

DEPARTMENT OF THE ARMY  
HEADQUARTERS, JOINT READINESS TRAINING CENTER & FORT POLK  
FORT POLK, LOUISIANA 71459

CIVILIAN PERSONNEL  
BULLETIN NO. 12-00

15 May 2000

**VOLUNTARY SEPARATION INCENTIVE PAY (VSIP)**  
**FOR GARRISON EMPLOYEES**

1. **Purpose.** The purpose of this bulletin is to announce an opportunity for Garrison employees to apply for Voluntary Separation Incentive Payments (VSIP).

2. **Reason.** Department of Defense is continuing to face drawdowns and a shortage of funds available for civilian pay. Within the Garrison, we are faced with a manpower authorization, work years, and dollar reduction as a result of the Quadrennial Defense Review. These reductions will result in an excess of civilian employees. Our current strength is 1296. We must reach an end strength of 1207 by 30 September 2000. While we do not anticipate the need for a reduction-in-force of permanent employees, a number of actions, including a hiring freeze, management directed reassignments, and release of some of our temporary and term employees will be necessary. Further, subject to the availability of funding, we will authorize payments of voluntary separation incentives to a maximum of 18 eligible employees who leave our rolls on or before 30 September 2000.

3. **Eligibility for VSIP.** Employees are eligible for VSIP provided they are (1) U.S. citizens, an exception exists for non U.S. citizens employed under the Panama Canal Employment System; (2) eligible for either optional retirement or resignation; (3) serving under an appointment without time limitation; and (4) have been continuously employed by the Federal Government for at least 12 months.

4. **Eligibility for Optional Retirement.**

a. **Civil Service Retirement System (CSRS).** Under the CSRS, employees may retire on an immediate annuity if the following requirements are met:

- (1) Be age 62 with 5 years of service;
- (2) Be age 60 with 20 years of service;

(3) Be age 55 with 30 years of service.

b. **Federal Employees Retirement System.** Under FERS, employees may retire on an immediate annuity if the following requirements are met:

(1) Be age 62 with 5 years of service;

(2) Be age 60 with 20 years of service;

(3) Be Minimum Retirement Age with 30 years of service.

(4) Be Minimum Retirement Age (never less than 55), with 10 years of service (reduced annuity).

In order to assist eligible employees in their personal planning in this regard, employees desiring a retirement computation and/or retirement counseling should make an appointment with Yvonne Johnson in the Civilian Personnel Advisory Center at 531-4881.

5. **Ineligibility.** The following categories of employees are ineligible to receive VSIP:

- Employed annuitants;
- Employees with a pending or approved application for disability retirement;
- Employees occupying "hard to fill" positions;
- Employees receiving a retention allowance;
- Employees covered by a written service agreement resulting from a permanent change of station (PCS), training, or receipt of a recruitment or relocation bonus.

6. **Amount of Payment.** The amount of the VSIP is the lesser of:

(a) \$25,000, or

(b) An amount equal to the payment you would be entitled to receive under the severance pay formula; i.e., (1) one week's pay at the rate of basic pay received immediately before separation for each year of civilian service up to and including 10 years, and 2 weeks basic pay at the rate for each year of civilian service beyond 10 years, and (2) an age adjustment allowance for each year by which your age exceeds 40 years, at the time of separation. Incentive pay cannot exceed 1 year's salary at the rate of pay immediately preceding separation.

VSIP is paid in a lump sum at the time of separation (less FICA/Medicare taxes, federal income tax withholding, and applicable state and local taxes).

(c) VSIP calculations will be prepared by the CPOC. Therefore, patience should be exercised in allowing our partners to provide this information at the same time we are converting to our new Automated Personnel System.

7. **Application Window.** The window for the submission of an employee's application for VSIP is **15 May 2000** through **15 June 2000**. Applications received in the CPAC after **15 June 2000** will not be considered. Applications for retirement, with VSIP, will be accepted for employees who meet retirement eligibility on or before **30 September 2000**.

8. **Not an Employee Entitlement.** It must be noted that VSIP is not an employee entitlement. Consequently, disapproval of an employee's request for VSIP is not a grievable matter and does not serve as a basis for a complaint.

