



Administration
& Management

OFFICE OF THE SECRETARY OF DEFENSE
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WASHINGTON, DC 20301-1950

July 20, 1984

Incorporating Change 1, December 4, 1984

ADMINISTRATIVE INSTRUCTION NO. 71

SUBJECT: Reduction in Force

- References:
- (a) Administrative Instruction No. 71, "Reduction in Force," August 20, 1981 (hereby canceled)
 - (b) Federal Personnel Manual, Chapter 351, "Reduction in Force"
 - (c) [DoD Directive 1400.16](#), "Inter-Departmental Civilian Personnel Administration Support," October 30, 1970
 - (d) [DoD Directive 1400.20](#), "DoD Program for Stability of Civilian Employment," June 16, 1981
 - (e) DoD 1400.20-1-M, "DoD Program for Stability of Civilian Employment," September 1977

1. REISSUANCE AND PURPOSE

This Instruction reissues reference (a) to update and implement basic policies and procedures outlined in references (b), (c), and (d); and to assign responsibilities and provide guidance and procedures for use in effecting a reduction in force (RIF).

2. APPLICABILITY AND SCOPE

2.1. This Instruction applies to civilian employees within all organizational entities of the Office of the Secretary of Defense (OSD), the Organization of the Joint Chiefs of Staff (OJCS), and other organizations assigned to the Washington Headquarters Services (WHS) for administrative support.

2.2. The provisions of this Instruction do not apply to employees in the Senior Executive Service.

2.3. The scope of competition for RIF purposes includes organizational entities and geographical locations (competitive areas) in which employees compete. For the purpose of this Instruction, competitive areas are positions *geographically located in the Washington metropolitan area in OSD, WHS, and* other organizations assigned to WHS for administrative support, excluding positions:

2.3.1. Located at the U.S. Court of Military Appeals, Washington, DC;

2.3.2. Located in the Defense Audiovisual Agency, Washington, DC;

2.3.3. Located in the Inspector General, Department of Defense, Washington, DC;

2.3.4. *Located in the OJCS, Washington, DC.*

2.4. The competitive area for positions outside the Washington metropolitan area is all positions in the commuting area serviced by the same civilian personnel office.

3. POLICY

3.1. Maximum advance planning shall be conducted before a RIF is ordered and every effort extended to ensure minimum adverse effect on employees. Employees impacted by a RIF shall be afforded placement opportunity, consistent with their rights and sound management.

3.2. Positions may not be abolished for the sole purpose of removing unsatisfactory employees.

3.3. Successor positions of those abolished will not be established for a period of 6 months.

3.4. Surplus employees in a competitive level in which a vacancy exists shall be assigned administratively to that vacancy.

3.5. Surplus employees shall be reassigned administratively to a vacancy in a competitive level into which they can bump or retreat, or to a vacancy in a competitive level in which the employee they would displace could bump or retreat, provided they are qualified for that vacancy.

3.6. Surplus employees may be considered for other vacant positions; however, placement in such positions is at management's option.

4. RESPONSIBILITIES

4.1. The Director, Personnel and Security (P&S), Washington Headquarters Services, shall:

4.1.1. Determine retention rights, identify employees affected by a RIF, and effect necessary personnel, position, or pay actions.

4.1.2. Maintain the records necessary to determine the retention standing of competing employees.

4.1.3. Keep employees and management informed of when and where retention registers may be examined, what are the appeal procedures, and provide applicable reference material upon request.

4.2. Supervisors shall:

4.2.1. Organize work and assign duties and responsibilities to subordinates.

4.2.2. Determine which organizations and positions are affected by changes in authorization, mission, and skill requirements.

4.2.3. Reduce the adverse effects of a RIF on employees to a minimum.

4.2.4. Keep employees informed of RIF plans and actions that affect them on their jobs.

4.2.5. Prevent the use of a RIF to eliminate unsatisfactory employees.

4.2.6. Submit a Standard Form (SF) 52, "Request for Personnel Action," to the Director of P&S, WHS, for each position to be abolished. For positions located in the OJCS, submit an SF 52 through the Civilian Personnel Office, OJCS.

5. PROCEDURES

5.1. Upon receipt of an SF 52 to abolish a position or positions, the Director of P&S, WHS, shall determine the appropriate competitive area and request retention registers.

5.2. Retention registers group competitive and excepted employees separately by competitive level and, within each competitive level, by group and subgroup. Competing employees (those serving with satisfactory or better performance ratings under appointments not limited to 1 year or less) are classed in groups and subgroups on the basis of tenure of employment and veterans' preference. The descending order of retention standing by group is group I, group II, and group III. Within each group, the order is subgroup AD, subgroup A, and subgroup B. Within each subgroup, the order begins with the earliest service computation date. Following are listed the groups and subgroups applicable to the competitive service:

5.2.1. Group I includes each career employee who is not serving a probationary period. An employee's tenure may not be changed because he or she is serving a probationary period as a supervisor or manager.

5.2.2. Group II includes each career employee serving an initial appointment probationary period and each career-conditional employee.

5.2.3. Group III includes each indefinite employee, each employee serving under a temporary appointment pending establishment of a register, each employee in a status quo, each employee on a term appointment, and each employee serving under other nonstatus contemporary appointments.

5.2.4. Subgroup AD includes each preference-eligible employee who has a compensable Service-connected disability of 30 percent or more.

5.2.5. Subgroup A includes each preference-eligible employee not included in subgroup AD.

5.2.6. Subgroup B includes each nonpreference-eligible employee.

5.3. Following are listed the groups applicable to employees in the excepted service. Subgroups for excepted employees are the same as those for employees in the competitive service.

