ARMY REGULATION
NO. 690-351-1

HEADQUARTERS
DEPARTMENT OF THE ARMY
WASHINGTON, DC, *7 February 1992*

Civilian Personnel

REDUCTION IN FORCE

Effective upon receipt

This is a new regulation on reduction in force that replaces Army guidance currently contained in chapter 351 of AR 690-300.

Executive Summary

1. Purpose. This regulation supplements corresponding material in Federal Personnel Manual (FPM) Supplement 351-1 (Reduction in Force) and must be used with that Supplement.

2. Applicability. This regulation prescribes policies and procedures applicable to Army civilian employees, including USAR technicians, except where such policies and procedures are modified by AR 140-315. This regulation does not apply to Army National Guard technicians employed under the provisions of 32 USC 709 unless specifically made applicable by the NGB. Nor does this regulation apply to Senior Executive Service employees.

3. Filing instructions.

a. File the attached pages (listed below) with the corresponding sections of FPM Supplement 351-1.

Page
i thru ii
1-1 through 1-2
3-1
5-1
6-1
7-1
B-1

b. File this transmittal sheet immediately in front of FPM Supplement 351-1.

4. Army regulations in the 690 series that are interfiled with the FPM use the following mechanical aids to assist readers:

a. A row of asterisks(*) is used to alert the reader that, at that point, there is material in the FPM that HQDA is not supplementing.

b. A double dagger (‡) appearing before a major division (i.e., chapter, subchapter, paragraph, or subparagraph) means there is no corresponding division in the FPM.

c. When revised pages are issued—

(1) New or changed material is indicated by a right-hand arrow (➡) at the beginning and a left-hand arrow (⬅) at the end.

(2) The deletion of text is indicated by two stars (★).

*This regulation supersedes chapter 351 of AR 690-300.

The proponent agency of this regulation is the Office of the Deputy Chief of Staff for Personnel. Users are invited to send comments and suggested improvements on DA Form 2028 (Recommended Changes to Publications and Blank Forms) directly to HQDA(DAPE-CP), WASH, DC 20310-0300.

By Order of the Secretary of the Army:

GORDON R. SULLIVAN
General, United States Army
Chief of Staff

Official:

MILTON H. HAMILTON
Administrative Assistant to the
Secretary of the Army

DISTRIBUTION:
Distribution of this publication is made in accordance with the requirements on DA Form 12-09-E, block number 5310, intended for command level A for Active Army, Army National Guard, and U.S. Army Reserve.

Reduction in Force

Contents

SUBCHAPTER S1. Management Aspects of Reduction in Force (RIF)

* * * * *

S1-4. Placement Assistance for Employees
‡S1-5. Management Considerations
‡S1-6. Prior Approval of Reduction, Realignment, and Other Actions
‡S1-7. Policy on Contractual Arrangements Resulting in Reduction in Force
‡S1-8. Policy for Foreign Commands

* * * * *

SUBCHAPTER S3. Retention Factors

* * * * *

S3-9. Credit for Performance

* * * * *

SUBCHAPTER S5. Assignment Rights—Bump and Retreat

* * * * *

S5-2. Basic Rights

* * * * *

S5-8. Qualifications for Assignment

* * * * *

SUBCHAPTER S6. Furlough

S6-1. General

* * * * *

SUBCHAPTER S7. RIF Notices

* * * * *

S7-2. Notice Periods
S7-3. Forms of Notice

* * * * *

APPENDIX B. Voluntary Early Retirement

* * * * *

B-4. Submitting Requests to OPM

For related information on:	See:
Apprentice Training	AR 690-900, chapter 971
Automated Retention Registers	AR 680-340

For related information on:	See:
Commercial Activities	AR 5-20
DoD Priority Placement Program	DoD 1400.20-1-M
Discontinued Service Retirement	FPM Supplement 830-1
Employee Appeals	FPM chapter 772
Employment of Dependents of Military and Civilian Personnel Stationed in Foreign Areas	DoD Instruction 1400.23
Employment of Handicapped Persons	FPM chapter 306
Excepted Service Employment	FPM chapter 213; AR 690-13
Grade and Pay Retention	FPM chapter 536
Intern Training	AR 690-950, chapter 3
Major RIF Actions, Closures, Realignments	AR 5-10
Minimum Education Requirements	FPM chapter 338
Performance Appraisal	FPM chapter 430
Probationary Requirements	FPM chapter 315
Qualification Requirements	OPM Handbooks X-118, X118C
Reemployment Priority List	AR 690-300, chapter 330
Reemployment Rights	AR 690-300, chapter 352
Release or Recall of On-Call	FPM chapter 340
Restoration Rights	FPM chapter 353
Security Clearances	FPM chapter 732; AR 380-67
Time Limited Employment	FPM chapter 316

Except for paragraph 3-9d, reference to "agency" in FPM Supplement 351-1 means activity. DA activities are responsible for implementing consistent local procedures for conducting reduction in force (RIF) and transfer of function (TOF).

