for the job, should be considered with other merit promotion applicants under the agency's merit promotion plan.

Status of Application After ICTAP Eligibility Expires. Once the employee's eligibility under ICTAP expires, the employee continues to receive selection priority for that vacancy, as long as the employee was eligible when the announcement closed.

Section 9: Proof of Eligibility

The following are acceptable forms of proof of eligibility for ICTAP Special Selection Priority:

RIF Separation Notice. A copy of a personnel action (i.e., a completed Standard Form (SF) 50, "Notification of Personnel Action") showing separation by RIF;

Proposed Removal Notice after Declining Relocation. A notice of proposed removal by adverse action for declining a directed reassignment, transfer of function, or other similar relocation outside the employee's present local commuting area. (The initial reassignment notice, and/or the employee's declination of the reassignment, are not proof of eligibility for ICTAP);

Documentation of Removal after Declining Relocation. Documentation of adverse action separation for declining a directed reassignment, transfer of function, or other similar relocation outside the employee's present local commuting area. (The documentation that an individual uses to establish eligibility for the ICTAP includes a completed SF-50);

Certification of Agency's Inability to Place Employee Separated Because of Compensable Injury. An official certification from an agency stating that it cannot place an individual whose injury compensation has been terminated, or is now being terminated;

OPM Notification of Termination of Disability Annuity (i.e., notification that an individual's disability annuity has been, or is being, terminated);

Documentation of Retirement on RIF Effective Date. An eligible employee may provide a copy of a specific notice of separation by reduction in force, and documentation that the individual subsequently retired on the effective date of the RIF;

Documentation of Discontinued Service Retirement After Receiving RIF Separation Notice. An employee who retires under the discontinued service retirement option after receiving only a notice of position abolishment and not a specific RIF separation notice is not considered a displaced employee and is not eligible for ICTAP;

Disabled Reserve or National Guard Technician. An official notification from a military department or the National Guard Bureau that a former Military Reserve Technician, or a former National Guard Technician, is now receiving a special disability CSRS or FERS retirement annuity from OPM.

Section 10: Agency Selections for Vacancies

Overall Order of Selection. In making selections for a vacancy from among candidates with selection priority under ICTAP, the agency must first follow the overall order of selection covered in Sections 5 and 6 above.

One Eligible Employee. An agency may not select another candidate from outside the agency's competitive service workforce for a vacancy if the agency has an available ICTAP eligible employee who is well-qualified for the vacancy.

Two or More Eligible Employees. If two or more ICTAP eligible employees apply for a vacancy, the agency may select any of these eligible employees for the vacancy. The agency must provide a written notice to any ICTAP eligible employee who is not selected.

No Eligible Employees Apply. If no eligible employees apply for a vacancy, the agency may select another candidate from outside the agency's competitive service workforce without regard to ICTAP.

No Well-Qualified Employees Apply. If the agency finds none of the applicants for a vacancy are ICTAP-eligible employees because none of the applicants are well-qualified, the agency may select another candidate from outside the agency's competitive service workforce without regard to ICTAP.

Selecting Current or Former Employees in Same Agency. An agency may select a candidate without regard to ICTAP if the selection is made from the agency's:

- RPL;
- CTAP; or
- Other current competitive service employees.

Section 11: OPM Oversight of ICTAP

OPM Oversight and Review. OPM is responsible for oversight of ICTAP. OPM at any time has the right to conduct reviews of an agency's actions relating to ICTAP. OPM also provides advice and technical assistance to agencies implementing ICTAP.

No Appeal Right to the Merit Systems Protection Board. An employee has no right to appeal an ICTAP issue to the Merit Systems Protection Board (MSPB).

Appendix P: Post RIF Actions

Review the Agency's Planning and Implementation of the RIF. Subject to approval of agency management, the HRO should evaluate and summarize the agency's actions in planning and implementing the RIF. The most useful evaluation and summary includes input from agency management, management officials, supervisors, employees, unions, and the agency's human resources staff (including, for example, input from the core and support RIF teams). The final product should greatly assist implementation of future RIF actions, either in the same or a different agency component. At the option of agency management, the HRO should establish a team to review and summarize the effectiveness of its actions (e.g., possibly including a review of implementation of the RIF, outplacement success, and counseling issues).

