



DoD INSTRUCTION 1400.25, VOLUME 2004

DoD CIVILIAN PERSONNEL MANAGEMENT SYSTEM: DEFENSE CIVILIAN INTELLIGENCE PERSONNEL SYSTEM ADJUSTMENT IN FORCE

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Approved by:	Gilbert R. Cisneros, Jr., Under Secretary of Defense for Personnel and Readiness

Purpose: This instruction is composed of several volumes, each containing its own purpose. In accordance with the authority in DoD Directives 5124.02 and 1400.25:

- This instruction establishes and implements policy, prescribes procedures, provides guidelines and model programs, delegates authority, and assigns responsibilities regarding civilian personnel management within the DoD.
- This volume:
 - In accordance with DoD Directives 5143.01, 1400.25, and 1400.35, establishes policy, assigns responsibilities, and provides guidance for the Defense Civilian Intelligence Personnel System (DCIPS). The 2000 Volume series of this instruction is referred to as "the DCIPS Volumes."
 - Establishes policies and guidance for conducting adjustment in force (AIF) for positions covered by DCIPS.
 - Establishes procedures, prescribes authorities, and assigns responsibilities for AIF actions.

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SECTION 1: GENERAL ISSUANCE INFORMATION

1.1. APPLICABILITY.

This volume:

a. Applies to OSD, the Military Departments, the Office of the Chairman of the Joint Chiefs of Staff and the Joint Staff, the Combatant Commands, the Office of the Inspector General of the Department of Defense, the Defense Agencies, the DoD Field Activities, and all other organizational entities within the DoD (referred to collectively in this instruction as the “DoD Components”).

b. Does **not** apply to employees covered by the Federal Wage System.

1.2. POLICY.

The DoD will:

a. Determine, for any AIF of positions covered by DCIPS, which civilian employees will be separated from employment primarily on the basis of performance.

b. Conduct an AIF only after all other available courses of action have been applied, as feasible.

c. Use competitive performance-based AIF procedures when an employee is faced with:

(1) Separation for purposes of workforce shaping (e.g., lack of work, foreseen funds shortage, or reorganization);

(2) Reduction in work level or pay band (for organizations operating under the DCIPS banded structure);

(3) Reduction in grade (for organizations operating under the DCIPS graded structure);

(4) Furlough for more than 30 consecutive days or more than 22 cumulative workdays, except when furloughs are due to unforeseeable circumstances that require the immediate curtailment of activities, pursuant to Section 752.404(d)(2) of Title 5, Code of Federal Regulations (CFR).

SECTION 2: RESPONSIBILITIES

2.1. UNDER SECRETARY OF DEFENSE FOR PERSONNEL AND READINESS (USD(P&R)).

The USD(P&R) coordinates with the Under Secretary of Defense for Intelligence and Security (USD(I&S)) on the development of DCIPS AIF policies and practices, and monitors their effects on DoD-wide personnel readiness.

2.2. USD(I&S).

In conjunction with the USD(P&R), the USD(I&S):

- a. Prescribes and oversees implementation of policies governing AIF for DCIPS positions and provides oversight, direction, and final decision authority for such AIFs in DoD Components.
- b. Evaluates AIF practices for DCIPS positions in DoD Components, including assistance and referral programs, for consistency with this volume.
- c. Designates members to serve on the AIF Appeals Committee (AIF AC), in accordance with Paragraph 3.8.b. of this volume.

2.3. DIRECTOR, HUMAN CAPITAL MANAGEMENT OFFICE (HCMO).

Under the authority, direction, and control of the USD(I&S), the Director, HCMO, provides human capital management subject matter expertise on AIF for DCIPS positions.

2.4. DOD COMPONENT HEADS.

The DoD Component heads:

- a. Assess the need for an AIF within their respective DoD Components based on mission and budget priorities and organizational effectiveness.
- b. Administer AIF in accordance with this volume.

SECTION 3: DCIPS AIF PROCEDURES

3.1. ESTABLISHING COMPETITIVE AREAS.

Before requesting approval to conduct an AIF, DoD Components will establish competitive areas for the planned adjustments no fewer than 120 days before any planned effective date of an AIF action. DoD Components may change a competitive area within 90 days of the original effective date of the AIF action with USD(I&S) approval, upon which a new 90-day period will begin.

a. Requirements.

Competitive areas established by AIF procedures will not be combined with the competitive areas or levels established by other excepted service categories or from within the competitive service.

b. Competitive Area Factors.

DoD Components will carefully identify competitive areas to prevent diminished mission readiness. DoD Components:

(1) Are not required to establish separate competitive areas and competitive levels under Part 351 of Title 5, CFR, when conducting an AIF affecting positions covered by DCIPS.

(2) Will establish competitive areas that account for the organization's personnel management construct. This helps to ensure that groups of positions affected by AIF are similar enough to allow for reassignments within the competitive area without undue interruption to mission capability.

(3) Will establish, in the order listed, the competitive area factors:

(a) Geographic Coverage Area.

Competitive areas must define a geographic coverage area as the first factor in the establishment of the competitive area for AIF procedures. The minimum geographic competitive area of coverage will be the local commuting area.

(b) Mandatory Competitive Area Factors.

