



DEPARTMENT OF THE AIR FORCE
86TH AIRLIFT WING (USAFE)

MEMORANDUM FOR ELIGIBLE EMPLOYEES

9 Jan 12

FROM: 86 FSS/FSP

SUBJECT: Voluntary Early Retirement Authority (VERA) and Voluntary Separation
Incentive Pay (VSIP) Program (**SUSPENSE: 31 Jan 12**)

1. This is a downsizing Voluntary Early Retirement Authority (VERA) and Voluntary Separation Incentive Pay (VSIP) survey for employees serviced by the Ramstein Air Base Civilian Personnel Section. The basis for voluntary separation incentives is to avoid potential involuntary separations as a result of Reduction-In-Force (RIF). Therefore, the survey is only for those employees who are in the same series/grade, or have the same skill sets held by those currently considered for downsizing. We encourage eligible employees to consider the following information.
2. Our initial analysis indicates that the acceptance of VERA/VSIP offers would prevent potential involuntary separations. As a result, we will ***accept employee applications for the VERA/VSIP from 9 Jan 12 through 31 Jan 12. Applications must be returned to 86 FSS/FSPC, First Stop Office, by the suspense date.*** An application for VERA/VSIP is at Attachment 2. If you are later offered an incentive and you accept, you will be expected to voluntarily separate on 30 Apr 12.
3. Employees are encouraged to fully consider their separation options. Please validate retirement eligibility ***before*** completing the VERA/VSIP application. To receive retirement counseling, contact the Benefits and Entitlements Service Team (BEST). You can obtain information on how to reach a BEST counselor and the phone system on the Air Force Personnel Services (AFPERs) website at <https://gum-crm.csd.disa.mil/app/home>, keyword search 5828. Instructions for using the Employee Benefits Information System (EBIS) to obtain retirement estimates may be found at <https://gum-crm.csd.disa.mil/app/home>, keyword search 4872. Employees are reminded that approval of a separation incentive or early retirement is in no way assured as decisions on approval will be based on a variety of factors, including the number of employees who volunteer. ***Employees should not take premature actions that are irrevocable or incur financial obligations prior to receiving a firm incentive offer.***
4. If approved for an incentive, employees will receive a written notice of approval. Employees wishing to accept a VSIP offer will be required to sign a VSIP Conditions of Acceptance statement and a DD Form 2903, Voluntary Separation Incentive Pay Agreement indicating that their acceptance is irrevocable. Interested retirement-eligible employees are encouraged to begin preliminary retirement planning. The VERA/VSIP Fact Sheet at attachment 1 explains eligibility procedures and retirement options.
5. For additional information on separation incentives, please call Ms. Margaret Montano, DSN 314-478-6707.

//signed//

CHRISTINE L. MURRAY, GS-14, DAF
Civilian Personnel Officer

Attachments:

1. VERA/VSIP Fact Sheet
2. VERA/VSIP Application

VOLUNTARY EARLY RETIREMENT AUTHORITY (VERA)

VOLUNTARY SEPARATION INCENTIVE PAYMENT (VSIP)

FACT SHEET

1. The following information is provided to assist in understanding the processes involved in administering the VERA/VSIP program at Ramstein AB. Receipt of a buyout or an early retirement is not an employee entitlement. Use of the VERA/VSIP is to avoid or minimize the need for civilian employee involuntary separations when the workforce is reduced (downsizing) or to restructure the workforce to meet mission objectives without reducing the overall number of personnel (restructuring).
2. **VERA/VSIP AUTHORITY:** Final approval of an incentive rests with the Installation Commander, Tenant Commander, or Activity Head and is subject to meeting Department of Defense Civilian Transition Program approval criteria.
3. **WHO MAY APPLY:** Unless otherwise stated, all permanent employees who are serviced by the Ramstein AB Civilian Personnel Section and meet the eligibility requirements below.
4. **VSIP ELIGIBILITY CRITERIA:**
 - a. Employees must be US citizens (defined in 5 USC 9902(i)) and:
 - 1) Must be serving under an appointment without time limitation.
 - 2) Must have been employed by the DoD continuously for at least 12 months.
 - b. Employees meeting the following criteria are **ineligible** for VSIP:
 - 1) Is a reemployed annuitant under subchapter III of 5 U.S.C. chapter 83 or chapter 84, or any other retirement system for employees of the Federal Government;
 - 2) Is or would be eligible for disability retirement under any Federal employee retirement system;
 - 3) Is a non-compensated employee;
 - 4) Has accepted a position in another Federal agency;
 - 5) Has received a specific notice of reduction in force separation;
 - 6) Has declined to relocate with their position; or declined a transfer of function;
 - 7) Has received a decision notice of involuntary separation for misconduct or unacceptable performance; or
 - 8) Has previously received a civilian separation incentive payment.
 - c. Absent a waiver, an employee is ineligible for a buyout if he or she:

1) Is covered by a written service agreement resulting from Permanent Change of Station or training, or is in receipt of a recruitment or relocation bonus; or

2) Is receiving a retention allowance; is occupying a position for which special salary rates are approved; or is occupying a position defined as “hard to fill.”

5. VERA ELIGIBILITY:

a. Must have 20 years of retirement-creditable service at age 50, or 25 years of service at any age. Applicants for early retirement who are covered by the Civil Service Retirement System (CSRS) are reminded that their annuity will be reduced 1/6 OF 1 PERCENT FOR EACH FULL MONTH they are under age 55, or about 2% for each year under 55 years of age.

b. Must be continuously employed within the DoD for more than 30 days before the date on which the determination to conduct a workforce reduction or restructuring action has been approved.

c. Must be serving under an appointment without time limitation.

d. Must not be in receipt of a decision of involuntary separation for misconduct or unsatisfactory performance.