Respond to RIF Appeals, Grievances, and Other Third-Party Actions. As needed, the HRO should coordinate with agency management, the agency's legal staff, and possibly with labor relations specialists and line managers in responding to third-party challenges from employees reached for RIF actions.

An employee who is separated or demoted by RIF has a basic right to appeal the action to OPM. In lieu of the appeal right, some employees may have a basic right to file a grievance under an applicable collective bargaining agreement if the agreement was operative prior to September 2, 2026. Agreements with provisions that purport to provide for such a process executed on or after September 2, 2026 conflict with the RIF appellate procedures provided for in 5 CFR 351 subpart I and should be considered unenforceable. Other options for an employee reached for a RIF action include filing a complaint with the Office of Special Counsel, and/or under the provisions of the Equal Employment Opportunity Act. The Special Counsel's website has information on filing a complaint with that agency. The HRO can provide employees with information on filing an EEO complaint under the same procedures that apply to other issues.

If the agency receives a RIF appeal, grievance, and/or complaint, the agency should first review all applicable procedures, addresses, and time limits for responding to the challenge. The agency should then evaluate the merits of the challenge. This may require the HRO to reconstruct the RIF in order to determine whether the challenge has any merit.

The RIF regulations at 5 CFR 351.506(f) require an agency to preserve all retention registers and related records for at least 2 years after the date the agency issues a specific RIF notice to an employee. However, at its option the agency should retain any retention records that are, or may be, subject to an appeal or grievance without regard to the 2-year limit.

Continue Outplacement and Rehiring Initiatives for Displaced Employees. As needed, the HRO and its outplacement team should continue efforts to assist displaced former employees who were separated by the RIF. OPM's CTAP regulations, at 5 CFR part 330, subpart F, require an agency to provide its involuntarily separated employees with access to the agency's career transition services or facilities even after the employee is separated.

The RIF regulations require an agency to provide an employee who receives a RIF notice with a release that allows the agency to forward the employee's résumé and other employment information to potential employers. Consistent with its commitment to provide maximum career transition services, the HRO and its outplacement team should continue to make the displaced employee's résumé available to potential employees even after separation by RIF.

Finally, the HRO is responsible for providing each qualified employee who is separated by RIF with intra-agency selection hiring priority over outside candidates through the agency's RPL. A displaced employee may register for the RPL and immediately receive selection priority from the RPL when the employee receives a RIF notice of separation.

If the agency subsequently separates the employee by RIF, a separated competitive service tenure group employee is eligible to continue on the RPL for 2 years following separation.

Appendix Q: OPM Reimbursable Services for Workforce Reshaping

OPM can provide a wide range of reshaping services. OPM's HR Solutions can provide information and pricing on reshaping services. Contact OPM's HR Solutions by e-mail at HRStrategy@opm.gov.

Organizational Transformation Services. OPM offers a range of reimbursable services to help agencies plan, execute, and stabilize after workforce reshaping actions. These services are designed to help leadership throughout the process of transformation, from strategically planning for and defining future states through change management, implementation, and operationalization.

Organizational Design Consulting. OPM acts as a partner and design consultant, proposing solutions and systems tailored to the agency's specific reshaping goals. This includes:

- Facilitated strategy sessions with leaders to define a desired future state
- Current state analysis — review of strategic documents, organizational structures, performance data, and stakeholder interviews
- Organization design — designing structures, processes, and capabilities aligned to mission and strategy
- Reorganization support — employee placement, organizational charts, and change management guidance/communication materials (in collaboration with servicing HR offices).

RIF Planning & Implementation. Services to execute workforce reductions in compliance with regulatory requirements.

Since agencies are responsible for providing employees their substantive retention rights during a RIF, OPM provides technical consultation across the full RIF lifecycle:

- Organizational readiness evaluation for RIF actions
- Technical consultation to managers, employees, and HR offices
- Data reviews and validations
- Competitive level coding
- Position description updates
- Agency access to an automated RIF tool including setup, user training, and technical support for building retention registers, determining assignment rights, running mock RIFs, and generating notices

- Job analysis and skills-based assessment support, including structured résumé review and structured interview tools, for qualification determinations under 5 CFR 351.702 and 330.202
- Custom RIF training workshops (fundamentals, regulations, procedures, real-world application)

Results-Based Career Transition Services. Supports employees affected by reshaping actions through:

- Career exploration workshops
- Job search strategy training
- Resume writing and interview coaching
- One-on-one career counseling
- Full event logistics (setup, marketing, skills summaries) handled by OPM

Post-Reshaping Stabilization. Services to help the agency stabilize and strengthen its workforce after reshaping is complete.