Mandatory factors help to ensure sufficient flexibility within the competitive area to effect reassignments and reallocations of work, as necessary, without undue interruption to mission capability. Mandatory competitive factors that must be used are:

1. Skill group (occupational series or group);
2. Work category and work level (further defined by pay band for organizations under the DCIPS banded structure); or

3. Grades (further defined by grade pay for organizations under the DCIPS graded structure).

(c) Other Additional Competitive Area Factors.

Additional competitive factors may include organizational units and business funding lines.

c. Competing Employees.

(1) When an employee's most recent DCIPS performance evaluation of record is "unacceptable," only that rating of record will be considered for the purposes of AIF. All employees rated as unacceptable in their most recent DCIPS performance evaluation of record will have the lowest retention standing of competing employees and will be released first during AIF actions, in accordance with Paragraph 3.4.c.(2)(a)1 of this volume.

(2) Employees on temporary appointment do not compete in AIF and have no retention rights.

(3) Employees with performance and conduct problems:

(a) Do not compete in AIF and have no retention rights if they have received a final written decision of removal for performance or conduct-based reasons before the effective date of the AIF.

(b) Will compete in AIF for retention based on the position to which they have been reduced if they received a final written decision before the effective date of the AIF for reduction in work level, pay band (for organizations operating under the DCIPS banded structure); or grade (for organizations operating under the DCIPS graded structure).

d. Official Position of Record.

Employees will always compete for retention from their permanent official position of record or work role. Official positions of record or work roles will be used to determine the competitive areas where employees will compete.

(1) Employees entitled to statutory restoration rights in accordance with Sections 4314 and 4315 of Title 38, U.S.C., also known as the "Uniformed Services Employment and Reemployment Rights Act of 1994," as amended, will not be listed on the retention list.

(a) Military status must be documented in the employee's personnel record to explain why the employee is not included on the retention register as competing for AIF.

(b) Upon returning from a military assignment, employees will be restored to their previous position, or another of like status and pay.

(c) Such employees may not be separated or reduced in grade or pay band, except for cause, for a designated period of time, as required by Section 353.209 of Title 5, CFR.

(2) Employees on joint duty rotations, in long-term training, or with extended absences, except those on military absences covered by Paragraph 3.1.d.(1) of this volume, will compete from their official position of record or work role from when they began their absence.

(3) Employees on temporary assignments away from their permanent positions (e.g., training, temporary duty, details) are still members of a competitive area, and still compete within that competitive area on the basis of their permanent position of record.

(4) Employees who are on temporary assignments in a competitive area undergoing an AIF, and whose permanent position of record is not within the competitive area, will not be considered for AIF. At the DoD Component's discretion, employees may complete their temporary assignments or return to their permanent position of record. Temporary assignments to competitive areas undergoing AIF may be completed, but may not be extended.

(5) Employees away from work while receiving compensation via the Office of Worker's Compensation Program for injury have no special protections during an AIF and will not be denied placement rights because of their injury. Separation by AIF terminates restoration rights.

3.2. REQUESTING USD(I&S) APPROVAL TO CONDUCT AN AIF.

a. Any AIF affecting positions covered by DCIPS and, as a direct result, DoD civilian personnel, must be approved by the USD(I&S). DoD Component requests to conduct an AIF will be submitted to the USD(I&S), through the HCMO, a minimum of 120 days before the planned AIF effective date.

b. The request to the USD(I&S) must include:

(1) The competitive area(s) that will be affected.

(2) The reason for the planned AIF.

(3) The criteria and method used to support the force-structure decision.

(4) The number of personnel, listed by skill set, occupation, work category, and work level (further defined by pay bands for organizations under the DCIPS banded structure) or grade, who will be affected by the action.

(5) The AIF planned effective date.

(6) The anticipated dates for issuing the general employee notification (also known as "General Notice") and individual employee notifications (also known as "Specific Notice").

(7) A summary of the actions taken to mitigate the need for or size of the AIF (e.g., advance resource planning, voluntary early retirement authority or voluntary separation incentive program offers, hiring freezes, termination of temporary employees, job changes or retraining,

reduction in work hours, or curtailment of discretionary spending), and the effects achieved by these actions.

(8) The funding impact of the action.

(9) The draft congressional notification letter required by Paragraph 3.3.a. of this volume.

3.3. NOTIFICATION.

a. Congressional Notification.

In accordance with Section 1597 of Title 10, U.S.C., and in advance of any AIF, DoD Components will submit a report to Congress, through the USD(I&S).

(1) The submitted report will include:

(a) Justification for any involuntary reduction.

(b) Justification for furlough of civilians (with the exception of furloughs conducted under emergency conditions such as a government shutdown or government closure due to natural forces).

(c) Justification when a workforce reshaping action involves the release of 50 or more civilian employees during a fiscal year at an installation, facility, or activity.

(d) Justification for substantial reduction of contract operations or contract employment (involving 100 or more people).

(e) Descriptions of any change in workload or position requirements that will result from the AIF.

(2) DoD Components will not implement such reductions or furloughs during a fiscal year until 45 days after the date that the report was submitted to congress.

b. General Notification.

(1) DoD Components will provide written notification to employees who are potentially affected by the planned AIF no fewer than 90 calendar days before the AIF effective date.

(2) DoD Components are responsible for knowing the status of each employee and addressing unavailability in the receipt of notice.

c. Individual Employee Notification.