5.3.1. Group I includes each permanent employee who has completed a trial period or is not required to serve a trial period whose appointment carries no restriction, condition, or time limitation.

5.3.2. Group II includes each employee serving a trial period.

5.3.3. Group III includes each employee not covered above.

5.4. Within a subgroup, length of service is the primary basis for ranking employees. The length of service is extended 4 years for a current outstanding performance rating.

5.5. Employees are released from their competitive level by order of their group and subgroup in inverse order, from low to high, such as, group IIIB before IIIA, all group III before group II.

5.6. Group III employees are separated; they have no further rights.

5.7. Groups I and II competitive service employees begin second-round competition when reached for release from their competitive level. A group I or II employee must be assigned with his or her consent to a continuing position for which qualified, or be furloughed or separated, in that order.

5.8. The right of an employee in the competitive service to a position in another competitive level depends on:

5.8.1. The existence of a position occupied by another employee in a lower subgroup whom the RIFed employee can displace; and

5.8.2. The RIFed employee's qualifications for the other position. When both conditions are met, the employee must be offered that position or one of equal grade and tenure. An employee has no right to a position at a higher grade.

5.9. When a better offer is not possible, a group I or II competitive service employee may retreat to a position from which or through which he or she was promoted, and which is occupied by an employee with a later service computation date. During the exercise of retreat rights, a group I and II employee can displace an employee with a lower retention standing in the same subgroup.

5.10. For the excepted service, when an employee in a competitive level is surplus, the employee who is lowest on the retention register is reached for a RIF. The

employee affected may not bump or retreat as is permitted for employees in the competitive service.

5.11. Each employee reached for release from his or her competitive level shall receive a written notice at least 60 days in advance of such release.

5.11.1. The employee's notice shall contain:

5.11.1.1. The specific action intended.

5.11.1.2. The effective date of that action.

5.11.1.3. The employee's subgroup and service computation date.

5.11.1.4. The employee's competitive level.

5.11.1.5. The competitive area.

5.11.1.6. The location where the regulations maybe inspected.

5.11.1.7. An explanation of why any lower-standing employee is retained in his or her competitive level for more than 30 days.

5.11.1.8. A notice of appeal rights to the Merit Systems Protection Board (MSPB), the time limits for appeal, and where to send the appeal.

5.11.2. Generally, employees shall be kept in duty status during the notice period. For employees separated outside the continental United States who are entitled to return transportation, the travel time may be counted as all or part of the notice period.

5.11.3. Employees who receive an advance notice of their separation as a result of a RIF shall, upon their request, be carried in an annual leave or a leave without pay status for such additional time as is necessary to provide a 90-day notice period before separation.

5.12. Employees are eligible for the following rights and benefits:

5.12.1. An employee who is reached for RIF action may be eligible for and elect an immediate retirement annuity if he or she is age 50 and has at least 20 years of creditable service or, regardless of age, if he or she has 25 years of creditable service of which at least 5 years is civilian service. To be eligible, the employee must not have declined a reasonable offer for which qualified. A reasonable offer is a position:

5.12.1.1. In the employee's commuting area (unless serving under a mobility agreement);

5.12.1.2. Of the same tenure and work schedule; and

5.12.1.3. Not more than 2 grades below the employee's current position. There shall be a 2 percent reduction in the annuity for each full year the employee is under age 55.

5.12.2. An employee who is changed to a lower grade by a RIF action is entitled to retained grade if he or she has held a higher grade position for at least 52 calendar weeks. Employees who do not meet this requirement may be entitled to pay retention.

5.12.3. Basic and optional life insurance coverages terminate as of the date of separation. However, coverage (not accidental death or dismemberment) continues for 31 days thereafter. This temporary extension is granted to give the employee an opportunity to convert to an individual policy without evidence of insurability. Health benefits terminate on the last day of the pay period in which separation occurs. However, like life insurance, a 31-day extension is granted.

5.13. Placement assistance is provided as follows:

5.13.1. Reemployment priority lists shall be maintained for employees in group I for 2 years and group II for 1 year.

5.13.2. Employees in the competitive service or in the excepted service with personal competitive status, subject to involuntary separation on account of RIF or failure to accompany an activity in a functional transfer, shall be registered under the provisions of DoD 1400.20-1-M (reference (e)). Employees in receipt of RIF notices offering changes to lower grade with entitlement to grade retention are eligible to be registered into Program "A" of DoD 1400.20-1-M (reference (e)) during the specific notice period. They may be registered for the current grade and for as many as three grades below the current grade down to but not including the RIF demotion grade for referral to vacancies within and outside the employees' commuting area. At the

expiration of this specific notice period the employee shall be deleted from Program "A" and registered in Program "R." Employees scheduled for separation under RIF, or declination of a transfer of function outside the commuting area, shall remain in the Priority Placement Program until placed, otherwise deleted, or for 12 months after the date of separation, whichever occurs first. Program "R" registrants remain registered as long as they retain eligibility for retained grade.

5.13.3. Tenure groups I and II employees in the competitive service, or in the excepted service who have competitive status, may apply to the Office of Personnel Management for registration in the Displaced Employee Program upon receipt of a separation notice. This program provides employees with consideration for vacant positions in other Agencies or other geographical areas.

6. APPEALS

An employee who believes that RIF procedures have not been applied properly may appeal the action to the MSPB. Such an appeal must be in writing and must be submitted to the appropriate office of the MSPB within 20 calendar days after the effective date of the action.

7. EFFECTIVE DATE

This Instruction is effective immediately.



D. O. Cooke
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