

For: FSA Servicing Human Resources Offices and State Offices

Processing Voluntary Separation Incentive Payments (VSIP's) and Separations

Approved by: Deputy Administrator, Management



1 Overview

A Background

Notices PM-2823 and PM-2830 (for FSA) and PM-2825 (for FAS) announced opportunities for eligible employees to voluntarily apply for two programs commonly known as VSIP or “buyout” and Voluntary Early Retirement Authority (VERA) or “early out” with an effective separation date beginning November 30, 2011.

B Purpose

This notice:

- provides instructions to servicing Human Resources (HR) offices and State Offices in processing SF-52's for retirements and resignations using the VSIP/VERA authorities granted by OPM for Federal and county employees

Note: This includes the following:

- documenting and processing separation SF-52's for Federal and county employees
- processing VSIP SF-52's
- documenting retirement applications for Federal and county employees
- contact information for NFC and HRD
- retirement and benefit information.
- obsoletes Notice PM-2834 to update subparagraph 2 L.

Note: Non-Federal employees are referred to as “county” throughout this notice.

| | |
|----------------------|---|
| Disposal Date | Distribution |
| June 1, 2012 | All Servicing FSA Human Resources Offices and State Offices |

Notice PM-2836

1 Overview (Continued)

C Notification

HRD shall notify applicants approved for VSIP and VERA by e-mail. Servicing HR offices can provide employees with computations of VSIP payments and, if eligible, an estimated retirement annuity. Formal counseling sessions are also available for employees and their spouses and can be scheduled by contacting their servicing HR office.

D Changes to VSIP Applications

If, through retirement counseling, it is discovered that the employee is **not** eligible for the method of separation requested on the application (such as Optional Retirement, Voluntary Early Retirement, or resignation), but is eligible for a different separation, the benefits counselor or State administrative officer shall report the change by e-mail to both of the following:

- Denise Davila-Brownlee at **denise.davilabrownlee@kcc.usda.gov**
- Nancy Brooks at **nancy.brooks@kcc.usda.gov**.

2 Processing SF-52's

A Federal Nature of Action (NOA) Codes for CSRS

For VSIP/VERA, servicing HR offices shall use the following **Federal** NOA codes for **CSRS** for coding SF-52's and processing through EmpowHR/NFC.

| IF Federal CSRS employee is... | THEN use NOA code... | AND Authority code... | AND ENTER Remark code... |
|---|--|---|--|
| retiring under regular CSRS Optional Retirement | 302, Retirement - Voluntary | SQM | "499", "Voluntary Separation Incentive Payment of \$25,000 (or enter severance pay amount) under Pub. L. 107-296, Voluntary Separation Incentive Payment Authority Number 2011-058". |
| retiring under regular CSRS Voluntary Early Retirement | 303, Retirement - Special Option | V3P and AZM, ENTER "OPM 2011-034" | "499", "Voluntary Early Retirement Authority Number 2011-034 with Voluntary Separation Incentive Payment of \$25,000 (or enter severance pay amount) under Pub. L. 107-296". |
| resigning | 317, Resignation | RPM | "499", "Voluntary Separation Incentive Payment of \$25,000 (or enter severance pay amount) under Pub. L. 107-296, Voluntary Separation Incentive Payment Authority Number 2011-058". |

Notice PM-2836

2 Processing SF-52's (Continued)

B Federal NOA Codes for FERS

For VSIP/VERA, servicing HR offices shall use the following **Federal** NOA codes for **FERS** for coding SF-52's and processing through EmpowHR/NFC.

| IF Federal FERS employee is... | THEN use NOA code... | AND Authority code... | AND ENTER Remark code... |
|---|--|--|--|
| retiring under regular FERS Optional Retirement | 302, Retirement – Voluntary | USM | “499”, “Voluntary Separation Incentive Payment of \$25,000 (or enter severance pay amount) under Pub. L. 107-296, Voluntary Separation Incentive Payment Authority Number 2011-058”. |
| retiring under regular FERS Voluntary Early Retirement | 303, Retirement – Special Option | USM and AZM, ENTER “ OPM 2011-034 ” | “499”, “Voluntary Early Retirement Authority Number 2011-034 with Voluntary Separation Incentive Payment of \$25,000 (or enter severance pay amount) under Pub. L. 107-296”. |
| resigning | 317, Resignation | RPM | “499”, “Voluntary Separation Incentive Payment of \$25,000 (or enter severance pay amount) under Pub. L. 107-296, Voluntary Separation Incentive Payment Authority Number 2011-058”. |