DoD Components will provide a specifically written notice to each employee at least 60 calendar days before the AIF effective date (not counting the date the notice is delivered or the AIF effective date). The AIF individual employee notification must include:

- (1) The action, the reason for the action, and its effective date.
- (2) The competitive area factors for the affected positions.
- (3) The employee's:
 - (a) Work category.
 - (b) Work level.
 - (c) Pay band (for organizations operating under the DCIPS banded structure) or grade (for organizations operating under the DCIPS graded structure).
 - (d) Tenure group.
 - (e) Evaluations of record and dates of rating used for performance credit.
 - (f) Veterans' preference.
 - (g) Length-of-service computation.
- (4) The place where the employee may inspect the retention register.
- (5) The reason for retaining a lower-standing employee in the same competitive area in cases of exceptions to the order of release.
- (6) Information on reemployment rights.
- (7) The employee's benefits, entitlements (including outplacement assistance), and appeal rights, including the time limits for appeal and the address of the AIF AC. Preference-eligible veterans must also be provided notification of their right to appeal to the Merit Systems Protection Board (MSPB).
- (8) A notice of eligibility for unemployment insurance and other assistance, pertinent application information, and an authorization, at the employee's option, to release their resume and other relevant employment information for employment referral to potential public and private employers.

d. New, Amended, or Cancelled Notice Required.

If a decision results in an action more severe than the original action, employees are entitled to a new written notice at least 60 calendar days before the AIF effective date.

e. Status During Notice Period.

Employees will remain in normal duty status during the notice period. However, if an emergency exists and there is a lack of work or funds for all or part of the notice period employees may be placed on annual leave (with or without their consent); on leave without pay;

or in a non-pay status, consistent with Section 351.806 of Title 5, CFR. The reasons supporting the decision to not keep employees in normal duty status must be fully documented.

f. Prohibited Notice Period.

AIF termination notices will not be issued or made effective between the dates of December 15 and January 3. In specific situations where available resources make delaying termination notice impossible, the USD(I&S) may authorize exceptions. Exceptions will be limited and approved only when adverse effects on employees will be significantly increased if the exceptions are not granted.

3.4. RETENTION.

A cutoff date will be established by the DoD Component, after which no new performance appraisals will be considered for purposes of the AIF. The established cutoff date will be at least 60 days before the date of the issuance of the general AIF notices.

a. Retention Standing.

Employees assigned to positions covered by DCIPS positions in the same competitive area compete for positions in AIF based on their retention standing. Retention standing is based on a combination of retention factors, determined only for competing employees in the competitive area. Employee retention standings are displayed in a retention register.

b. Retention Register.

All competing employees assigned to positions covered by DCIPS in the competitive area are included on a retention register for their tenure group in order of retention standing. See Table 1 for a sample AIF retention register.

Table 1. Sample AIF Retention Register.

Table 1 shows a sample retention register, constructed based on procedures for determining retention standing contained in Paragraph 3.4.c. For the purposes of the sample AIF retention register at Table 1, the AIF effective date is October 2017, the AIF geographic competitive area of coverage is Denver-Aurora, Colorado. Four positions need to be reduced. The four employees in the highlighted rows are released and their responsibilities are reallocated to the remaining employees.

Name	Occupational Series/Group	Work Category	Work Level	Composite Rating Score for AIF	Tenure Group	Veterans' Preference	Service Computation Date for AIF (SCD-AIF)
12 Months or More of Assessed Performance under DCIPS							
Jacque	0080/Security Spec	Supervision / Management	4	5.0	I	B	8-Nov-99
Martha	0080/Security Spec	Professional	4	4.5	I	AD	3-Nov-90
Sam	0080/Security Spec	Professional	4	4.5	I	A	8-Jul-08
Margie	0080/Security Spec	Supervision / Management	4	4.0	I	AD	6-Jun-00
Timothy	0080/Security Spec	Professional	4	4.0	I	A	6-Jun-00
Hal	0080/Security Spec	Professional	4	4.0	I	A	12-Aug-04
Marilyn	0080/Security Spec	Professional	4	4.0	II	B	10-Sep-16
Cecil	0080/Security Spec	Professional	4	3.5	I	AD	3-Feb-96
Joshua	0080/Security Spec	Professional	4	3.5	II	A	6-May-16
John	0080/Security Spec	Professional	4	3.5	III	A	7-Nov-97
Eric	0080/Security Spec	Professional	4	3.0	I	AD	18-Oct-86
Charlene	0080/Security Spec	Professional	4	3.0	II	AD	12-Dec-16
Robin	0080/Security Spec	Professional	4	2.0	I	B	5-Jan-15
Less Than 12 Months of Assessed Performance under DCIPS							
Tina	0080/Security Spec	Professional	4	5.0	I	A	5-May-10
Don	0080/Security Spec	Professional	4	4.0	II	AD	6-Jun-17
Unacceptable Performance							
Jacob	0080/Security Spec	Professional	4	1.0	I	A	4-Oct-05

c. Factors.

Defense Intelligence employees covered by DCIPS within the same competitive area will be placed on a retention register and grouped by period of assessed performance under DCIPS based on the mandatory retention factors of: composite rating for AIF, tenure group, veterans' preference standing, and service computation date (SCD-AIF) in descending order.