Subchapter S1. Management Aspects of Reduction in Force (RIF)

* * * * *

S1-4. PLACEMENT ASSISTANCE FOR EMPLOYEES

* * * * *

‡f. It is Army policy to minimize, to the greatest practical extent, the impact on each individual competing employee and to make every reasonable effort to avoid involuntary separations. Effective planning, intensive placement, outplacement and training (or retraining) are examples of the kinds of actions which will contribute to this effort.

‡g. Those activities which provide transition services through the Army Career and Alumni Program (ACAP) will establish local procedures to ensure a fully coordinated approach to the provision of transition services by civilian personnel and ACAP offices. Employees will be informed of the specific transition services available and where such services may be obtained. The ACAP provides individualized counseling, needs assessments, referrals to various service providers, and assistance with the job search process (i.e., interviewing techniques, salary negotiations, resume/cover letter preparation). Each employee will be provided individualized outplacement assistance consistent with the employee's needs and desires.

‡h. Each activity will establish a positive outplacement program that will place emphasis on finding employment for those employees who are to be involuntarily separated by RIF or for failure to follow their function in a TOF. This will include the standard programs offered through the Office of Personnel Management (e.g., Interagency Placement Assistance Program, Displaced Employee Program) plus the Department of Defense Priority Placement Program (DOD PPP). The civilian personnel office will make contact with all possible state/local employment sources to inform them of the number and occupational backgrounds of surplus employees to determine employment opportunities available. The commander should consider making contacts personally with the larger local or non-local employers, both public and private, and with chambers of commerce, trade associations, other community resources or like organizations. All employees should be requested to furnish data they may have or are able to obtain concerning employment opportunities.

‡S1-5. MANAGEMENT CONSIDERATIONS

a. In planning and conducting reduction and realignment actions, management shall make every effort to avoid the involuntary separation of employees. When shortages of payroll dollars and/or funding drive the RIF, activities should use, and exhaust, other less severe management options such as—

(1) Curtailment of temporary duty (TDY) travel, overtime, and other discretionary spending;

(2) Instituting selective hiring policy; and

(3) Releasing non-critical temporary employees prior to implementing RIF actions that affect the pay or jobs of civilian employees.

All levels of management must be involved in effective planning, placement, and retraining assistance. If, after all reasonable and prudent efforts have been exhausted and separation by RIF is unavoidable, maximum efforts will be made to help employees find continuing employment elsewhere.

b. Reduction in force must be done with as little disruption to the installation's mission and dislocation of employees as possible. When planning and conducting a RIF, every effort will be made to keep the work force productive. Management officials will observe the requirements of the DOD Program for Stability of Civilian Employment (DOD 1400.20-1-M) (commonly called the Priority Placement Program) and its effect on decisions to reduce and/or realign

operations and personnel, to transfer functions, and to close activities.

‡S1-6. PRIOR APPROVAL OF REDUCTION, REALIGNMENT, AND OTHER ACTIONS

a. Requirements and guidance for documenting and processing reduction and realignment actions are contained in AR 5-10 (Reduction and Realignment Actions). Reductions and realignments (as defined in AR 5-10) require advance clearance by HQDA and Office of the Secretary of Defense (OSD).

b. HQDA may establish new or additional notification, reporting, clearance and/or approval requirements either for Army-wide application or on a case-by-case basis. Guidance identifying these requirements and/or restrictions will be issued as the need arises.

‡S1-7. POLICY ON CONTRACTUAL ARRANGEMENTS RESULTING IN REDUCTION IN FORCE

The policies and procedures pertaining to conversion of commercial activities (CA) to contractor operation are outlined in AR 5-20 (Commercial Activities Program). Additional guidance is in DA Pam 690-36 (A Civilian Personnel Office and Equal Employment Opportunity Office Guide to the Commercial Activities Program). When RIF procedures are necessary to implement a contract decision, RIF notices cannot be issued until receipt of HQDA clearance to proceed with the conversion and issuance of notice to proceed or award of unconditioned contract has been accomplished by the contracting officer. (Provisions of AR 5-10 discussed in paragraph S1-6a above do not apply to implementation of CA decisions.) In addition to the information to be included with all RIF notices, in CA actions, it is advisable to include information on the right of first refusal for the employees who are so entitled. The information should, to the extent that it is available, cover what jobs the contractor will be filling, when and how to apply for the contractor jobs, the effect on severance pay of accepting or declining employment with the contractor, and other pertinent information.