Succession Planning. Addresses the shortage of technical expertise and skilled managers that often follows downsizing:

- Development of a tailored succession plan
- Identification of key positions
- Assessment of critical competencies
- Selection tools
- Training and development plans

Workforce Retention. Helps agencies address underlying organizational issues driving turnover after reshaping:

- Assessment of organizational climate
- Evaluation of management's role in reducing turnover
- Selection and assimilation of new employees
- Employee satisfaction surveys
- Employment and workplace flexibilities
- Metrics development to monitor and evaluate retention strategy effectiveness

Appendix R: Tenure Groups and Subgroups Quick Reference

This appendix consolidates, in table form, the tenure groups and subgroups used to establish retention standing, the veterans' preference subgroups, and the employees who do not compete in a reduction in force. It summarizes Chapter III and is a quick-reference companion to Appendix I, Preparing and Using Retention Registers. It does not create, modify, or waive any requirement. Where this appendix and the regulation differ, the regulation controls.

Which version of the regulations applies. This appendix reflects the RIF regulations as revised by the final rule published at 91 FR 49178 (August 3, 2026), effective September 2, 2026. An agency that issued a RIF notice before September 2, 2026 must process that RIF under the regulations in effect when it issued the notice. Section 7 sets out the principal differences.

Section 1: How Retention Standing Is Established

The four statutory retention factors are implemented on the retention register in the following order: performance, through each employee's numerical performance credit, is the primary factor; veterans' preference points are added directly to the performance credit; the tenure subgroup breaks ties between employees with the same total credit, with Subgroup I ahead of Subgroup II; and length of service, through the employee's actual service computation date, breaks any remaining tie, with the earlier date ranking higher.

Employees are placed on a retention register according to whether they are in the competitive service tenure group or the excepted service tenure group, and a separate register is created for each. Tenure group and tenure subgroup are distinct concepts and the terms are not interchangeable.

Section 2: Competitive Service Tenure Group

The competitive service tenure group consists of all competitive service employees who, as of the date of the RIF notice, are not serving an initial probationary period or a temporary or time-limited appointment of 1 year or less under 5 CFR part 316. The regulations define two competitive service tenure subgroups.

Competitive Service — Subgroup I		
Each career employee who, as of the date of the RIF notice, is not serving an initial competitive service probationary period. The employees listed below enter Subgroup I as soon as they complete any required probationary period for initial appointment.		
Appointment Type	**Description**	**Reference**
Career appointment	Each career employee who, as of the date of the RIF notice, is not serving an initial competitive service probationary period. A probationary period required for a supervisory or managerial position does not affect the tenure group designation.	Ch. III, Sec. I
Pending career tenure (E.O. 10826)	An employee for whom substantial evidence exists of eligibility to immediately acquire status and career tenure and whose case is pending final resolution by OPM, including cases under Executive Order 10826 to correct certain administrative errors. In Subgroup I as soon as any required probationary period for initial appointment is complete.	Ch. III, Sec. I
Position brought into the competitive service	An employee who acquires competitive status and satisfies the service requirement for career tenure when his or her position is brought into the competitive service. In Subgroup I upon completion of any required probationary period for initial appointment.	Ch. III, Sec. I
Administrative Law Judge (pre-Schedule E)	An administrative law judge appointed prior to establishment of excepted service Schedule E who remains in the competitive service. Administrative law judges are also subject to the modified RIF procedures in 5 CFR part 930, which do not consider performance in determining retention standing.	Ch. III, Secs. C and I
5 U.S.C. 3104 — scientific or professional	An employee appointed under section 3104 of title 5, United States Code, which provides for the employment of specifically qualified scientific and professional personnel, or a similar authority. In Subgroup I upon completion of any required probationary period for initial appointment.	Ch. III, Sec. I; 5 U.S.C. 3104
5 U.S.C. 3304(c) — legislative or judicial transfer	An employee who acquires status under section 3304(c) of title 5, United States Code, on transfer to the competitive service from the legislative or judicial branches of the Federal Government. In Subgroup I upon completion of any required probationary period for initial appointment.	Ch. III, Sec. I; 5 U.S.C. 3304(c)