(1) Periods of Assessed Performance under DCIPS.

Within each tenure group, employees with a composite rating for AIF greater than 1.0 are divided in retention standing based on their periods of assessed performance under DCIPS. Employees with a composite rating for AIF greater than 1.0 and a period of assessed performance of 12 months or more under DCIPS have a higher retention standing than employees with a shorter period of performance, regardless of their composite rating for AIF.

(a) An employee's period of assessed performance under DCIPS for the purpose of AIF equals the employee's total number of months of assessed performance associated with the employee's performance appraisals within the immediate 4-year period before the established cutoff date for the AIF.

(b) Periods of time in a rating cycle where an employee's performance was not assessed under DCIPS are not included in an employee's period of assessed performance under DCIPS. For example, if an employee receives a rating after serving 10 months of the 12-month cycle, the employee's period of assessed performance under DCIPS is "10 months" for that rating cycle.

(2) Composite Rating for AIF.

(a) Using Numerical DCIPS Performance Management Systems.

An employee's composite rating score for AIF is the numerical average (rounded to the nearest tenth of a point) of the two most recent ratings in official performance evaluations of record that were received during the 4-year period before the cutoff date established for the planned AIF; except for in these circumstances:

1. Employees whose most recent rating from performance appraisals of record are one, or equivalent to an unacceptable rating. Only the employee's most recent appraisal will be used to arrive at the composite rating score for AIF. Employees with a composite rating score for AIF of one or unacceptable will rank at the bottom of the retention register and will be ranked in order based on the remaining applicable retention factors.

2. If employees have no performance appraisals of record during the 4-year period before the AIF cutoff date, the retention register will list these employees:

a. In rank order, based on the remaining applicable retention factors in accordance with Paragraphs 3.4.c.(3) through 3.4.c.(6) of this volume.

b. Below those who have a composite rating score for AIF of greater than one; but above those with a composite rating score for AIF less than or equal to one.

3. If employees have only one rating from a performance evaluation of record during the 4-year period before the AIF cutoff date, that rating will be the composite rating score for AIF. Such employees will fall in rank order below those on a retention register who have a composite rating score for AIF with 12 months or more of assessed performance under DCIPS.

4. Periods of long-term training, or other extended absences where an employee did not receive a rating, will not be included in the period of assessed performance under DCIPS.

5. Employees will receive a modal rating if they did not receive performance appraisals due to one of these circumstances:

a. Employees who did not receive a performance evaluation of record due to a prolonged absence resulting from a work-related injury and were approved for compensation, pursuant to an Office of Workers' Compensation Program.

b. Employees who were absent from their position due to military service and who were otherwise subject to inclusion in the AIF. These employees must have no rating of record under DCIPS or any other Federal performance management system within the 4-year period before the established cutoff date for the AIF. As a result, such employees cannot be given a presumptive rating.

6. Employees will receive a presumptive rating who are absent from their positions to perform military service, who are otherwise subject to inclusion in the AIF, who have a previous rating of record, and who do not have a rating of record since their return.

(b) Using Qualitative Performance-Based Ranking in DCIPS without Numerical Ratings of Record.

1. DoD Components may, in some instances, use performance management systems that rank or categorize employees using performance factors other than the annual performance evaluation of record. Examples of other considerations include:

a. Recent recognition for exceptional performance acts through substantial cash rewards or salary increases;

b. Recent competitive promotions reflecting exceptional achievements; or

c. Other noteworthy self-development achievements (e.g., achievement of advanced degrees).

d. DCIPS performance elements (e.g., communication, collaboration, accountability, technical expertise, personal leadership, and integrity) may be factored into managers' rating of employees for the purposes of the overall AIF rating.

2. Before the cutoff date established for a planned AIF, DoD Components will:

a. Establish ranking guidelines, which must be approved by the USD(I&S), using a ranking or categorization process to assess the relative standing of employees.

b. Group employees into one of five performance categories. These categories must align to the DCIPS performance evaluation scores and allow for relative numerical ranking within each performance category. Categories must be based on the criteria used for other qualitative and quantitative employee selection processes within the DoD Component.

c. Consider the results of the two most recent employee ranking decisions during the previous 4 years.

d. Use the procedures specified in Paragraph 3.4.c.(2)(a) of this volume to obtain the two most recent evaluations during the most recent 4-year period, if internal ranking results are not available for 2 years.

(c) Using Non-DCIPS Ratings of Record.

If an employee was hired into a DCIPS position from another DoD or Federal personnel management system within the 4-year period before the cutoff date for a planned AIF, the performance evaluation of record from that system will be converted to the DCIPS performance management five-point rating scale, in accordance with this schema:

1. Ratings of record and average scores from the Defense Performance Management Appraisal System, and similar appraisal programs with a three-level rating pattern, as identified in Section 430.208(d)(1) of Title 5, CFR, will be converted to DCIPS rating scores as specified in Table 2.

Table 2. DCIPS Conversion Schema for Three-Level Rating Appraisal Programs.

