

Reduction in Force and Competitive Areas

What is Reduction in Force (RIF)?

- Process by which agencies determine who is impacted and how and/or when Federal positions are abolished or downgraded
- Based on objective criteria (non-personal)
- The focus is on protecting employee's retention rights

Key Terms in RIF (1 of 2)

- These terms apply mainly to RIF:

Competitive area (** *Organizational and Geographical*)

Competitive level

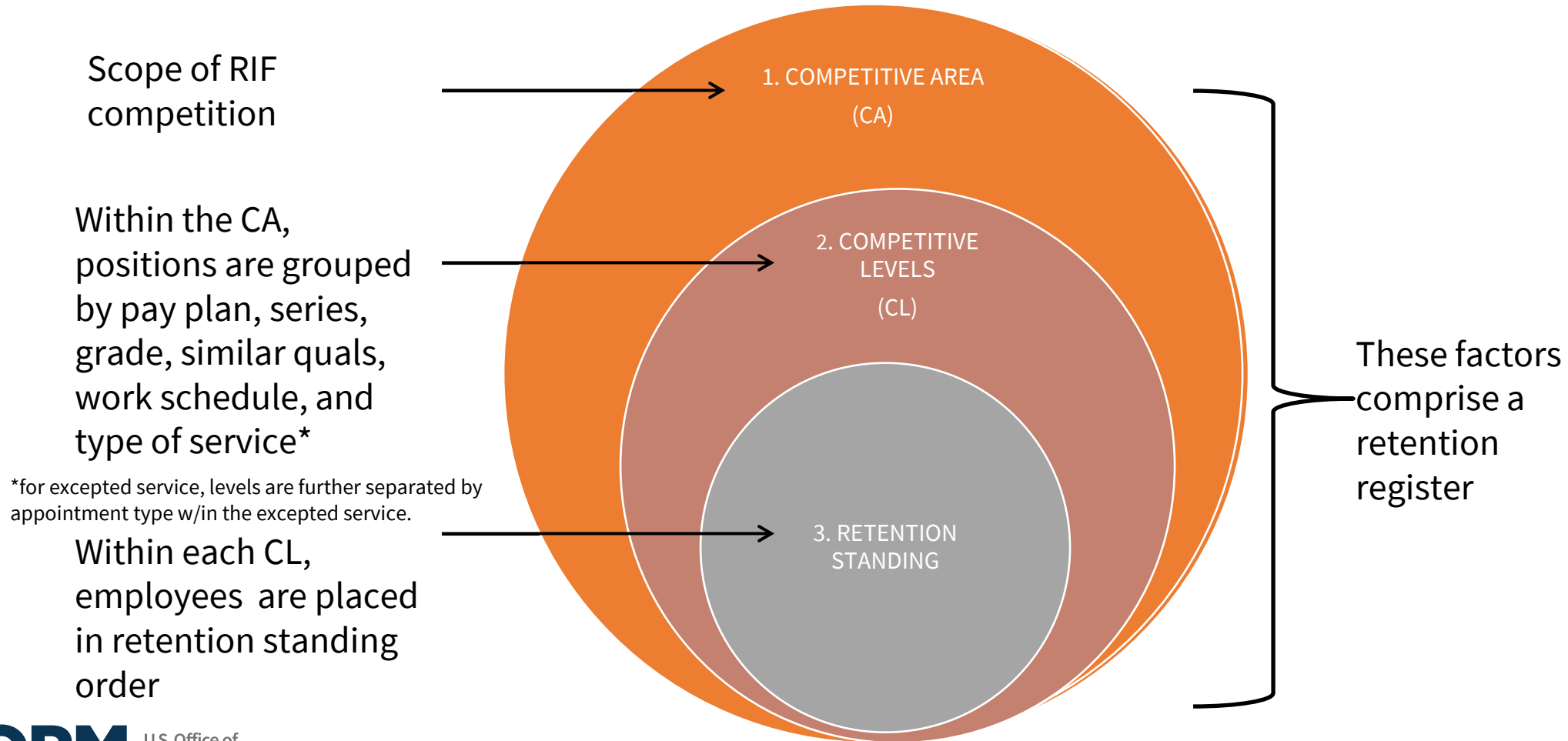
Retention factors

Retention register

- Positions in the competitive area are organized by competitive levels
- Retention factors are then applied to each potentially affected employee in that competitive area to create a retention register.

**Organizational- a subdivision of the agency under separate administration. Geographical – by commuting area (could be local commuting area or nationwide)

Key Terms in RIF (2 of 2)



Master Retention Register (example)

Name	Vet Pref	SCD	PP-Series-Grade	Sub-code	Work Schedule	Service	Appointing Authority
Alton	IAD	1/4/02	GS-201-12	(0-STA)	FT	C	
Reginald	IA	7/7/96	GS-201-11	(0-CLS)	FT	E	VRA
Barbara	IA	2/2/99	GS-201-12	(0-STA)	FT	C	
Devon	IA	9/9/06	GS-201-09	(0-SYS)	FT	C	
Carla	IA	3/3/10	GS-201-12	(0-STA)	FT	C	
Ian	IB	6/6/93	GS-201-09	(0-SYS)	PT	E	Sch D
Patricia	IB	4/4/98	GS-201-12	(0-STA)	FT	C	
Tamara	IB	8/8/98	GS-201-12	(0-STA)	FT	C	
Edward	IIA	5/5/18	GS-301-11	(1-PRG)	FT	C	
Joe	IIB	2/2/17	GS-201-09	(0-SYS)	FT	C	