Competitive Service — Subgroup II		
Each competitive service employee who, as of the date of the RIF notice, is not in Subgroup I and is not serving an initial probationary period or a temporary appointment of 1 year or less under subpart D of part 316.		
Appointment Type	**Description**	**Reference**
Career-conditional appointment (probation complete)	A career-conditional employee who has completed the initial probationary period but has not yet obtained career tenure.	Ch. III, Sec. I
Other competitive service employees not in Subgroup I	Each competitive service employee who, as of the date of the RIF notice, is not in competitive service tenure subgroup I and is not serving an initial probationary period or a temporary appointment of 1 year or less under subpart D of part 316.	Ch. III, Sec. I

Section 3: Excepted Service Tenure Group

The excepted service tenure group consists of excepted service employees occupying a career position, as defined in 5 CFR 213.101, who are not serving a trial period and are not serving in a temporary or time-limited appointment of 1 year or less. The regulations define two excepted service tenure subgroups. Employees on excepted service Schedule C or Schedule G appointments are not competing employees in a RIF.

Excepted Service — Subgroup I		
Each permanent excepted service employee who, as of the date of the RIF notice, is not serving a trial period and whose appointment does not carry restrictions or conditions.		
Appointment Type	**Description**	**Reference**
Permanent excepted appointment carrying no restriction or condition	Each permanent excepted service employee who, as of the date of the RIF notice, is not serving a trial period and whose appointment does not carry restrictions or conditions such as conditional, indefinite, specific time limit, or trial period.	Ch. III, Sec. I
Effect of the hiring authority used	Placement turns on the terms of the appointment rather than on the schedule or authority used to make it. A Schedule A or Schedule B appointment that is permanent and carries no restriction, condition, or time limit falls in Subgroup I; the same authority used to make a conditional or time-limited appointment does not.	Ch. III, Sec. I

Excepted Service — Subgroup II		
All other excepted service employees on permanent appointments who are not serving a trial period and are not on a temporary or time-limited appointment of 1 year or less.		
Appointment Type	**Description**	**Reference**
Tenure equivalent to a career-conditional appointment	All other excepted service employees on permanent appointments who, as of the date of the RIF notice, are not serving a trial period, are not serving on a temporary or time-limited appointment of 1 year or less, and whose tenure is equivalent to a career-conditional appointment in the competitive service in agencies having these appointments.	Ch. III, Sec. I

Section 4: Veterans' Preference Subgroups

The RIF regulations define three veterans' preference subgroups. The same subgroups are used for positions filled under competitive and excepted appointments. Veterans' preference is applied by adding points to a competing employee's performance credit score, and an employee's veterans' preference subgroup is listed on the retention register.

Veterans' Preference Subgroups — Both Services		
Subgroup	**Description**	**Reference**
Subgroup AD	Each veterans' preference-eligible employee who has a compensable service-connected disability of 30 percent or more.	Ch. III, Sec. K
Subgroup A	Each veterans' preference-eligible employee not in subgroup AD, including all employees eligible for derivative preference under section 2108(3)(D)-(G) of title 5, United States Code.	Ch. III, Sec. K; 5 U.S.C. 2108(3)(D)-(G)
Subgroup B	Each employee not eligible for veterans' preference under the RIF regulations.	Ch. III, Sec. K

Section 5: Employees Excluded from RIF Competition

An employee on one of the following appointments is covered by the RIF regulations but is not a competing employee for purposes of a reduction in force. An agency may retain such an employee while releasing a competing employee. The agency may also furlough, separate, demote, or reassign this employee if the release is due to lack of work, shortage of funds,

insufficient personnel ceiling, reorganization, or the exercise of reemployment or restoration rights. In these cases the agency does not need to determine retention standing, apply order-of-release provisions, or provide assignment rights, as long as the action follows the terms of the appointment and applicable law. Employees who do not compete in a RIF are assigned Tenure Code 0 when the agency documents their appointment.

Not on the Retention Register — Tenure Code 0		
Service	**Appointment**	**Reference**
Competitive service	An employee serving under an indefinite appointment who is serving an initial probationary period.	Ch. III, Sec. C
Competitive service	A career-conditional employee serving an initial probationary period.	Ch. III, Sec. C
Competitive service	An employee serving under a temporary appointment of 1 year or less.	Ch. III, Sec. C
Excepted service	An employee serving under a temporary or time-limited appointment limited to 1 year or less.	Ch. III, Sec. C
Excepted service	An employee serving a trial period.	Ch. III, Sec. C
Excepted service	An employee serving under a Schedule C or Schedule G appointment.	Ch. III, Secs. C and I

Section 6: Employees Excluded from Coverage of the RIF Regulations

The employees below are outside the coverage of the RIF regulations altogether, which is a different matter from being covered but excluded from competition under Section 5.