Three-Level (Summary) Rating of Record	Average Score	DCIPS Evaluation of Record Rating
5	4.6 through 5.0	5
5	4.3 through 4.5	4
3	3.6 through 4.2	4
3	2.6 through 3.5	3
3	2.0 through 2.5	2
1	Less than 2.0	1

2. Ratings from pass or fail systems will be converted to numerical scores in accordance with the provisions of Paragraph 3.4.c (2)(b) of this volume, and in accordance with the rating scores specified in Table 3. The default assumption is that a rating of “pass” is the DCIPS equivalent to a performance evaluation of record at the successful level (i.e., an overall rating of 3).

Table 3. DCIPS Conversion Schema for Pass or Fail Rating Systems.

Pass or Fail Rating of Record	DCIPS Evaluation of Record Rating
Pass	3
Fail	1

3. If the employee has a rating from another performance management system that has other numbering systems or that does not use a numerical scheme, then the rating should be converted based on the adjective descriptors used in the other system to convert the ratings to the DCIPS five-point rating scale. Once the score conversions are completed, the computation of the composite rating of score for AIF will follow the procedures of Paragraph 3.4.c.(2) of this volume.

(3) Tenure Group.

For purposes of retention standing, all Defense Intelligence employees covered by DCIPS competing in an AIF, notwithstanding any other retention factor, are ranked in one of these tenure groups:

(a) Tenure Group I.

Tenure Group I includes all permanent career employees.

(b) Tenure Group II.

Tenure Group II includes any employees serving a DCIPS trial period, as defined in Volume 2005 of this instruction.

(c) Tenure Group III.

1. Tenure Group III includes any employees on term appointments as defined in Volume 2005 of this instruction.

2. DoD Components may non-competitively convert Defense Intelligence personnel serving on term appointments to a DCIPS permanent appointment, in accordance with Volume 2005 of this instruction.

3. These conversions must be effective no fewer than 90 days before the effective date of the AIF.

(4) Veterans' Preference.

Employees who are in the same grouping based on tenure group and period of assessed performance under DCIPS, and who have the same composite rating for AIF, are next ranked for retention by veterans' preference status. Veterans' preference is determined pursuant to Section 351.501(c) of Title 5, CFR (see Table 4).

Table 4. Veterans' Preference Categories for the Purposes of AIF.

Preference Category for the Purposes of AIF (Highest to Lowest Retention Order)	Definition
AD	A veteran who is eligible for preference and is 30 percent or more disabled.
A	A veteran who is eligible for preference but not eligible for placement in AD.
B	An employee not eligible for veterans' preference.

(5) SCD-AIF.

The SCD-AIF includes all creditable and authorized Federal and military service, pursuant to Sections 351.503 (a) through 351.503 (b) of Title 5, CFR. Pursuant to Section 1610 of Title 10, U.S.C., credit for military service will be computed, in accordance with Section 3502(a) of Title 5, U.S.C.

(6) Additional Tie-Breaking Procedures.

DoD Components may use additional tie-breakers as retention factors. Such additional measures must be announced to the workforce in advance of an AIF.

3.5. RELEASE.**a. Order of Release.**

Once a DoD Component has completed all its internal efforts to mitigate the need for or size of an AIF, and the final retention register is developed for each affected competitive area:

(1) Employees are released in inverse order (i.e., from the bottom of the register to the top)-beginning with employees with composite rating scores for AIF of one. AIF does not allow release of employees with higher standing before release of those with lower standing.

(2) DoD Components must ensure the work responsibilities of the positions that will remain within the competitive area can be performed with minimal mission disruption throughout the process of reallocating responsibilities to the remaining employees.

(3) No employee slated to be released from a competitive area has placement rights outside of the competitive area.

(4) DoD Components may make vacant positions available in other competitive areas for non-competitive reassignment to employees who fully meet the qualifications for the new position.

(5) Employees with a composite rating score for AIF of one will not be placed outside of their competitive area.

b. Delayed Release.

DoD Components may delay an employee's release from a retention list, in accordance with the options listed in Paragraphs 3.5.b.(1) through 3.5.b.(3) of this volume, as appropriate. The reason for the delay and the date that the employee's retention will end must be included on the retention list next to the employee's name.

(1) Use of Annual Leave to Reach Eligibility for Retirement or Continuance of Health Benefits.

DoD Components will make a temporary exception to the effective date of release to retain employees who are involuntarily separated under AIF procedures and who elect to use annual leave to remain on the rolls.

(a) This exception will occur to establish initial eligibility for immediate retirement, in accordance with Sections 8336, 8412, or 8414 of Title 5, U.S.C.; or, to establish initial eligibility to continue health benefits coverage into retirement, in accordance with Section 8905 of Title 5, U.S.C.

(b) DoD Components may not retain employees beyond the date they first become eligible for immediate retirement or continuation of health benefits, unless it is necessary to satisfy both retirement and health benefits requirements.

(c) Annual leave considered must be accrued by, and may not be advanced to, the employee.

(2) Time-Limited Postponement of Release.

Unless otherwise specified, the following temporary postponement of release exceptions will be limited to 90 calendar days. Temporary exceptions may be provided to:

(a) Satisfy a government obligation to the retained employee (e.g., to allow an employee who is entitled to a new, specific, written notice to have the required full 60 calendar days when the AIF effective date is less than that).

(b) Retain lower-standing employees who are on approved sick leave on the effective date of the AIF for a period not to exceed the date that the employee's sick leave is exhausted, in accordance with Chapter 63 of Title 5, U.S.C.

