

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 mandatory VA policy on the provision of employee benefits program information. This revision [updates] VA's policy for the U.S. Flag Recognition Benefit [and Office of Personnel Management (OPM) Wall of Honor Recognition] for Deceased Federal Civilian Employees. 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 the Chief Human Capital Officer Website](#) and [VA Publications Website](#)].
3. **RESPONSIBLE OFFICE:** Worklife and Benefits Service (058), Office of the Chief Human Capital Officer (OCHCO), Human Resources and Administration/Operations, Security and Preparedness (006).
4. **RELATED HANDBOOK:** VA Handbook 5009, Employee Benefits.
5. **RESCISSIONS:** None.

CERTIFIED BY:

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

/s/
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/s/
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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 [and OPM Wall of Honor Recognition] for Deceased Federal Civilian Employees.** 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. U.S. Flag Recognition Benefit [and OPM Wall of Honor Recognition] for Deceased Federal Civilian Employees procedures and guidance are located in VA Handbook 5009, Part IV.
 - 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 requires the mutual consent of both the employee and the supervisor.

3. RESPONSIBILITIES.

- a. Responsibilities are contained in each of the Program Operation Manuals mentioned in the Policy section. The Thrift Savings Plan (TSP) responsibilities are contained 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 operations 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 involving field facility staff responsibilities, facility staff should consult with the Worklife and Benefits Service (058) or the CBO, as appropriate for resolution.

i. **U.S. Flag Recognition Benefit [and OPM Wall of Honor Recognition] for Deceased Federal Civilian Employees**

- (1) [5 U.S.C. § 2105, \[Employee\];](#)
- (2) [5 U.S.C. § 5570, \[note Compensation for disability or death\];](#)
- (3) [\[18 U.S.C. § 2331, Definitions\];](#)
- (4) [Pub.L. 112-73, Civilian Service Recognition Act of 2011;](#)
- (5) [C.F.R., part 550, subpart O, \[Flag Recognition Benefit for Fallen Civilian Employees; and](#)
- (6) [\[VA Financial Policy Volume XVI.\]](#)