C County NOA Codes for CSRS

Servicing HR offices shall use the following **county** NOA codes for **CSRS** for coding SF-52's and processing through EmpowHR/NFC.

| IF county CSRS employee is... | THEN use NOA code... | AND Authority code... | AND ENTER Remark code... |
|---|--|--|--|
| retiring under regular CSRS Optional Retirement | 302, Retirement - Voluntary | leave blank | “499”, “Voluntary Separation Incentive Payment of \$25,000 (or enter severance pay amount) under Pub. L. 107-296, Voluntary Separation Incentive Payment Authority Number 2011-058”. |
| retiring under regular CSRS Voluntary Early Retirement | 303, Retirement - Special Option | V3P and AZM, ENTER “ OPM 2011-034 ” | “499”, “Voluntary Early Retirement Authority Number 2011-034 with Voluntary Separation Incentive Payment of \$25,000 (or enter severance pay amount) under Pub. L. 107-296”. |
| resigning | 317, Resignation | leave blank | “499”, “Voluntary Separation Incentive Payment of \$25,000 (or enter severance pay amount) under Pub. L. 107-296, Voluntary Separation Incentive Payment Authority Number 2011-058”. |

Notice PM-2836

2 Processing SF-52's (Continued)

D County NOA Codes for FERS

Servicing HR offices shall use the following **county** NOA codes for **FERS** for coding SF-52's and processing through EmpowHR/NFC.

| IF county FERS employee is... | THEN use NOA code... | AND Authority code... | AND ENTER Remark code... |
|---|-------------------------------------|---|--|
| retiring under regular FERS Optional Retirement | 302, Retirement - Voluntary | leave blank | "499", "Voluntary Separation Incentive Payment of \$25,000 (or enter severance pay amount) under Pub. L. 107-296, Voluntary Separation Incentive Payment Authority Number 2011-058". |
| retiring under regular FERS Voluntary Early Retirement | 303, Retirement - Special Option | USM and AZM, ENTER "OPM 2011-034" | "499", "Voluntary Early Retirement Authority Number 2011-034 with Voluntary Separation Incentive Payment of \$25,000 (or enter severance pay amount) under Pub. L. 107-296". |
| resigning | 317, Resignation | leave blank | "499", "Voluntary Separation Incentive Payment of \$25,000 (or enter severance pay amount) under Pub. L. 107-296, Voluntary Separation Incentive Payment Authority Number 2011-058". |

E Retirement/Termination Information

Administrative fees are **not** required for VSIP authority. When processing a retirement or resignation SF-52 in EmpowHR, ensure that the "Administrative Fee" block **remains blank**. The "Administrative Fee" block in EmpowHR is located on the Retirement/Termination Info Screen under the "Benefit Data" tab.

F Initiating and Processing VSIP SF-52's

Supervisors shall initiate SF-52, include accounting code in Part D, and forward form to the servicing HR office. HRD shall provide VSIP amount for each approved recipient to servicing HR office. Servicing HR offices shall input the amount in Part B, block 20.

See subparagraph 2 L for timeframe for processing SF-52's. The following codes will assist servicing HR offices in coding and processing VSIP for Federal and county employees.

| SF-52 | Federal and County |
|--------------|--|
| NOA Code | ENTER " 825 ". |
| Authority | ZAA, ENTER " Pub. L. 107-296 ". |
| Remark Code | 499, Employee received VSIP payment in the amount of \$25,000 (or enter severance pay amount), under VSIP Authority Number 2011-058. |

VSIP is processed in EmpowHR using the same format as an incentive award, only with different processing codes. The amount of VSIP will be required for each VSIP processed in EmpowHR.