Vet Pref = Veteran's Preference, SCD = Service Computation Date, PP = Pay Plan, PT = Part Time, FT = Full Time

Red indicates position is being abolished

Competitive Area (1 of 2)

- Defines the limits within which employees compete for retention
- Defined by:
 - Organization
 - Geography (e.g., commuting area)
- OPM sets the ***minimum*** standard in regulation
 - Organizational: a subdivision of the agency under separate administration
 - Geographical: within the local commuting area

Competitive Area (2 of 2)

- There is no ***maximum*** standard
 - organizationally: could be defined agency-wide
 - geographically: could be defined nationwide
- Agencies determine CAs within these standards
- An agency must establish competitive areas at least 90 days prior to a RIF effective date unless the agency requests an OPM exception to the usual 90-day competitive area requirement

Basis for Competitive Area

- May establish a competitive area comprised only of pay band positions when the competitive area would otherwise include pay band positions and other positions not covered by a pay band.
- May not define a competitive area based on other considerations (such as bargaining unit membership, grade, occupation, etc.).
- 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).
- The same competitive area standard applies to both headquarters and field activities.
- A minimum headquarters or field activity competitive area is any organizational unit under separate administration* within the local commuting area.

What is “Separate Administration”?

- The subdivision is separately organized
- It is clearly distinguished from other units for:
 - Operation
 - Work function
 - Staff
 - Personnel management
- The unit has authority to take or direct personnel actions (e.g., establish or abolish positions)

Local Commuting Area

- Is established by the agency
- Must comply with the regulatory definition, which is 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 in which people live and can reasonably be expected to travel back and forth daily to their usual employment.” (CFR 351.203)
- OPM has not established a mileage standard to determine when two local duty stations would be included in the same local commuting area.

Some Points to Consider in Defining a CA

Defining the scope of the RIF, or the Competitive Area, is to strike a balance between manageability, cost factors, and the ability to minimize disruption to the mission while limiting adverse outcomes.

- Is the need for a RIF spread throughout the organization or agency?
- Is it confined to a particular function or organization?
- Is the organization impacted geographically dispersed?
- How many positions and people are impacted – a dozen? Several hundred? Is the entire agency being closed?
- Can we reasonably manage the RIF using the CA definition?
- If the CA spans different commuting areas, have you accounted for relocation costs?

Note: It is possible, although rare, that a CA can contain only 1 employee, and result in a “one person RIF” (see *Ginnodo v. Office of Personnel Management*, 753 F.2d 1061 (Fed. Cir. 1985))

Competitive Areas and remote positions

- Competitive areas are established based on organizational unit (no lower than a subdivision) and geographical location. If an organization has employees stationed in Washington, DC (or another location) and remote employees across the country, establishing the competitive area(s) depends on a couple of factors.
 - Is the RIF affecting 100% of the employees in the organization?
 - Is the organization part of a subdivision with other organizations not affected by RIF?

Scenario 1

An organization is subject to 100% RIF, such as due to office/organizational closure, AND the DC organization is not part of a larger subdivision, then the competitive area could be established as:

Organizational subdivision, nationwide (to encompass all employees of the unit regardless of duty location)

Scenario 2

An organization has positions located in Washington, DC and remotely. All remote positions are being abolished in the organization. The agency could establish two (2) competitive areas:

- 1) Organizational subdivision, Washington, DC
- 2) Organizational subdivision, nationwide except for Washington, DC

Scenario 3

An organization has employees stationed in Washington, DC and remotely across the country. The DC organization will not be subject to 100% RIF and will have positions remain. Positions in the remote locations are all being abolished. The DC location could be a separate competitive area to allow for retention within the DC-located employees only. The agency could establish two (2) competitive areas:

- 1) Organizational subdivision, Washington, DC
- 2) Organizational subdivision, nationwide except for Washington, DC

Scenario 4

An office with positions located in Washington, DC and in the field is being abolished. This office is located within a subdivision with other offices. Retention standing will matter because the affected office would be competing with these other offices in the same competitive area and the employees may have retention rights to positions within those other offices. The agency could establish two (2) competitive areas:

- 1) Organizational subdivision, Washington, DC
- 2) Organizational subdivision, nationwide except for Washington, DC

Competitive Level

- All jobs in the ***competitive area*** grouped by:
 - Pay Schedule (e.g., GS, WG, or pay banded positions)
 - Classification series
 - Grade (or level) and
 - Duties and qualifications (“specialty” or “sub codes,”) as needed to further delineate qualifications
- Further Separated by:
 - Service (competitive vs. excepted)
 - Work schedule (e.g., full-time, part-time, seasonal)
 - Within the excepted service, by appointing authority

Request to OPM for Exception to 90-Day Requirement on Changing Competitive Area Definitions

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

Request to OPM for Exception to 90-Day Requirement on Changing Competitive Area Definitions (cont.)

- The number of competing employees in the proposed competitive area;
- 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
- A discussion of the circumstances that led to the proposed changes less than 90 days before a proposed reduction.

On-line Tools for Agencies

- RIF law, 5 U.S.C. 3501 – 3504
 - <http://uscode.house.gov>
- RIF regulations, [5 CFR part 351](http://ecfr.gpoaccess.gov)
 - <http://ecfr.gpoaccess.gov>
- Various policy guides located on the [workforce restructuring](#) pages at OPM's website:
 - [Workforce Reshaping Operations Handbook](#)
 - Restructuring alternatives
 - Career Transition Programs: CTAP, ICTAP, and RPL
 - Benefits for Impacted Employees