9. **Approval Process.** The Director of the Civilian Personnel Advisory Center will assist in making decisions on the approval/disapproval of applications received. Management will project whether the position would be abolished following approval of VSIP, while the CPAC would determine if the position vacated through VSIP approval could be used for placement of an employee who might otherwise be separated. In addition, the CPAC will attempt to determine whether the vacated position might indirectly save an employee from separation through the projected "chain reaction" process of filling the vacated position, then filling behind that position, abolishing a subsequent vacancy, etc. The Garrison Commander/Deputy Garrison Commander may approve the incentive only if it is projected that an employee can be saved, or if a reduction-in-force can be avoided, or minimized by abolishing a vacated position. An individual management decision will be made on each application received, and each applicant will be notified regarding approval or disapproval of their application. If the number of eligible VSIP applicants exceeds the number of offers available, applications will be grouped by occupations and within each group, offers will be made in seniority order using the service computation date for leave. Veteran's preference and tenure are not considered in this process. **An employee for whom VSIP is approved must be off the rolls on or before 30 September 2000.** Retirement eligible employees must be off the rolls by no later than 30 September 2000 to receive a retirement annuity check for October 2000.

10. **Separation Agreements.** Employees who apply for VSIP must sign an agreement that the decision to resign or retire under these circumstances is entirely voluntary and that they agree to repay the incentive if they are reemployed by the Federal Government within 5 years of the date of the separation on which the VSIP is based. Moreover, a DOD employee who takes VSIP is not allowed by DOD policy to return to DOD or enter into a personal services contract for one year after separation, even if the employee repays the incentive, unless a waiver is granted by the Assistant Secretary of the Army. If an employee is selected to receive VSIP, these agreements will serve as an agreement to resign or retire during the window period. If employees are not selected to receive VSIP, they will not be bound by this commitment.

11. **Restrictions on Reemployment.** Employees who accept VSIP have restrictions placed on future employment with the Federal Government. An employee who accepts VSIP and accepts employment with the Federal Government for a period of 5 years after the date of separation must repay the entire amount of the incentive to the Department of the Army. Moreover, a DOD employee who takes VSIP is not allowed by DOD policy to return to DOD or enter into a personal services contract for one year after separation, even if the employee repays the incentive, unless a waiver is granted by the Assistant Secretary of the Army.

12. **Application Procedures.** Employees who wish to be considered for VSIP must provide the following documents to the Civilian Personnel Advisory Center, ATTN: Sherri Collier, VSIP Program Coordinator, Building 413, Fort Polk, Louisiana, at the earliest possible date, but not later than 15 June 2000.

a. Application for Voluntary Separation Incentive. (Copy attached to this bulletin.

b. A completed and signed retirement application (SF-2801 for CSRS employees) (SF-3107 for FERS employees).

c. A SF-52 stating the conditions under which the employee is retiring or resigning to receive the VSIP.

(1) The SF-52 for retirees will include the following remarks:

"I meet the age and service requirement for optional retirement. I hereby request to retire with voluntary separation incentive payment effective \_\_\_\_\_. My decision to retire is entirely voluntary and has not been coerced.

I understand that if I volunteer to separate from my current employment and receive a voluntary separation incentive payment, I am ineligible for the following: To return to DOD or enter into a personal services contract for one year after separation even if VSIP is repaid; Reemployment with the Federal Government for 5 years from the effective date of my retirement (unless I repay the entire amount of VSIP); registration in the DoD Priority Placement Program (PPP); severance pay (if otherwise eligible), and Discontinued Service Retirement (if otherwise eligible).

If VSIP is not approved, I understand that I will be notified and that I will not be bound by my election to retire."

(2) The SF-52 for those resigning will include the following remarks:

"I hereby request to resign with voluntary separation incentive payment effective \_\_\_\_\_. My decision to resign is entirely voluntary and has not been coerced.

I understand that if I volunteer to separate from my current employment and receive a voluntary separation incentive payment, I am ineligible for the following: To return to DOD or enter into a personal services contract for one year after separation even if VSIP is repaid; Reemployment with the Federal Government for five (5) years from the effective date of my resignation (unless I repay the entire amount of VSIP); registration in the DoD Priority Placement Program (PPP); severance pay (if otherwise eligible); and Discontinued Service Retirement (if otherwise eligible).

If VSIP is not approved, I understand that I will be notified and that I will not be bound by my election to resign."

13. Questions of any aspects of this program should be directed to any of your Personnel Advisors at 531-4020.

Attachments  
as

DONALD R. MALLETT  
Director, Civilian Personnel  
Advisory Center

DISTRIBUTION  
I