Not Covered by Part 351		
Category	**Description**	**Reference**
Senate-confirmed appointee	An employee whose appointment is required by Congress to be confirmed by, or made with the advice and consent of, the United States Senate.	Ch. III, Sec. C
Senior Executive Service	A member of the Senior Executive Service.	Ch. III, Sec. C

Not Covered by Part 351		
Category	**Description**	**Reference**
Position outside the executive branch	An employee in a position outside the executive branch, except for a position that is subject by statute to competitive service requirements or is determined by the appropriate legislative or judicial administrative body to be covered by the RIF regulations.	Ch. III, Sec. C
National Guard Technician	A National Guard Technician.	Ch. III, Sec. C
Reemployed annuitant	A reemployed annuitant, unless the appointing officer determines that the annuitant may compete under the RIF regulations. If the agency does not separate the annuitant prior to a RIF, the agency determines the annuitant's retention standing on the basis of the annuitant's appointment.	Ch. III, Sec. C
Foreign national employee	A foreign national employee appointed under programs authorized by section 408 of the Foreign Service Act of 1980, which may include special plans for RIF.	Ch. III, Sec. C; 22 U.S.C. 3968
Public Health Service member	A member of the Public Health Service, who is a member of a uniformed service and not a civilian employee covered by the RIF regulations.	Ch. III, Sec. C
Nonappropriated Fund employee	A Department of Defense Nonappropriated Fund employee, who competes for retention with other NAF employees on the basis of agency-specific RIF procedures.	Ch. III, Sec. C
Demonstration project or alternative personnel system	Some employees included in an alternative personnel system authorized as a demonstration project or similar alternative personnel system. The implementing regulations and related issuances document any applicable modified RIF procedures.	Ch. III, Sec. C
VA part-time health care professional	A part-time health care professional of the Department of Veterans Affairs appointed under authority of section 7405(a)(1) of title 38, United States Code, who is excluded from civil service laws, rules, and regulations, including the RIF regulations.	Ch. III, Sec. C; 38 U.S.C. 7405(a)(1)

Section 7: RIFs Noticed Before September 2, 2026

An agency that issued a RIF notice before September 2, 2026 processes that RIF under the regulations in effect on the date of the notice. The principal differences are summarized below.

Element	Noticed on or after Sept. 2, 2026	Noticed before Sept. 2, 2026
Number of tenure groups	Two — the competitive service tenure group and the excepted service tenure group. A separate retention register is maintained for each.	Three competitive service tenure groups and three excepted service tenure groups.
Subgroups	Two subgroups within each tenure group — Subgroup I and Subgroup II.	Three tenure subgroups.
Order of the retention factors	Performance credit is the primary factor; veterans' preference is added to it as points; tenure subgroup breaks ties between equal totals; service computation date breaks any remaining tie.	Tenure first, through three tenure groups; veterans' preference second, through three tenure subgroups; length of service third, through the service computation date; and performance fourth, through additional retention service credit added to that date.
Indefinite, term, status quo, and provisional appointments	Competing employees in competitive service tenure subgroup II once any initial probationary period is complete, unless serving a temporary appointment of 1 year or less (5 CFR 351.502(a)(3)). Only the categories listed in Section 5 of this appendix are excluded from competition.	Competing employees in tenure group III, subject to the tenure group III restrictions on assignment rights described in Chapter IV.
Temporary limited appointments	Excluded from RIF competition and assigned Tenure Code 0 when the agency documents the appointment.	Assigned the tenure group “0” designation.
Determining which version applies	An agency that issues a RIF notice on or after September 2, 2026 applies the revised regulations.	An agency that issued a RIF notice before September 2, 2026 must process that RIF under the regulations in effect when it issued the notice.

Appendix S: Glossary of Terms

Agency (for purposes of the RIF, RPL, CTAP and ICTAP regulations). An Executive agency as defined in section 105 of title 5, United States Code, along with the Government Publishing Office, but not including the Government Accountability Office.

