UNITED STATES DEPARTMENT OF AGRICULTURE
Risk Management Agency
Washington, DC 20250

Notice PM-2882

For: RMA Employees

Opportunity to Apply for Voluntary Early Retirement Authority (VERA) in RMA

Approved by: RMA Administrator

1 Overview

A Background

USDA's final FY 2012 budget contained reductions and continuing budgetary shortfalls are anticipated in FY 2013. As Secretary Vilsack has indicated, the fiscal situation for FY 2013 and beyond has necessitated a serious reexamination of priorities. Many programs need to operate as restructured and leaner organizations. Therefore, RMA is taking a proactive approach to minimize the impact on the workforce. RMA has received approval for another round of VERA, also known as early retirement or early-out according to the USDA-wide VERA authority that was approved by OPM on November 27, 2012. This offering will create greater organizational flexibility to reduce potential adverse impact on employees.

Note: A voluntary separation incentive payment (VSIP) or buyout will **not** be offered with this VERA.

B Purpose

This notice:

- announces the opportunity and encourages all eligible employees to voluntarily apply to separate through early retirement

  Note: If needed workforce reductions can be achieved, RMA can increase the chances to potentially avoid the use of other adverse workforce reduction strategies and furloughs.

- obsoletes Notice PM-2881 to update a telephone number in subparagraph 4 B.

C Early-Out Maximum

VERA is being offered to all employees who are eligible for early out, regardless of title, occupational series, grade, and location. All eligible applicants will be considered; however, only a maximum of 15 applicants will be approved based upon service computation date.

Disposal Date	Distribution
July 1, 2013	All RMA employees

1 Overview (Continued)

D Labor-Management Obligations

Where exclusive representation exists, bargaining may be requested to the extent allowed by applicable statutes and according to contract language. Negotiation issues raised must be resolved before implementation of the PM notice for employees in that collective bargaining unit.

2 VERA Information

A Who Is Covered by VERA

An employee is eligible to apply for VERA if the employee:

- meets all eligibility requirements for early retirement by their proposed retirement date and the proposed retirement date must occur on or after April 30, 2013, but not later than June 3, 2013
- is on an appointment without time limitation
- has been continuously employed by USDA since August 27, 2012
- is **not** in receipt of a decision of involuntary separation for misconduct or unsatisfactory performance
- is **not** a Presidential Management Fellows trainee GS-5 or GS-7
- is **not** in a series or position for which USDA has Direct Hire Authority:
  - IT Specialist (INFOSEC or Security), GS-2210 grade 9 and above
  - Nurse, GS-0610 and GS-0620
- separates by early-out retirement (except disability retirement).

  Note: An employee may file for disability retirement up to 1 year after separation.

Exception: If employees who are on official military duty meet all application requirements and eligibility criteria during the offer period, the employee has 30 calendar days following “return to duty” to either accept or reject an offer of VERA.

B Supervisor’s Responsibility

Supervisors **must** provide this notice to temporarily absent employees, including employees on official military duty, so the employees are informed about the early-out application opportunity.

2 VERA Information (Continued)

C VERA Electronic Application Procedures

To be considered for early retirement, employees must submit a completed application at **https://wdcprod80.sc.egov.usda.gov/vvas**. The VSIP/VERA Automated System (VVAS) will **not** be accessible until the application window commences on April 1, 2013. Employees shall submit an application in consideration of the guidance offered in Exhibits 1 and 2. If the VERA application is **not** received in HRD **between April 1, 2013, and by no later than 11:59 p.m. c.t. April 15, 2013,** the VERA application will **not** be considered.

See Exhibit 3 for detailed application procedures.

Note: If an employee is on extended leave and unable to access their official work computer between **April 1, 2013**, to the **April 15, 2013**, deadline, the employee should contact Marvin Jones by either of the following:

- e-mail at **marvin.jones@wdc.usda.gov**
- telephone at 202-401-0432.

All applicants must list their official work e-mail and a personal e-mail address on the VERA application. After the application is received, applicants will receive an e-mail acknowledgement within 3 workdays. All applicants will be notified of their status by e-mail by April 23, 2013.