Notice PM-2836

2 Processing SF-52's (Continued)

F Initiating and Processing VSIP SF-52's (Continued)

The following codes will assist servicing HR offices in processing VSIP's.

| EmpowHR Screens | Federal and County |
|------------------------|---|
| Data Control Tab | Action block, ENTER "AWD". Reason Code block, ENTER "SEP". |
| Award Data | Award Code, ENTER "C358". |
| Amount | Enter VSIP amount. |
| Payroll Data | Pay and/or process to W-2. |
| | Enter sub-Agency charged. |
| | Enter Accounting Station code. |
| | Enter accounting distribution. |
| | Check mail address data. |

G Documenting Voluntary Early Retirement

Servicing HR offices shall use the following table to determine the appropriate block to check and authorization number to enter on SF-2801 and SF-3107 for Federal and county employees.

| IF employee retires under Voluntary Early Retirement... | AND is covered by... | THEN in... |
|--|-----------------------------|--|
| ENTER NOA Code "303" | CSRS | SF-2801, Schedule D, block 8, item I, ENTER "OPM Authority Number 2011-034". |
| | FERS | SF-3107, Section A, block 8, item f, ENTER "OPM Authority Number 2011-034". |

H Documenting OPM Waiver of FEHB Coverage Requirement

OPM has waived the 5-year requirement for continuing health insurance into retirement for eligible employees. See Notices PM-2823, 2830, and 2825 for FEHB retirement eligibility requirements.

OPM will grant waivers, if servicing HR offices attach a memorandum to the employee's retirement application, stating that the employee meets the requirements for a preapproved waiver as set forth in VSIP authority approved by OPM. Include in the memorandum the VSIP Authority Number 2011-058 along with either of the appropriate beginning and ending dates as follows:

- October 11, 2011 through December 3, 2011
- October 11, 2011 through January 3, 2012.

Notice PM-2836

2 Processing SF-52's (Continued)

I 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
- all of their service during which they were eligible for FEGLI coverage, if less than 5 years.

J Additional Information and Contacts

Servicing HR offices shall use the following table to obtain the appropriate contact.

| IF there are questions about... | THEN contact... |
|--|---|
| EmpowHR processing | Help Desk at 816-823-3996. |
| FERS and CSRS benefits | <p>one of the following employees in the Benefits and Performance Management Section, HRD:</p> <ul style="list-style-type: none"> • Dana Candler by either of the following: <ul style="list-style-type: none"> • e-mail to dana.candler@kcc.usda.gov • telephone at 816-926-6117 • Patty Gepford by either of the following: <ul style="list-style-type: none"> • e-mail to patricia.gepford@kcc.usda.gov • telephone at 816-926-6259 • Sharon Harrell by either of the following: <ul style="list-style-type: none"> • e-mail to sharon.harrell@wdc.usda.gov • telephone at 202-401-0584. <p>Note: The TTY numbers are:</p> <ul style="list-style-type: none"> • 202-205-9057 • 816-926-7440. |
| VSIP Calculations | <p>Jeana Nolan:</p> <ul style="list-style-type: none"> • e-mail to jeana.nolan@kcc.usda.gov • telephone at 816-926-2829. <p>Note: The TTY number is 816-926-7440.</p> |

Notice PM-2836

2 Processing SF-52's (Continued)

K Retirement Packages

Servicing HR offices shall forward retirement packages for Federal and county employees by UPS to the following address:

USDA, NFC
 ATTN: RETIREMENT SECTION
 FRINGE BENEFIT PROCESSING UNIT
 13800 OLD GENTILLY ROAD
 NEW ORLEANS LA 70129.

L Timeframe for Processing

The following table shows the **exact** order that actions shall be processed.

Note: Employees shall receive the buyout payment and lump sum for annual leave payment in calendar year 2012. Servicing HR offices shall **not** give the separating employee the choice of when the payment is made.

| IF separation date is... | THEN for each recipient, process exactly in the following order... | BY... |
|---|---|--|
| November 30, 2011, through December 3, 2011 | all outstanding SF-52's for separating employees, for example WGI's, awards, change in life insurance, etc. | the separation date. |
| | retirement or resignation SF-52 | no later than December 7, 2011. |
| | VSIP SF-52 (the effective date will be the same as the separation date) | no earlier than December 27, 2011, and no later than January 3, 2012. |
| | lump sum payments for annual leave | no earlier than December 28, 2011, and no later than January 4, 2012. |
| December 31, 2011, through January 3, 2012 | all outstanding SF-52's for separating employees, for example WGI's, awards, change in life insurance, etc. | the separation date. |
| | retirement or resignation SF-52 | no earlier than December 30, 2011, and no later than January 18, 2012. |
| | VSIP SF-52 (the effective date will be the same as the separation date) | |
| | lump sum payments for annual leave | |

Note: Each action must be processed successfully in EmpowHR and showing in NFC before beginning to process the next step.