Agency (for purposes of identifying components in the local commuting area). An Executive department, a government corporation, and an independent establishment. "Agency" includes all components of an organization in the local commuting area, including an agency's Office of Inspector General. The U.S. Postal Service, Tennessee Valley Authority, and other quasi-governmental organizations, as well as legislative and judicial branch agencies, are not considered "agencies" under the CTAP/ICTAP regulations.

Assignment Right. The right of a competing employee who is identified for release to be assigned to a position in a different competitive level held by an employee with lower standing on a retention register.

Change in Duty Station. The movement of an employee's office to a new geographic location with no other change. The intra-agency geographic relocation of personnel documented by a "change in duty station" personnel action may or may not meet the definition of a transfer of function under the regulations.

Competing Employee. An employee in the competitive service tenure group or the excepted service tenure group.

Competitive Area. The organizational and geographic boundaries within which employees compete in a RIF. A competitive area must be defined in terms of the agency's organizational unit or units as established on the agency's official organizational chart, except that an agency may define a geographic location as a separate competitive area.

Competitive Level. A group of positions in the same grade and classification series that have similar duties and other requirements.

Competitive Service. All civil service positions in the executive branch, except (1) positions which are specifically excepted from the competitive service by or under statute; (2) positions to which appointments are made by nomination for confirmation by the Senate, unless the Senate otherwise directs; and (3) positions in the Senior Executive Service

Competitive Service Tenure Group. All employees in competitive service tenure subgroups I or II.

Component. The first major subdivision of an agency that is separately organized and clearly distinguished from other components in work function and operation. For example, the Internal Revenue Service under the Department of the Treasury, the National Park Service under the Department of the Interior, and the Department of the Army under the Department of Defense.

Current Rating of Record. The rating of record for the most recently completed appraisal period.

Days. Calendar days.

Displaced Employee. An employee in one of the following categories:

A current competitive service employee of any agency in the competitive service tenure group at grade GS–15 (or equivalent) or below (or another qualifying competitive service appointment, as determined by OPM) whose current performance rating of record is at least fully successful (Level 3) or equivalent and who has received:

- A specific notice of separation by RIF; or
- A written notice of proposed removal (including a final decision) by adverse action for declining a directed reassignment, transfer of function, or other similar reason, outside of the employee's current local commuting area.

"Displaced employee" also means a current Senior Executive Service member serving in the executive branch on an excepted service appointment without time limit who is eligible for both noncompetitive appointment and special selection priority by statute for positions in the competitive service, and has received:

- A specific notice of separation by RIF; or
- A written notice of proposed removal (including a final decision) by adverse action for declining a directed reassignment or transfer of function outside of the employee's current local commuting area, or for another similar reason.

A former competitive service employee of any agency who was in the competitive service tenure group at grade GS–15 (or equivalent) or below (or another qualifying competitive service appointment, as determined by OPM), and whose last performance rating of record was at least fully successful (Level 3) or equivalent who was either:

- Separated by RIF under 5 CFR 351 and did not decline an offer under 351 subpart G of a similar position; or
- Separated under 5 CFR 752 for declining a directed geographic relocation outside the local commuting area (e.g., a directed reassignment or a change in duty station).

Eligible Employee. A displaced employee, or a surplus employee who also meets the qualifying conditions for selection priority under CTAP or ICTAP.

Excepted Service. Civil service positions that are not in the competitive service or the Senior Executive Service.

Excepted Service Tenure Group. All employees in excepted service tenure subgroups I or II.

Function. All or a clearly identifiable segment of an agency's mission, including all integral parts of that mission, regardless of how it is performed.

Furlough under the RIF Regulations. The placement of an employee in a temporary nonduty and pay status for more than 30 consecutive calendar days, or more than 22 workdays if done on a discontinuous basis over a period not exceeding 1 year. It does not refer to an emergency shutdown furlough caused by a lapse in congressional appropriations where the ultimate duration of the furlough is not known by the agency at the outset of the furlough.

Furlough under the Adverse Action Regulations. The placement of an employee in a temporary nonduty and non-pay status for 30 continuous days or less, or 22 discontinuous workdays or less.

Government Obligation. A legal or moral duty or action an agency takes or may take towards a competing employee, whether the duty is imposed by law, contract, promise, social relations, courtesy, kindness, or morality. A Government obligation may include, for example, retaining an employee to enable the employee to maintain and use health insurance during the pregnancy of the employee or the employee's spouse until the birth of a child, or allowing an employee to use available paid parental leave to care for a newly born child or a child newly placed with the employee for adoption.

