

EMPLOYEE BENEFITS

- 1. REASON FOR ISSUE:** To revise Department of Veterans Affairs (VA) policy regarding employee benefits.
- 2. SUMMARY OF CONTENTS/MAJOR CHANGES:** This directive contains VA policy on the provision of employee benefit program information. This revision establishes VA policy regarding the phased retirement program. The pages in this issuance replace the corresponding page numbers in VA Directive 5009. Revised text is contained in [brackets]. This change will be incorporated into the electronic version of VA Directive 5009 that is maintained on the [Office of Human Resources Management Web site](#).
- 3. RESPONSIBLE OFFICE:** Worklife and Benefits Service (058), Office of the Deputy Assistant Secretary for Human Resources Management.
- 4. RELATED HANDBOOK:** VA Handbook 5009, Employee Benefits.
- 5. RESCISSIONS:** None.

CERTIFIED BY:

/s/
LaVerne H. Council
Executive in Charge and Chief Information Officer
Office of Information and Technology

**BY DIRECTION OF THE SECRETARY
OF VETERANS AFFAIRS:**

/s/
Gina S. Farrissee
Assistant Secretary for
Human Resources and Administration

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(3) Employees who misuse child care subsidies will be subject to appropriate administrative action, including discipline and disqualification for future VA child care subsidy benefits.

m. **U.S. Flag Recognition Benefit for Deceased Federal Civilian Employees.** U.S. Flag Recognition Benefit for Deceased Federal Civilian Employees procedures and guidance are located in VA Handbook 5009, Part IV. The Department will issue a U.S. Flag to the Beneficiary of a deceased VA employee who dies of injuries incurred in connection with his/her employment under certain circumstances as a result of a criminal act, an act of terrorism, a natural disaster, or other circumstances as determined by the President.

[n. **Phased Retirement.** Phased retirement procedures and guidance are located in VA Handbook 5009, Part V.

(1) Phased retirement is a workforce management tool designed to assist the VA with knowledge management and continuity of operations in the short term, and prepare the next generation of experts for success.

(2) Phased retirement allows an employee to work a part time schedule while receiving a partial annuity.

(3) Phased retirement is not an employee right. Elections to enter into, or opt out of, phased retirement status require the mutual consent of both the employee and the VA.]

3. RESPONSIBILITIES

a. Responsibilities are contained in each of the Program Operating Manuals mentioned in the Policy section. The TSP responsibilities are contained in the TSP Booklet, "Summary of the Thrift Savings Plan".

b. In addition to the responsibilities listed in the Manuals and TSP Booklet, Staff Office and field facilities staff must also follow the standard operation procedures or other guidance that has been or will be established by VA Central Office, Worklife and Benefits Service (058) and the [Chief Business Office (CBO)]. If there are any concerns regarding matters involving field facility staff responsibilities, facility staff should consult with the Worklife and Benefits Service (058) or the [CBO], as appropriate for resolution.

c. The Assistant Inspector General for Management and Administration is responsible for administering retirement programs for the Office of Inspector General employees. The Inspector General Reform Act of 2008, Section 14 (a), designates each Office of Inspector General as a separate agency with the Inspector General assuming the functions, powers, and duties of an agency head..

4. REFERENCES

a. Retirement

(1) Inspector General Act of 1978

(2) Inspector General Reform Act of 2008, §6(d)(1)(B)(ii)

- (3) OPM Operating Manual, “CSRS and FERS Handbook for Personnel and Payroll Offices”;
- (4) OPM Benefits Administration Letters;
- (5) 5 CFR, parts 831, 835, 837, 838, 841, 842, 843, 844, 845, 846, and, 847; and
- (6) 5 U.S.C., chapters 83 and 84.

b. FEHB

- (1) OPM Operating Manual, “The Federal Employees Health Benefits Program Handbook: A Handbook for Enrollees and Employing Offices”;
- (2) OPM Benefits Administration Letters;
- (3) 5 CFR, part 890; and
- (4) 5 U.S.C., chapter 89.

c. FEGLI

- (1) OPM Operating Manual, “The Federal Employees Group Life Insurance Handbook: A Handbook for Employees, Annuitants, Compensationers and Employing Offices”;
- (2) OPM Benefits Administration Letters;
- (3) 5 CFR, part 870; and
- (4) 5 U.S.C., chapter 87.

d. TSP

- (1) TSP Booklet, “Summary of the Thrift Savings Plan”;
- (2) TSP Bulletins;
- (3) 5 CFR, part 1600; and
- (4) 5 U.S.C., chapter 84.

e. FEDVIP

- (1) OPM Benefits Administration Letters;
- (2) 5 CFR, part 894;
- (3) 5 U.S.C., chapter 89A (Enhanced Dental Benefits); and

(4) 5 U.S.C., chapter 89B (Enhanced Vision Benefits).

f. FSAFEDS

(1) FSAFEDS Booklet, “FSAFEDS Summary of Benefits with Frequently Asked Questions”;

(2) OPM Benefits Administration Letters; and

(3) 26 U.S.C. § 125.

g. FLTCIP

(1) FLTCIP Booklet, “Benefit Booklet: The Federal Long Term Care Insurance Program”;

(2) OPM Benefits Administration Letters;

(3) 5 CFR, part 875; and

(4) 5 U.S.C., §§ 9001-9008.

h. VA Child Care Subsidy Program

(1) Public Law 106-58, Section 643;

(2) Public Law 107-67, Section 630; and

(3) 5 CFR, part 792.

i. U.S. Flag Recognition Benefit for Deceased Federal Civilian Employees

(1) 5 CFR, part 550, subpart O;

(2) 5 U.S. C. § 2105;

(3) 5 U.S.C. § 5570;

(4) Civilian Service Recognition Act of 2011, Public Law 112-73; December 20, 2011; and

(5) Department of Veterans Affairs Use of Flag and Correct Folding Method, VA Form 100825.

[j. Phased Retirement

(1) 5 CFR, part 831, subpart Q;

(2) 5 CFR, part 848;

(3) 5 U.S.C. § 8336a;

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(4) 5 U.S.C. § 8412a;

(5) OPM Benefits Administration Letters 14-106, 14-108, 14-109, 14-110; and

(6) Public Law 112-141.

