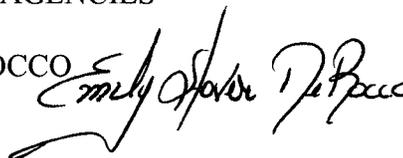


<b>U. S. Department of Labor</b> <b>Employment and Training Administration Advisory System</b> <b>Washington, D.C. 20210</b>	<b>CLASSIFICATION</b> Unemployment Insurance
	<b>CORRESPONDENCE SYMBOL</b> OWS/Division Symbol
	<b>DATE</b> April 10, 2007

**ADVISORY: UNEMPLOYMENT INSURANCE PROGRAM LETTER NO. 03-95, CHANGE 4**

**TO: STATE WORKFORCE AGENCIES**

**FROM: EMILY STOVER DeROCCO**  
Assistant Secretary



**SUBJECT: Acceptable Narrative Reasons for Separation for the Unemployment Compensation for Ex-service members (UCX) Program**

1. Purpose. To amend the consolidated list of "acceptable" narrative reasons for separation transmitted in Unemployment Insurance Program Letter (UIPL) No. 3-95 and UIPL No. 3-95, Changes 1, 2, and 3 to include Force Shaping-Voluntary Separation Payment (VSP) as an acceptable narrative reason for separation.
2. References. ET Handbook 384; UIPL No. 3-95, Changes 1, 2, and 3; 5 U.S.C. 8521; 20 CFR Part 614; and 10 U.S.C. 1175 (a).
3. Background. Since the issuance of UIPL No. 3-95 on December 6, 1994, several changes have been made to the list of acceptable narrative reasons for separation used by State Workforce Agencies (SWAs) in the UCX eligibility determination process (refer to UIPL No. 3-95, changes 1, 2, and 3). The list of acceptable narrative reasons is only used for ex-service members who did not complete their first full term of service. Effective October 1, 2006, upon receipt of information from the Department of Defense concerning Force Shaping-VSP, an addition was made by the U.S. Department of Labor to the list of UCX acceptable narrative reasons for separation.
4. New Acceptable Narrative Reason. The new acceptable narrative reason is Force Shaping—VSP. This narrative reason is used solely for officers discharged from military service for the convenience of the government under an early release program. This new acceptable narrative reason was created because some former military officers believed the narrative reason of “reduction in force” had a negative influence on potential employers. This new reason is another way of stating the discharge was due to a “reduction in force.”

Some of the discharged officers may receive a VSP after discharge. The VSP program is authorized by Title 10, U.S.C. section 1175a. A VSP may also be listed as Separation Pay Incentive or as Voluntary Separation Incentive on the service member’s DD-214 form.

<b>RESCISSIONS</b> None	<b>EXPIRATION DATE</b> April 10, 2008
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These forms of payments are considered to be bonuses by the Department of Defense and generally should not affect eligibility to receive UCX benefits unless state law dictates otherwise. SWAs must use the new acceptable narrative reason, when appropriate, in making UCX eligibility determinations.

5. Action Required. SWAs are requested to distribute this directive and the attachment to appropriate staff members.
6. Inquiries. Direct inquiries to the appropriate Regional Office.
7. Attachment. Revised List of Acceptable Narrative Reasons for Separation Meeting the Requirements of 5 U.S.C. 8521 (a) (1) (B) (ii) (I)-(IV)

**ACCEPTABLE NARRATIVE REASONS FOR SEPARATION FOR UCX PURPOSES**

The following are "**Acceptable**" Narrative Reasons for Separation Meeting the Requirements of 5 U.S.C. 8521(a)(1)(B)(ii)(I)-(IV). The categories of acceptable reasons are underlined; specific reasons are listed below each category.

For the convenience of the government under an early release program (5 U.S.C. 8521(a)(1)(B)(ii)(I))

Medal of Honor Recipient

Completion of Required Active Service

Insufficient Retainability (Economic Reasons)

Reduction in Force

Force Shaping-VSP (**new**)

To Attend School

Holiday Early Release Program

Defective Enlistment Agreement

Erroneous Entry (Other)

Intradepartmental Transfer

Miscellaneous/General Reasons. **Note:** This pertains only to Army Lieutenants' separations under the Army National Guard Combat Reform Initiative (ANGCRI) program occurring May 1, 1998 through September 30, 1998 and May 1, 1999 through September 30, 1999, and every year thereafter for the May 1 through September 30 period. Also requires "Orders to Report" and "Orders of Release" or "Orders to Report" containing an endorsement of release to be presented to the SWA indicating the servicemember was discharged under the ANGCRI program.

Because of medical disqualification, pregnancy, parenthood, or Service-incurred injury or disability (5 U.S.C. 8521(a)(1)(B)(ii)(II))

Pregnancy or Childbirth

Parenthood or Custody of Minor Children

Conditions, not Disability

Disability, Severance Pay

Disability, Permanent

Disability, Temporary

Disability, Existed Prior to Service, PEB

Disability, Existed Prior to Service, Med BD

Disability, Aggravated

Disability, Other

Because of hardship (5 U.S.C. 8521(a)(1)(B)(ii)(III))

Surviving Member

Hardship

Because of personality disorders or inaptitude, but only if the service was continuous for 365 days or more (5 U.S.C. 8521(a)(1)(B)(ii)(IV))

Personality Disorder

The following are narrative reasons for separation that USDOL has determined constitute "inaptitude" within the meaning of 5 U.S.C. 8521(a)(1)(B)(ii)(IV)

Conscientious Objector

Weight Control Failure

Ecclesiastical Endorsement

Secretarial Authority

Physical Standard

Erroneous Entry, Alcohol Abuse

Erroneous Entry, Drug Abuse

Non-selection, Permanent Promotion

Non-selection, Temporary Promotion

Failure to Complete a Commission or Warrant Program

Failure to Complete a Course of Instruction

Unsatisfactory Performance

Substandard Performance

Personal Alcohol Abuse

Alcohol Rehabilitation Failure

Drug Rehabilitation Failure

Military Personnel Security Program

Homosexual Admission

Homosexual Act

Non-retention on Active Duty