

National Supplement 5  
Between  
U.S. Department of Housing and Urban Development  
And  
American Federation of Government Employees  
HUD Council of Locals 222

**Subject:** Implementation of Phased Retirement Pilot Program

**Scope:** The scope of this supplement relates to the impact and effect on AFGE bargaining unit employees regarding the implementation of the Phased Retirement Pilot Program. Phased Retirement is a human resource tool that will allow full-time employees to work a part time schedule and draw partial retirement benefits during employment.

**Purpose:** The primary objective of Phased Retirement is to reduce the impact of the loss of organizational knowledge due to the retirement of well-experienced employees. This program allows certain retirement-eligible employees to convert to a part-time work schedule while drawing a portion of their retirement annuity prior to entering full retirement.

1. This Supplement shall not diminish or waive any rights that bargaining unit employees have under the AFGE Agreement, Law, rule or regulation.
2. AFGE bargaining unit employees' participation in the Phased Retirement Pilot shall be voluntary.
3. Participation in the Pilot will be open to all AFGE bargaining unit employees Department-wide.
4. All employees participating in the Pilot will remain eligible for telework, flexi-tour, alternative work schedules, maxi-flex and any other negotiated provisions regarding hours of duty, leave and attendance in the agreement.
5. Management will make a good faith effort not to impact employee's schedules and telework.
6. Phased retirement will be used not only to facilitate the mentoring and training of employees who may be taking over the duties of the retiring employee, but "may also be used to provide employees with the opportunity to share experiences across sections or divisions of an agency, as appropriate. Accordingly, the Agency and the retiree shall choose from any mentoring activities that would allow for the transfer of knowledge and skills. Mentoring is defined as a process that focus specifically, on providing guidance, direction, and career advice, which includes a wide range of activities that allow for the transfer of knowledge and skills from one employee to others. All phased retirees, must spend at least 20 percent of his or her working hours in mentoring

2activities as defined by an authorized agency official (5 CFR §§ 831.1781(a) and 848.901).

7. Denial of an application for Phased Retirement under the Pilot may be grieved under the Collective Bargaining Agreement (CBA) grievance procedures, EEO complaint process or other lawful and applicable regulatory complaint process.
8. Bargaining unit employees' eligibility for other training opportunities, training funds awards, and other benefits of employment through their permanent offices shall not be affected as a result of participating in the Pilot Retirement Program. To the extent practicable, employees may be permitted to attend training that was scheduled prior to beginning of the Phased Retirement.
9. Parties agree that the Phased Retirement Policy and Procedures Handbook, Management will conform the agreed upon supplement and issue as the Phased Retirement Policy and Procedures handbook for AFGE bargaining unit employees. This is non precedential.
10. Criteria for Approval:
  1. The employee must have achieved a minimum rating of fully successful on their most recent annual performance evaluation.
  2. The requesting employee submits a completed, signed, and approved agency time limit and mentoring agreement.
  3. The staffing level is sufficient to accommodate the part-time work schedule of the phased retiree *and there are no other viable options available*. Viable options may include, but are not limited to: 1) Reasonable attempts to reassign 50% of the Phased Retiree's work to other employees in the division, 2) A Request for Volunteers from within the cylinder to participate in a detail or Rotational Assignment (RAP) and 3) The posting of an NTE part-time positions to accommodate the phased retiree's reduction of hours.
  4. The employee has specific knowledge and/or skills essential to the organization and mission that need to be conveyed to others.
  5. The employee has not previously entered phased retirement. (Note: An individual may only enter Phased Retirement once.)

**Other Pertinent Information**

- A. The supervisor must provide a written explanation of adverse effects on work operations in order to disapprove an employee's participation in the Phased Retirement Pilot. The approving official shall review the Phased Retirement application within 10 Days.