6. VSIP APPROVAL CRITERIA:

Downsizing VSIP can only be approved in cases where it will avoid the need for involuntary separation. Incentives may not be approved to avoid downgrades or position authorization cuts that will not result in a separation. Bottom line: Approvals must be linked with a projected separation.

7. PROCEDURES:

Downsizing VSIP - A mock RIF or review of affected positions is conducted to determine the impact of projected manpower cuts or downgrade actions. The process of linking incentive applicants with saving a separating employee will be conducted as follows:

1) The initial consideration for incentive applicants is conducted within the organization that has incentive authority and where the projected RIF action originates.

2) Where a reduction may cause a separation after a series of displacements, incentive offers will be made in an order that minimizes RIF impact. Offers will start with the surplus series and grades within the affected organization and follow progressively through the displacement chain.

3) The search may be expanded organizationally to all units within the parent organization that has incentive approval authority.

If within the above steps the number of incentive applicants exceeds the number that may be approved, incentives will be offered in the following order: 1) employees eligible for optional retirement; 2) employees eligible for early retirement; and 3) employees requesting resignation. Within each group the order will be further determined by seniority based on Service Computation Date (SCD) for leave.

8. The separation incentive will be paid in a lump sum or by installment (less FICA/Medicare taxes, Federal Income Tax Withholding and applicable state and local taxes) and shall be the lesser of \$25,000 or an amount equal to the amount the employee would be entitled to receive for severance pay. In addition to the lump-sum payment option, there are two installment options:

- a. Bi-weekly payments in equal amounts. The bi-weekly installment payments may not extend beyond one year from the date of separation.
- b. One half of the buyout six months following separation, and the remaining half six months later.

9. By receiving the incentive, employees are advised of the following:

- a. Employees must repay the full incentive if employed by the federal government (including employment in nonappropriated fund instrumentalities or with an agency of the United States through a personal services contract with the United States) within 5 years after separation;
- b. Absent an exception, DoD employees may not be reemployed by the DoD in any capacity for a 12-month period beginning on the effective date of separation;
- c. Employees are not eligible to participate in the DoD Priority Placement Program (PPP);
- d. Employees are not eligible for any other offers of separation pay.

10. There will be an application withdrawal cutoff date associated with this program offering. If approved for an incentive, employees will receive a written notice of approval. Employees wishing to accept a VSIP offer will be required to sign a VSIP Conditions of Acceptance statement and a DD Form 2903, Voluntary Separation Incentive Pay Agreement. An employee's acceptance is irrevocable unless he/she can provide management with proof of an extreme hardship or extraordinary circumstances. Few exceptions will be made. This is imperative in order to avoid major program disruption. We encourage each applicant to thoroughly consider his or her decision prior to submitting an application. Please note that employees who are not approved for VERA/VSIP will **not** be required to separate.

11. POINT OF CONTACT. For additional information on separation incentives, please call Ms. Margaret Montano, 86 FSS/FSPC-B at DSN 314-478-6707.

**APPLICATION FOR VOLUNTARY EARLY RETIREMENT (VERA) AND VOLUNTARY
SEPARATION INCENTIVE PAY (VSIP)**

**Your application for an incentive must be received in the Civilian Personnel Section, First Stop Office,
Building 2120, Room 221 NLT 31 Jan 12.**

Name (Print) _____	
Organization _____	Duty Phone: _____
Position Title, Series, Grade _____	

A decision to participate DOES NOT signify that an applicant will receive an incentive.

Separation Incentive Pay (please check as appropriate):

- _____ I am applying for separation incentive pay and would consider voluntary separation by:
 - _____ Resignation
 - _____ Early Retirement (age 50 with 20 years of service, or any age with 25 years of service; for CSRS employees annuity is reduced by 2% for each year under age 55)
 - _____ Optional retirement (age 55 with 30 years service, or age 60 with 20 years service, or age 62 with 5 years of service, or Minimum Retirement Age with 10 years of service for Federal Employees Retirement System (FERS) employees)
- _____ I am not applying for separation incentive pay.

Early Retirement (check one):

- _____ I am applying for early retirement only if separation incentive pay is available.
- _____ I am applying for early retirement with or without separation incentive pay.
- _____ I am not applying for early retirement.

My application may be approved if my CPS determines there is an affected employee who needs a placement opportunity, or a possible separation action can be prevented. In this case, I will receive a written notice of approval (VERA and/or VSIP). If I choose to accept a written VSIP offer, my acceptance will be irrevocable, unless I can provide management with proof of an extreme hardship or extraordinary circumstances. Upon my acceptance I will be committed to voluntary separation and will immediately start the retirement process, if applicable.

I understand that, if the number of VSIP applicants in my skill exceeds the number of available incentives, offers will be made in the following order: 1) employees eligible for optional retirement; 2) employees eligible for early retirement; and 3) employees requesting resignation. Within each group, the order will be further determined by seniority based on Service Computation Date (SCD) for leave.

I understand that, if offered VSIP, I will be entitled to receive a cash incentive equal to the LESSER OF (1) \$25,000; or (2) the amount that I would receive under the formula for computing severance pay.

I understand that, if offered VSIP, I am not eligible to receive severance pay or unemployment compensation.

I understand that employees who accept VSIP cannot be reemployed by the Federal government for 5 years after separation unless they repay the full amount received, and are also ineligible for registration in the DoD Priority Placement Program (PPP).

SIGNATURE: _____ DATE _____

CPS USE ONLY

Leave SCD: _____ Date Offered: _____

Date/Time Notified of Acceptance: _____

Return to CPS, NLT 31 JAN 12