Initial Probationary Period. The probationary period described in section 11.2 of title 5, Code of Federal Regulations. It does not include the probationary period applicable on initial appointment to a supervisory or managerial position described in subpart I of part 315.

Local Commuting Area. The geographic area that usually constitutes one area for employment purposes, as determined by the agency. It includes any population center (or two or more neighboring ones) and the surrounding localities in which people live and can reasonably be expected to travel back and forth daily to their usual employment.

Mass Transfer. The movement of an employee and his or her position to a different agency when an organizational change (such as a transfer of function) takes place, and there is no change in the employee's position, grade, or pay.

Military Spouse. A spouse of a member of the armed forces (service member), as defined in section 315.612(b)(4)(i) of title 5, Code of Federal Regulations.

Modal Rating. The summary rating level assigned most frequently among the actual ratings of record that are assigned under the summary level pattern applying to the employee's position of record on the date of the RIF; given within the same competitive area, or at the agency's option within a larger subdivision of the agency or agencywide; and on record for the most recently completed appraisal period before the date the agency issues RIF notices or before the agency's cutoff date.

RIF Notice. A written communication from an agency official to an individual employee stating that the employee will be reached for a RIF action.

Rating of Record. The performance rating prepared at the end of an appraisal period for performance of agency-assigned duties over the entire period and the assignment of a summary level within a pattern (as specified in section 430.208(e) of title 5, Code of Federal Regulations). For an employee not subject to chapter 43 of title 5, United States Code, or to part 430 of title 5, Code of Federal Regulations, "rating of record" means the officially designated performance rating, as provided for in the agency's appraisal system, that is considered to be an "equivalent rating of record" under section 430.201(c) of title 5, Code of Federal Regulations.

Realignment. The movement of an employee and his or her position when an organization change (such as reorganization or transfer of function) occurs, the employee stays in the same agency, and there is no change in the employee's position, grade or pay.

Reduction in Force. The release of a competing employee from his or her competitive level by furlough, separation, or demotion, or reassignment requiring displacement, when the release is required because of lack of work; shortage of funds; insufficient personnel ceiling; reorganization; or the exercise of reemployment rights or restoration rights.

Released Employee. A competing employee identified in an abolished position who may be subject to separation, demotion or reassignment.

Reorganization. The planned elimination, addition, or redistribution of functions or duties in an organization.

Representative Rate.

(1) the fourth step of the grade for a position under the General Schedule, using the locality rate authorized by section 5304 of title 5, United States Code, and subpart F of part 531 of title 5, Code of Federal Regulations, for General Schedule positions;

(2) the prevailing rate for a position covered by a wage-board or similar wage-determining procedure, such as provided in the definition of representative rate for Federal Wage System positions in 5 CFR 532.401;

(3) for positions in a pay band, the rate or rates the agency designates as representative of that pay band or competitive levels within the pay band, including any applicable locality payment authorized by section 5304 of title 5, United States Code, and subpart F of part 531 of title 5, Code of Federal Regulations, or equivalent payment under other legal authority; and

(4) for other positions (e.g., positions in an unclassified pay system), the rate designated by the agency as representative of the position, including any applicable locality payment authorized by section 5304 of title 5, United States Code, and subpart F of part 531 of title 5, Code of Federal Regulations, or equivalent payment under other legal authority.

Restoration Protected Employee. A competing employee restored or reemployed following uniformed service who, as of the date of a specific RIF notice, remains entitled to retention for 6 months or 1 year after restoration.

Retention Register. A list of competing employees in a single competitive level, in the order of their relative retention standing. A separate register is maintained for the competitive service tenure group and for the excepted service tenure group. Within each register, employees are listed by performance credit in descending order as augmented by veterans' preference, with tenure subgroup and then the service computation date used to break ties. No retention register is required when all positions in the competitive area are being abolished within 180 days (5 CFR 351.605).

Retention Service Date. See Service Computation Date (SCD) for RIF. Agencies calculate this based upon an employee's length of creditable service, both civilian and military. Performance is credited separately as a numerical performance credit and is not added to the retention service date.

Retention Standing. An employee's relative standing on a retention register based on tenure, performance, veterans' preference, and length of service.