D VERA Separation Dates

An employee seeking use of this early retirement offer must retire on or after April 30, 2013, **but not later than June 3, 2013**.

E Application Changes or Withdrawal

Applicants shall follow instructions in Exhibit 3 to make changes to a submitted application or to withdraw an application.

F Contact for Application Changes and Withdrawal

For questions about the application and changes, employees may contact Marvin Jones, Talent and Acquisition Branch, HRD, by either of the following:

- e-mail at **marvin.jones@wdc.usda.gov**
- telephone at 202-401-0432.

3 VERA Eligibility

A Early Retirement Eligibility

Employees covered by CSRS or FERS are eligible for an immediate annuity under VERA, if they have:

- 20 years of service and are 50 years of age or older
- 25 or more years of service at any age.

CSRS employees:

- must have served in a position covered by CSRS for at least 1 year of the 2 years immediately preceding retirement

- will have the basic annuity reduced by 2 percent for each year (1/6th of 1 percent for each full month) an employee is under 55 years of age 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 will be subject to the 2 percent age reduction rule if the employee is under 55 years of age.

B Crediting Unused Sick Leave

CSRS employees will receive credit for any unused sick leave in the computation of their annuity.

FERS employees retiring before January 1, 2014, will receive credit for 1/2 of their unused sick leave balance in the computation of their annuity.

Employees who transferred to FERS and will receive a CSRS component in the annuity computation will receive credit in their CSRS component for the lesser of either of the following:

- sick leave balance as of date of transfer to FERS
- sick leave balance as of date of retirement.

These employees will also receive credit for 1/2 of any remaining balance in the FERS component of their annuity.

Unused sick leave will **not** be used in determining eligibility for retirement.

3 VERA Eligibility (Continued)

C Types of Deposit and Redeposit Service

The following types of service may have an effect on determining eligibility for retirement and in computing the annuity.

Type of Service	Explanation
Deposit	Creditable civilian service during which retirement deductions were not withheld.
Redeposit	Creditable civilian service where retirement deductions were withheld, but later refunded after a separation.
Post 1956 Military	Active duty military service performed after December 31, 1956.

Employees who have any of these types of service shall contact their servicing HR office to determine what effect nonpayment of the deposit or redeposit will have on their retirement eligibility and annuity computation.

D Eligibility for FERS Annuity Supplement

FERS retirees under 62 years of age are immediately eligible for the annuity supplement at the time of retirement if they had at least 1 calendar year of FERS service.

FERS retirees are eligible for the annuity supplement upon attaining minimum retirement age (MRA), rather than at the time of retirement, if they:

- had at least 1 calendar year of FERS service
- retired before MRA under voluntary early retirement.

FERS retirees are **not** eligible for the retiree annuity supplement at any time when either of the following apply:

- eligible only for deferred annuity
- retiring at 62 years of age or later.

The retiree annuity supplement is payable until 62 years of age.

E Continuing Health Insurance Into Retirement

OPM has waived the 5-year requirement for continuing health insurance for employees separating under VERA.

3 VERA Eligibility (Continued)

F 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.

4 Additional Retirement Information

A Additional Information and Counseling

For general information on the early-out authority and this notice, employees may contact Shenita Wells, Policy and Accountability Branch, HRD, by either of the following:

- e-mail at **shenita.wells@wdc.usda.gov**
- telephone at 202-401-0568.

Employees shall use the information in subparagraph B to identify the appropriate HRD point of contact to direct questions about their retirement eligibility, SCD date, or other retirement benefit related questions. Because of the anticipated level of interest, employees are encouraged to request calculations as soon as possible.

Additional information about early retirement, benefits, and employment after voluntary early retirement is available at **http://www.opm.gov/employ/vera/vera01.asp**.

To help employees make this important decision, access the retirement calculator at **https://connecthrusdaauth.gdcii.com/**.

HR representatives can provide employees with computations of 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.

Important: The application must be received in HRD for consideration for approval. Employees must also complete retirement application and additional separation documents to retire after being approved for early out.

