

For: FSA CED's in Virginia

Voluntary Early Retirement Opportunity in Virginia

Approved by: Deputy Administrator, Management



1 Overview

A

Purpose

This notice announces an opportunity for eligible CED's in Virginia to apply for voluntary early retirement.

Note: Voluntary early retirements have not been approved for GS employees or other CO employees.

B

Additional Information and Counseling

Interested CED's shall contact the State Office to obtain the appropriate contact for additional information and counseling services.

2 Opportunity for Voluntary Early Retirement

A

Dates

Eligible CED's may apply for voluntary early retirement through September 8, 2000, **without** any incentive payment.

Effective separation dates must be no later than September 30, 2000.

B

Purpose of Voluntary Early Retirement

The purpose of a voluntary early retirement is to voluntarily achieve reductions.

Requesting a voluntary early retirement does not automatically entitle an employee to a voluntary early retirement. See subparagraph D.

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<p>Disposal Date</p> <p>October 1, 2000</p>	<p>Distribution</p> <p>VA State Office; State Office relay to all CED's in Virginia County Offices</p>
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2 Opportunity for Voluntary Early Retirement (Continued)

C

**Targeted
Positions**

FSA is planning to implement some shared management operations. To avoid separating CED's, any CED may apply for a voluntary early retirement, if they also meet the eligibility requirements in paragraph 3.

Note: Up to 3 CED's may be offered voluntary early retirements.

D

Limitations

Requesting a voluntary early retirement does not automatically entitle an employee to a voluntary early retirement. The number of voluntary early retirements to be accepted will be limited so that the Agency can maintain necessary service levels.

If more employees volunteer for early retirements than are necessary, early retirements shall be approved by the earliest service computation date.

E

**Application
Procedures**

Eligible employees shall FAX requests for voluntary early retirements **by COB, September 8, 2000**, to:

J. Calvin Parrish
Virginia State Office
804-287-1723.

Note: All employees will be notified if their voluntary early retirement requests are approved or disapproved. If approved, an application for retirement must be submitted.

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3 Eligibility Requirements for Voluntary Early Retirement

A

Eligible Employees

CSRS and FERS employees are eligible for an immediate annuity under voluntary early retirement:

- if they are at least age 50 with 20 years of service
- at any age with 25 or more years of service.

Note: Employees must meet the eligibility requirements by the separation date.

CSRS employees:

- must have served in a position covered by CSRS for at least 1 year out of the 2 years immediately before retirement
- will have the basic annuity reduced by 2 percent for each year (1/6 of 1 percent for each full month) an employee is under age 55 at the time of retirement. This is a permanent reduction in the annuity.

Under FERS, there is no age reduction for voluntary early retirement; but, if an employee who transferred to FERS is entitled to a CSRS component, the CSRS component is subject to the 2-percent-age-reduction rule if the employee is under age 55.

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3 Eligibility Requirements for Voluntary Early Retirement (Continued)

B

Ineligible Employees

The following employees are **not** eligible for voluntary early retirement:

- employees who have not been continuously on FSA's rolls since January 30, 2000
 - employees serving under time-limited appointments
 - employees in receipt of a decision of involuntary separation for misconduct or unsatisfactory performance.
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C

Continuing Health Insurance into Retirement

OPM has waived the 5-year requirement for continuing health insurance into retirement for eligible employees retiring under early retirement authority. Employees who were enrolled in a FEHB plan as of October 1, 1996, are eligible to continue FEHB into retirement.

Employees enrolled after October 1, 1996, or who are eligible for voluntary retirement or retirement under MRA+10, may request that OPM waive the FEHB eligibility requirement on a case-by-case basis.

D

Continuing Life Insurance into Retirement

OPM has **not** waived the 5-year requirement for continuing life insurance into retirement. Therefore, retiring employees must have been insured under the FEGLI Program for either of the following to continue coverage into retirement:

- for the 5 years of service immediately before retirement
 - for all of their service during which they were eligible for FEGLI coverage if less than 5 years.
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E

Reporting Requirements

FSA is required to maintain records on the use of the voluntary early retirement authority.