(3) Liquidation Exception.

In addition to release exceptions described in Paragraphs 3.5.b.(1) through 3.5.b.(2) of this volume, an exception to release order, based on retention standing, may occur when all positions in the competitive area are eliminated. In such cases employees must be released based on need and may be released without regard to performance or creditable service time. This exception may be applied within 1 year of the liquidation date.

3.6. PLACEMENT ASSISTANCE.

DoD Components may, to minimize disruption to the organization, conduct these measures to mitigate the need for or size of an AIF:

a. Position Offers.

There is no inherent entitlement to a position offer under AIF. However, all position offers made to an employee will be made prior to the AIF effective date.

(1) DoD Components may offer a position to an employee if the employee is considered minimally qualified, the position is not a temporary position, and the position is not a promotion.

(2) Management may waive or modify specific qualifications when offering a position, provided the employee meets minimum education requirements, if applicable, and has a performance record that demonstrates the skills and abilities to satisfactorily perform the duties of the position.

(3) If DoD Components choose to offer positions to employees who would otherwise be separated, these procedures will apply:

(a) DoD Components may identify positions outside the competitive area to place employees; but employees are not entitled to be placed in a different competitive area.

(b) For organizations operating under the DCIPS banded structure, position offers may occur at the same, or one level below, the work level or pay band as the employee's current position.

(c) For organizations operating under the DCIPS graded structure, position offers may occur at the same, or up to three grades below, the work level or grade as the employee's current position.

(d) The position offered may be a position in a developmental program.

(e) If an employee's pay rate exceeds the maximum rate for the pay band (for organizations operating under the DCIPS banded structure) or grade (for organizations operating under the DCIPS graded structure) of the position offered and the employee accepts the position, the employee will be placed in pay retention, in accordance with Volume 2006 of this instruction.

(4) Once a DoD Component offers a position to an employee, the employee is entitled to that specific offer. The employee is not entitled to any further offers if the employee:

(a) Accepts the initial offer.

(b) Rejects the initial offer.

(c) Fails to reply to the initial offer within a reasonable time as specified by the DoD Component when the initial offer made to the employee.

(5) If a better position becomes available before or on the effective date of the AIF, and the employee is qualified and has retention standing for the better position, DoD Components will offer that position to the released employee. This offer will be made regardless of whether the employee accepted or declined a previous offer. DoD Components will determine what constitutes a better offer, considering work category, work level, pay band (for organizations operating under the DCIPS banded structure) or grade (for organizations operating under the DCIPS graded structure), occupation, location, and other factors.

b. Outplacement Assistance.

DoD Components will provide outplacement services to employees who are separated because of an AIF. Such outplacement services may include in-house career counseling sessions and employee assistance service counseling. DoD Components will authorize reasonable duty time for employees to participate in activities related to career transitions in response to AIF. As applicable, DoD Components will utilize these programs:

(1) DoD Priority Placement Program.

Participating DoD Components will follow the policies in Volume 1800 of this instruction.

(2) Administrative Referral Assistance.

Employees who have received written notification of separation as the result of AIF may, in accordance with Volume 1700 of this instruction, seek administrative referral assistance to publicize their availability for positions within the DoD Components where they are qualified.

(3) Severance Pay.

DoD Components will pay severance pursuant to Section 1603 of Title 10, U.S.C., and in accordance with the provisions in Section 5595 of Title 5, U.S.C. Since separation from a DoD Component as a result of AIF is an involuntary separation (i.e., a separation not for reasons of misconduct, delinquency, or inefficiency), employees will be eligible for severance pay, retirement, and other benefits. To be eligible for severance pay, an employee must:

- (a) Have been employed for at least 12 continuous months.
- (b) Not be eligible for an immediate annuity from a Federal civilian retirement system.
- (c) Not receive worker's compensation benefits for wage loss due to an on-the-job injury.
- (d) Not have refused an offer of a position that is:

1. In the same DoD Component and local commuting area.

2. No more than one work level or pay band below their current position (for organizations operating under the DCIPS banded structure); or no more than one work level or three grades below their current position (for those organizations operating under the DCIPS graded structure).

(4) Other Benefits.

DoD Components will offer assistance with discontinued service retirement, life insurance, health insurance, and any other benefits affected due to involuntary separation.

3.7. FURLOUGHS.

a. A shutdown furlough is the placing of an employee in a temporary, non-duty, non-pay status because there is a lapse in appropriations. An agency typically will have limited or no lead time to plan and implement a shutdown furlough. During a shutdown furlough, or any other furlough due to unforeseeable circumstances, DoD Components will follow the procedures in Subpart D of Part 752 of Title 5, CFR.

b. A DoD Component may execute an administrative furlough to absorb reductions necessitated by downsizing, reduced funding, lack of work, or any budget situation other than a lapse in appropriations. Administrative furlough actions are planned and foreseeable.

(1) A competing employee may be furloughed in an administrative furlough when the intent is to recall the employee to duty within 1 year of the date of separation and the furlough will last for more than 30 consecutive calendar days or more than 22 workdays.

(2) When the entire workforce is not similarly impacted, but more than one employee will be furloughed, DoD Components will use the procedures in Paragraphs 3.4 and 3.5 of this volume to determine retention standing.

