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Date: 02/07/2000

Category: 20 - Human Resources **OPR:** HR

Title: AR 20-32 SEPARATION COMPENSATION

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REVISION SUMMARY: 07 February 2002 (0608).

This regulation supersedes AR 20-32, dated 18 September 1995.

AR 20-32 is being revised to update organizational titles. This revision reflects the Agency's organizational restructure that resulted from the DCI's decision, effective 4 June 2001 to abolish the Directorate of Administration, and establish the Mission Support Offices.

Boldfaced text in this regulation indicates revisions.

This regulation was written by Policy Team, Human Resources Strategy & Planning Staff, HRM Policy@DA.

32. SEPARATION COMPENSATION

SYNOPSIS. This regulation states policies, authorities, and responsibilities for the payment of separation compensation to qualifying personnel who are involuntarily separated from the Agency.

a. AUTHORITY. Section 8(a) of the Central Intelligence Agency Act of 1949, as amended, 50 U.S.C. 403j(a); 5 U.S.C. Section 5595.

b. POLICY

(1) ELIGIBILITY

(a) CATEGORIES OF EMPLOYEES ELIGIBLE FOR SEPARATION COMPENSATION*

FULL TIME	PART TIME	WAE
**		

APPROVED FOR RELEASE
DATE: JAN 2008

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STAFF	YES	YES	NO
STAFF-RESERVE *** NO ***		NO	NO
CONTRACT ***	NO ***	NO	NO

*The other conditions of eligibility detailed in this regulation must also be met in order to qualify for separation compensation.

**When-Actually-Employed (Intermittent).

***Except employees who were converted without a break in service from an appointment without time limitation. They are eligible for separation compensation.

- (b) Other than those excluded in paragraph b(2) below, staff personnel and career associates serving without definite time limitation who are involuntarily separated (as outlined in AR 20-27~~(b)~~) from the Agency and who have completed at least one year of continuous creditable Federal civilian service are entitled to separation pay benefits.
- (c) In determining eligibility for and the amount of separation compensation, all Federal civilian service is creditable. Consultants and other independent contractors are not Federal employees and, therefore, are not eligible for separation compensation.
- (d) Creditable Federal civilian service includes all approved leave with pay, authorized absence in a nonpay status up to a maximum of six months within each calendar year, time spent in the U.S. Armed Forces that interrupts otherwise creditable service, and any period of detail to another agency or organization. Any separation of more than three calendar days terminates continuous service.
- (e) Employees who resign in lieu of involuntary separation for reasons not attributable to poor performance, disciplinary action, or counterintelligence issues may receive separation compensation provided they meet the eligibility standards.
- (f) The Deputy Director of Central Intelligence (DDCI) may authorize a substitute separation compensation to individuals who, because of the unusual nature and circumstances of their service with the Agency, may be expected to be at a special disadvantage in making occupational transfers and therefore unable to command reasonable levels of earned income for an extended period following termination of their Agency employment. This includes those employees whose jobs require them to acquire and use skills and knowledge so peculiar to the conduct of clandestine operations that they are not in demand elsewhere. Also, due to highly classified duties, security precludes certain individuals from describing their experience in sufficient detail to demonstrate their qualifications adequately to a prospective employer. It is the DDCI's sole prerogative to grant substitute separation compensation in any given case and the DDCI determines such cases based solely upon a review of the nature and circumstances of the individual's employment. All

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the provisions of this regulation apply equally to the substitute separation compensation except where specifically stated otherwise.

- (2) **EXCLUSIONS.** Excluded from separation compensation entitlements are:
- (a) Employees, other than members of the Senior Intelligence Service, whose rate of basic pay is fixed at a rate provided for one of the levels of the Executive Schedule or is in excess of the maximum rate for the Senior Executive Service, and who have not made an election to retain Senior Intelligence Service benefits under AR 20-22.
 - (b) Alien employees outside the United States and the areas and installations in the Republic of Panama made available to the United States pursuant to the Panama Canal Treaty of 1977 and related agreements.
 - (c) Employees who qualify for immediate Federal retirement benefits.
 - (d) Employees who at the time of separation are receiving Federal Employees' Compensation Act payments in lieu of salary. Exceptions are those who receive this compensation as part of a scheduled award concurrently with pay or those who receive compensation in the form of survivor benefits.
 - (e) Employees separated as a result of poor performance, disciplinary action, or counterintelligence issues.
 - (f) Employees who decline reasonable offers of other positions, such as:
 - (1) Local-hire employees who at the time of separation are offered and decline to accept a position with the federal civilian service which is within two grades of their current grade located in the same commuting area.
 - (2) Employees assigned to an area on permanent change of station orders who are expected to transfer to another area following their current assignment, and who refuse such transfer.
 - (g) Employees who, at the time of separation, are entitled to receive other severance pay from the government.