- B. Prior to Managements approval of an employee’s request to enter Phased Retirement, the supervisor and employee will work together in good faith to agree in writing to the types of mentoring, as well as specify the mentoring activities that the employee is willing and capable of performing in accordance with the needs of the organization and mission.
  - C. Application Process Overview
    - i. Employees submit an application to enter phased retirement to the immediate supervisor.
    - ii. Supervisor and employee identify (in writing) the type(s) of mentoring the employee will perform on the Time Limit and Mentoring Form HUD Form 1013(last revised 02/25/2016). Any substantive changes to this form are subject to bargaining in accordance with the agreement.
    - iii. Immediate supervisor completes appropriate sections on the HUD, above referenced form, and makes recommendation for approval or denial, which is then forwarded to the GDAS (or equivalent) for final decision.
    - iv. The GDAS (or equivalent) then approves or denies the application.
    - v. Any denial of an employee’s application for Phased Retirement may be grieved in accordance with the parties’ collective bargaining agreement.
  - D. There shall be no office/program area wide opt out in the Phased Retirement Pilot. Phased Retirement Applications shall be decided on a case by case basis.
  - E. The following language will not apply to AFGE employees: “The employee is capable of being a mentor.
11. The parties agree that outside of the exclusions stipulated in Section 1.5 of the Phased Retirement handbook, every position is eligible for phased retirement.
12. Management will be responsible for providing acceptable mentoring activities. Management and the phased retiree shall choose from any mentoring activities sufficient to meet the mentoring requirement that would allow for the transfer of knowledge and skills. The following four types of activities meet the mentoring requirements:
- 1. Knowledge transfer - Is the sharing of institutional knowledge by professionals and experts in a field.
  - 2. Knowledge management – Is commonly viewed as cataloguing and storing information in a database. It also captures, develops, and effectively uses organizational knowledge and information. Phased retiree mentors can share their strategies and

processes used during their work experience and lessons learned as a strategic asset for the organization.

3. Succession Planning – Identifying and developing staff members who have the potential to fill key leadership positions. Phased retiree mentors help the organization develop the competencies of potential future leaders within the agency.

4. Career Development – Is providing advice and guidance to an individual that will help develop their career at HUD. It may involve discussing training, job assignment, work balance, and/or focusing on areas needing improvement (e.g. writing skills). *This does not guarantee that the mentee will receive a promotion or job of choice.*

*Styles of Mentoring will include:*

1. Traditional – senior employee mentors a lower-graded employee.
2. Situational – focus is on a specific situation (e.g. to solve a problem).
3. Peer – to- Peer – mentoring of an individual.
4. Group Mentoring – mentoring of two or more individuals.

Note: School and community volunteer activities during non-work periods will not count toward the mentoring requirement.

13. Management shall ensure its service provider provide to each requesting employee an annuity estimate (i.e. phased and full retirement) and retirement counseling.
14. Management shall ensure that its service provider process and submit employees' approved retirement application packages to the National Finance Center (NFC) for processing within three (3) business days after the date of Phased Retirement of receipt.
15. HUD shall ensure that all applicants are provided with all information pertinent to their application.
16. The parties agree that upon completion of the Phased Retirement Pilot program, all data provided by the Service Provider to management relevant to the Phased Retirement Program will be shared with the National Council in which the personal identifiable information will be deleted as required by the Privacy Act. In the event a permanent Phased Retirement program is to be established, the parties agree to discuss issues and concerns as a result of the pilot program prior to negotiations for the permanent program.
17. Existing reasonable accommodations shall remain in effect during the participation in the Phased Retirement Pilot to the maximum extent possible.
18. In instances that a program area receives multiple requests, but is unable to approve all requests, the Federal Service Computation Date (SCD) will prevail. Management will provide written justification to each employee denied participation in the program.

19. Upon Management approval, employees who participate in Phased Retirement may return to full-time employment. Management will provide written notice stating reason for denial of Phased retiree's request to return to full-time employment.
20. Performance standards utilized for mentoring shall meet SMART standards in accordance with the Departments' Performance Management Policy and Handbook and the Collective Bargaining Agreement.
21. Performance elements related to the mentoring requirement shall not be based on the performance of the mentee.

Date: February 25, 2016

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