(3) A competing employee may not be separated due to AIF while an employee with a lower retention standing in the same competitive area is on furlough.

(4) When employees are recalled to duty, they will be recalled in the order of their retention standing-beginning with the employee with the highest retention standing.

3.8. APPEALS.

a. General.

A DoD Component's decision to conduct an AIF is not subject to an appeal. However, within an AIF:

(1) An employee may appeal to the AIF AC if an alleged wrongful application of AIF procedures has occurred or, if as a result of AIF, an employee has been:

(a) Separated, changed to a lower work level, pay band (for organizations operating under the DCIPS banded structure), or grade (for organizations operating under the DCIPS graded structure);

(b) Furloughed for more than 30 consecutive calendar days; or

(c) Furloughed for more than 22 workdays on a discontinuous basis within the year prior to the initial date of separation.

(2) Preference-eligible employees, as defined in Section 2108 of Title 5, U.S.C, with 1 year of continuous service, may appeal an action taken against them to either the MSPB or the AIF AC. They may not appeal to both the MSPB and the AIF AC. Appeals made to the MSPB will be in accordance with Section 7701 of Title 5, U.S.C.

(3) OUSD(I&S) employees will not appeal to the AIF AC. Instead, they will appeal to the USD(P&R), who will perform the functions of the AIF AC detailed in Paragraph 3.9.(b)(2) of this volume. Non-preference-eligible employees in the OUSD(I&S) may appeal directly to the USD(P&R). Preference-eligible employees in the OUSD(I&S) may appeal an action taken against them to either the MSPB or the USD(P&R) but may not appeal to both.

b. AIF AC Composition and Responsibilities.

(1) The AIF AC will, at a minimum, consist of:

(a) Two full-time or permanent part-time Defense Intelligence senior executive service members or general officer or flag officer, or their equivalents (e.g., a senior intelligence service member, a defense intelligence senior level member, an active duty military officer at grade O-7 or above), designated by the USD(I&S), from the following DoD Components:

1. U.S. Army.
2. U.S. Navy.
3. U.S. Air Force.
4. U.S. Marine Corps.
5. U.S. Space Force.

6. National Reconnaissance Office.
7. National Security Agency.
8. Defense Intelligence Agency.
9. National Geospatial-Intelligence Agency.
10. Defense Counterintelligence and Security Agency.
11. National Guard Bureau.

(b) A representative, designated by the USD(I&S), from one of the DoD Components in Paragraph 3.9.b.(1)(a) of this volume to serve as Chair.

- (2) The AIF AC's functions will not be delegated. The AIF AC's responsibilities are to:
 - (a) Conduct any necessary fact-finding and research.
 - (b) Adjudicate appeals based on their merits.
 - (c) Notify the appellant and the affected DoD Component(s) of their final ruling.
 - (d) Provide instructions to the DoD Component to resolve the matter raised by the appellant for appeals that are upheld.
 - (e) Return, without action, an appeal that is either withdrawn by the appellant or where the appellant has obtained other employment in accordance with Paragraph 3.9.(c)(4) of this volume.

c. Appeals to the AIF AC.

- (1) Appeals to the AIF AC must be submitted to the AIF AC Chair no more than 30 calendar days after the effective date of the AIF action.
- (2) Appeals may not be filed by employees on behalf of any other employee(s). However, employees may request to have a representative assist them in preparing and presenting their appeal to a proposed AIF action at no cost to the Federal Government. If such representation is desired, employees must notify the AIF AC Chair, in writing, no more than 30 calendar days after the effective date of the AIF action. The AIF AC may decline the employee's request of a representative, if such representation:
 - (a) Results in a conflict of interest or position;
 - (b) Conflicts with the priorities of the employing DoD Component; or
 - (c) Compromises classified U.S. Government activities.
- (3) The AIF AC will convene whenever the AIF AC Chair has at least one valid appeal.

(4) Employees who have filed an appeal and are awaiting a ruling on that appeal must immediately notify the AIF AC if they accept an offer of assignment or appointment to a position of the same pay band or work level that they held before the AIF in issue (including equivalent Federal employment outside of a DCIPS position).

(5) Employees may not use DoD Component grievance processes for AIF appeals. However, the following resources are always available to employees outside of the AIF appeals process, as applicable:

(a) Separate laws and regulations governing prohibited personnel practices, including protections against whistleblower reprisal.

(b) Equal employment opportunity.

(6) The AIF AC will normally make decisions within 30 calendar days from the date that the AIF AC convenes.

(7) AIF AC decisions are final.

d. Content of Appeals.

Appeals to the AIF AC must contain:

(1) The name, address, and telephone number of the appellant.

(2) The name, address, and telephone number of their representative, if the appellant has a representative.

(3) The name and address of the agency that took the action.

(4) A description of the agency's action and its effective date.

(5) A request for an oral presentation, if the appellant desires to make an oral presentation.

(6) A statement explaining why the appellant believes that the agency action is wrong and copies of documentation that the appellant believes support the argument(s).

(7) A statement of the action that the appellant would like the AIF AC to order.

(8) The signature of the appellant; or, if the appellant has a representative, the signature of the representative.

e. AIF AC Procedures.

(1) The Chair of the AIF AC will reject any appeal that arrives at the OUSD(I&S) more than 30 calendar days after the effective date of the AIF action or does not contain the documentation required in Paragraph 3.9.d. of this volume.