‡S1—8. POLICY FOR FOREIGN COMMANDS

When it is determined that a RIF in local national positions is required, guidance in DOD Instruction 1400.23 will be followed, unless it would violate provisions of host nation agreements.

Subchapter S3. Retention Factors

* * * * *

S3-9. CREDIT FOR PERFORMANCE

* * * * *

d. **Ratings used for RIF purposes.** Credit will be given for annual performance ratings (see AR 690-400, chap 430) which have been received in the servicing civilian personnel office by the cutoff date established under e(2) below. Credit will not be given for probationary or special ratings.

e. **Basis for credit.**

(1) The effective date of annual performance ratings is defined as the actual final approval date.

(2) To provide adequate time to determine employee retention standing, activities may provide for a cutoff date prior to the issuance of specific RIF notices, after which no new annual performance ratings will be put on record and used for purposes of determining retention standing. Information concerning such cutoff dates should be broadly disseminated within the RIF competitive area as early as possible. Managers and supervisors should be reminded of the importance of completing all performance appraisals in a timely manner and of their responsibility for ensuring such completion.

* * * * *

Subchapter S5. Assignment Rights—Bump and Retreat

* * * * *

S5-2. BASIC RIGHTS

* * * * *

b. **Eligibility.** Employees in the excepted service have no assignment rights to positions outside their competitive level. Consideration may be given to assigning released employees to vacancies.

* * * * *

S5-8. QUALIFICATIONS FOR ASSIGNMENT

* * * * *

c. **Qualifications determinations (general).**

* * * * *

(2) Activities may establish reasonable deadlines for receipt by the servicing civilian personnel office of other qualifications information to be considered in a RIF.

* * * * *

Subchapter S6. Furlough

S6-1. GENERAL

* * * * *

‡d. **Advance clearance required.** HQDA will be notified of plans to furlough any employee. Notification will be sent through command channels to the U.S. Total Army Personnel Command, Attn: TAPC-CPF-S, 200 Stovall Street, Alexandria, VA 22332-0341 prior to issuing any notices. A statement of the reasons why the furlough is necessary and what previous actions management undertook in an attempt to preclude the furlough will be included. Activities must await HQDA clearance prior to taking the furlough action.

* * * * *

Subchapter S7. RIF Notices

* * * * *

S7-2. NOTICE PERIODS

* * * * *

c. **Timing.** Restrictions on issuing or effecting certain RIF actions are covered in DOD 1400.20-1-M, chapter 2, paragraph D.

‡d. **Minimum notice period.**

(1) *Reduction in force (RIF).* Competing employees will be given specific advance notices of at least 60 full days before the effective date of the RIF action. When possible, the employee shall be retained on active duty during the notice period.

(2) At the same time notices are issued to employees, notice must be given to the labor organizations certified as the exclusive representatives of affected employees.

(3) At the same time notices are issued to 50 or more employees in a competitive area, notice will be given to—

(a) the State dislocated worker unit, as designated or created under Title III of the Job Training Partnership Act;

(b) The chief elected official of local government(s) within which the separations will occur; and

(c) The Office of Personnel Management.

(4) Waiver of the 60-day minimum notice period requirement must be approved by the Office of Personnel Management (OPM). Send such requests through command channels to the U.S. Total Army Personnel Command, Attn: TAPC-CPF-S, 200 Stovall St., Alexandria, VA 22332-0341.

(5) *Transfer of function (TOF) outside the commuting area.* Army has obtained an exception to DOD 1400.20-1-M which permits the issuance of specific TOF notices to employees up to 12 months (maximum) in advance of the TOF.

S7-3. FORMS OF NOTICE

* * * * *

b. **Contents of specific notices.** In addition to the information listed in the FPM, an employee who receives a specific notice of separation must be given information concerning how to apply for unemployment compensation insurance through the appropriate State program. This information must be provided either with the specific RIF notice or as a separate supplemental notice to the employee.

* * * * *

‡f. **New notice required.** An employee is entitled to a new 60-day notice period if the initial notice is amended resulting in more severe RIF action; however, if the amendment results in a more favorable action, the initial 60-day notice period need not be extended.

* * * * *

Appendix B.

Voluntary Early Retirement

* * * * *

B4. SUBMITTING REQUESTS TO OPM

Send requests for special authority to offer voluntary early retirement during a major RIF, TOF, or reorganization through command channels to the U.S. Total Army Personnel Command, Attn: TAPC-CPF-S, 200 Stovall Street, Alexandria, VA 22332-0341.

* U.S. G.P.O.:1992-311-827:40141

PIN: 069285-000