c. RESPONSIBILITIES

- (1) The Chief Human Resources Officer will:
- (a) Administer the separation compensation program in accordance with the provisions of this regulation.
 - (b) Determine an individual's eligibility to receive separation compensation under this program.
 - (c) Estimate the degree of expected employee difficulty in finding other employment and recommend to the DDCI approval of a substitute separation compensation when individual circumstances so merit.
 - (d) Subject to any DDCI approvals or findings required under paragraph b(1)(f) above

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and d(3) below and to any of the Director of Central Intelligence (DCI) findings under paragraph g(2) below, determine amounts and make payments of separation pay and, as appropriate, effect the discontinuance or suspension of such pay.

(e) Record the amount of payments and taxes withheld and ensure that separation compensation payments subject to suspension under paragraph e(3) below are stopped and resumed in accordance with that provision.

(f) Determine who is to receive the balance of such payments if the employee dies before separation payments have been completed.

(2) The Director of Security will notify the **Chief Human Resources Officer** of individuals who are involuntarily separated in order for the **Chief Human Resources Officer** to determine their eligibility, if any, for separation compensation.

(3) Separating employees will notify the Agency of changes of address or of designation of beneficiary, or any subsequent employment affecting payments to be made under this regulation.

d. **COMPUTATION.** Computation of separation pay under this program is as follows:

(1) The basic separation allowance is computed on the basis of one week's basic compensation at the rate received immediately before separation for each year of creditable civilian service up to and including 10 years, two weeks' basic compensation at the same rate for each year of creditable civilian service beyond 10 years, and 25 percent of a year for each full three months of creditable service that exceeds the final full year of employment at the same rate. The computation excludes periods of service for which employees previously received separation pay.

(2) An age adjustment allowance, when appropriate, is computed on the basis of 2.5 percent of the basic severance pay allowance for each full three months of age over 40 years at the time of separation.

(3) The DDCI determines the amount of the substitute separation compensation based on such factors as the unusually sensitive nature and circumstances of the individual's Agency employment and the degree of difficulty the employee is expected to encounter in finding other employment. The DDCI also considers other factors such as the age of the employee, total years of Federal and Agency service, and cover and security limitations.

(4) Total separation pay will not exceed one year's pay at the rate received immediately before separation.

e. **PAYMENT**

(1) At the time of an individual's separation, the **Chief Human Resources Officer**, subject to paragraphs b(1)(f) and d(3) above, where applicable, will determine the pay rate, the total amount of payment, and the pay periods that the individual will receive payments.

(2) Except where cover considerations preclude or where a substitute separation compensation has been approved, the **Chief Human Resources Officer** will pay the

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individual, at regular biweekly pay period intervals as if still employed, the same amount as the basic compensation for the pay period immediately before separation until the full amount of the separation compensation is paid, except that the final payment will consist only of any remaining unpaid portion of the full amount.

- (3) When, after a break in service of more than three days, an individual entitled to separation pay accepts an appointment in the Federal service with a definite time limitation of one year or less, the individual does not receive payments of separation pay for the duration of such appointment. Upon termination of the limited appointment, the individual's payments resume in accordance with paragraph (2) immediately above. The period of service of such appointment is not creditable for purposes of computing the separation pay it interrupts.
 - (4) Deductions will be made from separation pay only for Federal and applicable state income taxes.
 - (5) Separation pay is granted distinct from any lump-sum payment for annual leave; one will not be offset against the other.
- f. **SURVIVOR BENEFITS.** If an individual dies before expiration of the period covered by the separation pay, the beneficiary receives the balance of benefits due under this program at the same intervals as before the individual's death. Payments will continue until the beneficiary receives the unpaid balance of the fund.
- g. **DISCONTINUANCE OF BENEFITS**
- (1) Separation pay benefits will cease as of the date an individual becomes eligible for deferred annuity benefits.
 - (2) Upon a finding by the DCI that a security or cover agreement with the Agency has been breached by an individual receiving a substitute separation pay, the **Chief Human Resources Officer** is authorized to terminate any future payments of separation pay to that individual.
 - (3) Separation payments to individuals are barred if they are convicted of certain Federal offenses or commit certain actions (5 U.S.C. 8312) or if they remain outside the United States for more than one year to avoid prosecution (5 U.S.C. 8313).
 - (4) If an individual is reemployed by the Federal Government or District of Columbia government before expiration of the period covered by separation pay, separation compensation payments will be discontinued on the date of reemployment and the service represented by the remaining payments will be communicated to the reemploying Federal agency for recredit and use in any subsequent computations of separation pay.