(2) The Chair of the AIF AC will establish the AIF AC schedule, meeting, and hearing locations, designate a Secretary for the AIF AC, and arrange for legal review.

(3) The AIF AC will review all appeal documentation. The AIF AC will arrange for an oral presentation, if requested, either in person or electronically, at the discretion of the AIF AC.

(4) During the review, the Chair of the AIF AC will:

(a) Schedule the presentation within 7 business days, if the appellant requests an oral presentation in the appeal submission, so that the appeal can be adjudicated either within 30 days of the date that the AIF AC convenes or as soon as possible.

(b) Finalize the AIF AC decision after the legal review is complete.

(c) Document and maintain the AIF AC's decision within HCMO.

(d) Communicate the AIF AC's decision to the employee and the agency at the addresses provided in the appeal.

3.9. RECORDS.

DoD Components will maintain complete and accurate records relating to an AIF for at least 2 years after the final action has been taken. For specific retention periods, refer to the DoD Component's records disposition schedule.

GLOSSARY

G.1. ACRONYMS.

ACRONYM	MEANING
AIF	adjustment in force
AIF AC	AIF Appeals Committee
CFR	Code of Federal Regulations
DCIPS	Defense Civilian Intelligence Personnel System
HCMO	Human Capital Management Office
MSPB	Merit Systems Protection Board
OUSD(I&S)	Office of the Under Secretary of Defense for Intelligence and Security
SCD-AIF	service computation date for AIF
U.S.C.	United States Code
USD(I&S)	Under Secretary of Defense for Intelligence and Security
USD(P&R)	Under Secretary of Defense for Personnel and Readiness

G.2. DEFINITIONS.

Unless otherwise noted, these terms and their definitions are for the purpose of this instruction.

TERM	DEFINITION
DoD Components with DCIPS positions	Defined in Volume 2001 of this instruction.
effective date	Date when an AIF action will take effect and result in separation of affected Defense Intelligence employees covered by DCIPS.
evaluation of record	The officially designated DCIPS performance evaluation that was presented to the employee with all supervisory reviews and signatures.
liquidation	The abolishment of all positions in a competitive area.

TERM	DEFINITION
local commuting area	The geographic area that usually constitutes one area for employment purposes. It includes any population center or two or more neighboring ones, and the surrounding localities where people live and are expected to travel back and forth daily to their usual employment.
modal rating	The rating of record most frequently given among the actual ratings of record to employees within the same competitive area. Use of a modal rating is limited only to periods of time for which an employee has no rating of record within the 4-year period preceding the cutoff date established for the AIF.
preference eligible	Defined in Section 2108 of Title 5, U.S.C.
presumptive rating	The rating of record last received by an employee prior to the employee's departure for military service.
retention register	A rank-ordering of employees in the competitive area resulting from application of the retention factors. Employees are listed on the retention register in the order of the employee's relative retention standing. For example, the employee with the highest standing is at the top of the register, and the employee with the lowest standing is at the bottom of the register.
undue interruption	A degree of interruption that would prevent the completion of required work within a reasonable period (i.e., 90 days) after the employee has been placed in a different position.
veterans preference	Defined in Section 2108 of Title 5, U.S.C.
work category	Are broad sets of work that cross related occupational groups and are characterized by common qualifications and types of work.
work levels	Are standards to define work in terms of criteria such as increasing complexity, span of authority and responsibility, level of supervision, and scope and impact of decisions as it relates to a particular work category.

REFERENCES

- Code of Federal Regulations, Title 5
- DoD Directive 1400.25, “DoD Civilian Personnel Management System,” November 25, 1996
- DoD Directive 1400.35, “Defense Civilian Intelligence Personnel System (DCIPS),” September 24, 2007, as amended
- DoD Directive 5124.02, “Under Secretary of Defense for Personnel and Readiness (USD(P&R)),” June 23, 2008
- DoD Directive 5143.01, “Under Secretary of Defense for Intelligence and Security (USD(I&S)),” October 24, 2014, as amended
- DoD Instruction 1400.25, Volume 1700, “DoD Civilian Personnel Management System: Civilian Assistance and Re-employment (CARE) Program,” April 6, 2009
- DoD Instruction 1400.25, Volume 1800, “DoD Civilian Personnel Management System: DoD Priority Placement Program (PPP),” December 1, 1996, as amended
- DoD Instruction 1400.25, Volume 2001, “DoD Civilian Personnel Management System: Defense Civilian Intelligence Personnel System (DCIPS) Introduction,” December 29, 2008, as amended
- DoD Instruction 1400.25, Volume 2005, “DoD Civilian Personnel Management System: Defense Civilian Intelligence Personnel System (DCIPS) Employment and Placement,” March 3, 2012, as amended
- DoD Instruction 1400.25, Volume 2006, “DoD Civilian Personnel Management System: Defense Civilian Intelligence Personnel System (DCIPS) Compensation Administration,” March 3, 2012, as amended
- Office of Personnel Management Operating Manual, “Civil Service Retirement System (CSRS) and Federal Employees Retirement System (FERS) Handbook for Personnel and Payroll Offices,” April 1998
- United States Code, Title 5
- United States Code, Title 10
- United States Code, Title 38