Service Computation Date (SCD) for RIF. The date an agency establishes for each employee competing for retention, based on the employee's length of creditable civilian and military service. The SCD is used as the final tie-breaker in retention standing, after performance credit as augmented by veterans' preference and after tenure subgroup. Performance is credited separately as a numerical performance credit and is not added to the SCD. Throughout the handbook the terms SCD and SCD for RIF are used interchangeably,

Skills-Based Assessment (for assignment). An assessment used to determine whether a released employee has the capacity, adaptability, and special skills needed to perform the duties of a position without undue interruption. It must allow for demonstration of job-related skills, abilities, knowledge, and competencies; be based on a job analysis; and not consist solely of, or principally rely on, an automated self-assessment (5 CFR 351.702(a)(4)). See Chapter IV, Section H.

Special Selection Priority. The regulatory right of an eligible surplus or displaced individual to a position under CTAP or ICTAP. An employee eligible for this selection priority must be selected over any other internal or external candidate for vacancies in the local commuting area if the individual applies for the vacancy, and the agency finds that the individual is well-qualified for the vacancy.

Surplus Employee. See definition of "displaced employee." "Surplus employee" does not include an employee displaced from an Administrative Law Judge or Senior-Level (SL) position because these positions are above GS-15.

Tenure. The period of time an employee may reasonably expect to serve under a current appointment.

Transfer of Function. The transfer of the performance of a continuing function from one agency to another agency, except when the function involved is virtually identical to functions already being performed in the other agency affected.

Trial Period. The trial period described in section 11.3 of title 5, Code of Federal Regulations.

Undue Interruption. A degree of interruption that would prevent the completion of required work by the employee 90 days after the employee has been placed in a different position under the RIF regulations. The 90-day standard should be considered within the allowable limits of time and quality, taking into account the pressures of priorities, deadlines, and other demands. However, a work program would generally not be unduly interrupted even if an employee needed more than 90 days after the RIF to perform the optimum quality or quantity of work. The 90-day standard may be extended if placement is made under the RIF regulations to a low-priority program, or to a vacant position.

Vacancy. A competitive service position that the agency is filling for a total of 121 days or more, including all extensions. "Days" in the definition of "vacancy" means the number of calendar days for which the position is established, not the number of actual days the incumbent will work. This definition applies to CTAP/ICTAP regardless of whether the agency issues a specific vacancy announcement for the position.

Well-Qualified Employee. An eligible employee who possesses knowledge, skills, and abilities that clearly exceed the minimum qualification requirements for the vacant position. A well-qualified employee:

1. Will not necessarily meet the agency's definition of highly or best qualified, when evaluated against other candidates who apply for a particular vacancy;
2. Must meet all applicable conditions, as determined by the agency in a uniform and consistent process;
3. Meets the basic qualification standards and eligibility requirements for a position, including any medical or physical qualifications, suitability, and minimum educational and experience requirements;
4. Meets one of the following two qualification requirements:
5. Meets all selective factors where applicable, and appropriate quality rating factor levels as determined by the agency; or
6. Is rated by the agency to be above minimally qualified in accordance with the agency's specific rating and ranking process;
7. Is physically qualified, with reasonable accommodation where appropriate, to perform the essential duties of the position;
8. Meets any special qualifying conditions that OPM has approved for the position; and;
9. Is able to satisfactorily perform the duties of the position upon entry.

An agency may not set selective and quality ranking factors that are so restrictive that the result interferes with the goal of placing displaced employees. Factors expressed solely in terms of grade point average, class standing, and/or academic credentials or courses that exceed minimum qualification standards are overly restrictive and cannot be used. In the absence of selective and quality ranking factors, selecting officials must document the job-related reasons the eligible employee is or is not considered to be well-qualified.

A well-qualified employee who is rated by the agency to be above minimally qualified in accordance with the agency's specific rating and ranking process may or may not meet the agency's test for highly qualified but would in fact exceed the minimum qualifications for the position. Under examining procedures where a specific point score (such as 70 points) is assigned to candidates meeting minimum qualification requirements, a candidate would have to score higher than this minimum score in order to be considered well-qualified.

Workforce Reshaping Tool (WRT). OPM's web-based automated RIF application, available to agencies through OPM's reimbursable services, that validates employee data, builds

retention registers, applies performance credit and veterans' preference points, determines assignment rights, supports mock RIFs, and generates notices.

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