

## PHASED RETIREMENT

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### I. Purpose

This Directive establishes the Department of Homeland Security (DHS or Department) policy, responsibilities, and requirements regarding phased retirement. Phased retirement is a human resources tool that allows a full-time employee to change to a part-time schedule, perform mentoring activities, and receive partial retirement benefits during the period of phased employment.

### II. Scope

This Directive applies throughout DHS, unless exempted by statutory or federal regulatory authority.

### III. Authorities

- A. Title 5, United States Code (U.S.C.), §§ 8336a, “Phased Retirement for Civil Service Retirement System (CSRS),” and 8412a, “Phased Retirement for Federal Employees Retirement System (FERS)”
- B. Title 5, Code of Federal Regulations (CFR), Part 831, subpart Q for CSRS and Part 848 for FERS.
- C. DHS Delegation 00002, “Delegation to the Under Secretary for Management”
- D. DHS Delegation 3000, “Delegation for Human Capital and Human Resources”

### IV. Responsibilities

- A. **DHS Chief Human Capital Officer (CHCO)** establishes departmental policy and guidance on the implementation of phased retirement, consistent with the statutes, regulations, and guidelines prescribed by Office of Personnel Management (OPM).

B. **Component Heads:**

1. Establish Component policy on the implementation of phased retirement within their Components in compliance with the policy and procedures outlined in this directive; the associated instruction; any DHS or OPM policies, procedures, and guidance; and all applicable federal laws, rules, and regulations;
2. Establish Component procedures on the implementation of phased retirement within their Components;
3. Serve as the authorized agency official for employees within their Components to:
  - a. Approve or deny applications to enter phased retirement status and requests to extend or amend phased retirement agreements (5 CFR §§ 831.1713 and 848.203);
  - b. Authorize work in excess of the officially established part-time schedule and maintain documentation of exceptions granted (5 CFR §§ 831.1715(h) and 848.205(j));
  - c. Waive mentoring requirements (5 CFR §§ 831.1781(b) and 848.901(b)); and
  - d. Approve or deny requests to end phased retirement status to return to regular employment status (5 CFR §§ 831.1721 and 848.301).

C. **Executive Director, Headquarters Human Resources Management Services** assumes the responsibilities listed in section IV.B. for all support Components with the exception of the National Protection and Programs Directorate (NPPD), Office of the Inspector General (OIG), and the Federal Law Enforcement Training Center (FLETC).

D. **Heads of NPPD, OIG, and FLETC** assume the responsibilities listed under section IV.B. for their respective component.

## V. Policy and Requirements

A. Component Heads determine whether to implement phased retirement within their Component.

B. Participation in phased retirement is a management prerogative and not an employee entitlement or right. Elections to enter into, or opt out of, phased retirement status require the mutual consent of the employee and the authorized agency official.

C. Phased retirement applications are subject to a time limit as a condition of approval. Applications may be renewed or extended, if the total time in phased employment does not exceed three years (5 CFR §§ 831.1713(d) and 848.203(d)).

D. The following criteria are established for the phased retirement program within DHS (5 CFR §§ 831.1713(e) and 848.203(e)):

1. Applications to enter a period of phased retirement are not approved when:

a. The employee does not meet the eligibility requirements in 5 CFR §§ 831.1711 for CSRS or 848.201 for FERS;

b. The work unit's ability to meet goals or objectives would be negatively impacted;

c. Operational needs require the employee to work in excess of a 50 percent work schedule;

d. The employee's current performance rating is less than fully successful, or equivalent;

e. The employee has been subject to disciplinary action within the previous twelve months or disciplinary action is pending;

f. Appropriate and sufficient mentoring activities are not identified and available for the employee to perform; or

g. The employee is unwilling or unable to meet the mentoring requirement.

2. Component Heads may establish additional criteria to approve or deny applications to enter or to extend phased retirement based on factors, such as, occupations, functions, organizations, geographic locations, and employee qualifications.

E. Mentoring Activities (5 CFR §§ 831.1781 and 848.901):

1. Mentoring activities can include a wide range of activities that allow for the transfer of knowledge and skills from one employee to others.

2. Goals and responsibilities related to mentoring activities defined during the phased retirement application process are included in the performance plan of the phased retiree.

3. Component Heads may establish objectives, training, and oversight procedures for mentoring activities.

4. Participation in mentoring activities performed under the phased retirement program does not indicate or guarantee that the mentee will be reassigned to perform specific work or selected for any future positions.

F. The authorities, responsibilities, and functions of the Component Heads outlined in this Directive may be re-delegated, in writing, to any other appropriate subordinate official.

## VI. Questions

Address any questions or concerns regarding this Directive to the Office of the Chief Human Capital Officer.

  
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Chip Fulghum  
Acting Under Secretary for Management

15 Jun 2017  
Date