See the following exhibits:

- Exhibit 1 contains a list of VERA frequently asked questions and answers
- Exhibit 2 contains guidance on other considerations for VERA
- Exhibit 3 contains instructions on using VVAS to submit a VERA application online.

4 Additional Retirement Information (Continued)

B Contacts

The following table provides contacts for additional information.

IF employed in…	THEN for retirement information and/or an application for retirement, contact…

Kansas City duty station	either of the following employees in the Benefits and Performance Management Section, HRD:
	
	• Dana Candler by either of the following:
	
	  • e-mail at **dana.candler@kcc.usda.gov**
	  • telephone at 816-926-6117
	
	• Patty Gepford by either of the following:
	
	  • e-mail at **patricia.gepford@kcc.usda.gov**
	  • telephone at 816-926-6259.
	
	Note: The TTY number is 816-926-7440.

all other duty stations	Michael Murphy, Benefits and Performance Management Section, HRD by either of the following: • e-mail at **michael.murphy@wdc.usda.gov** • telephone at 202-401-0687. **Note:** The TTY number is 202-205-9057.

VERA Frequently Asked Questions and Answers

1. **What is VERA? VERA** is commonly referred to as early out retirement, and that is exactly what this authority does. It expands the normal retirement eligibility to allow employees to voluntarily retire, with an immediate annuity, before they would otherwise be eligible. There are some basic eligibility criteria under the law. You must also meet USDA criteria. An early retirement may have an effect on your annuity. The VERA is separate from the **Voluntary Separation Incentive Payment (VSIP)** also called the buyout authority. VERA or VSIP are not dependent or contingent on the other. An agency can offer one and not the other.

2. **Who is eligible for VERA?** If your agency has received approval for VERA, you must also meet some additional requirements. If you are covered by the Civil Service Retirement System (CSRS), you must have served in a position covered by the CSRS for at least l year out of the 2 years immediately before retirement. For employees covered by the Federal Employees Retirement System (FERS), this rule does not apply.

   You must be at least 50 years of age with 20 years of service or have 25 years of service at any age. At least 5 years must be civilian service, whether you are retiring under CSRS or FERS. In addition:

   - you must be in a position covered by the VERA granted by the Office of Personnel Management (OPM)
   - you must not be serving under a time limited appointment
   - you must have been on the agency's rolls at least 30 calendar days before the date of application to OPM for VERA approval
   - you must not have been notified that you will be involuntarily separated for misconduct or unacceptable performance
   - your retirement date must be on or before the VERA expiration date.

VERA Frequently Asked Questions and Answers (Continued)

3. **Are trainees eligible for VERA?** Under USDA early out plans, trainees and Presidential Management Fellows are excluded from VERA. The definition of trainee is based on one that is used in the Reduction-in-Force (RIF) ground rules:

   Presidential Management Fellows and Fire Apprentices, regardless of the appointment authority they are hired under, are considered trainees and excluded from VERA. Positions that are formally designated developmental (e.g., grades 5-7 entry level) will also be considered as trainees and excluded from VERA if they meet the criteria under 5 CFR 351.703(e). Two-grade interval positions are generally developmental at the GS-5-7 level, but must be reviewed to ensure that formal designation is appropriate. Only those employees who are on formally designated detailed training career plans will be considered as trainees. Employees in developmental positions who do not have detailed career plans will be eligible for early out (provided they meet all other provisions of the plan). Student Career Experience Program (SCEP) employees are no longer considered "formal trainees" once they have converted to career appointments.

   5 CFR 351.703(e) states that a formally designated trainee or developmental position must be in a training program that meets all of the following characteristics:

   - the program must be designed to meet the agency's need for the development of skilled personnel
   - the training program must have been formally designated and announced to employees and supervisors
   - the program must offer planned growth in duties and responsibilities providing advancement in recognized career progression
   - the program must be fully implemented with participants chosen through established selection procedures.

4. **Can I retire under VERA and also receive VSIP?** Yes. If you meet the criteria for both, you can retire under VERA and also receive VSIP if one is being offered by the agency.

5. **If I am eligible for VERA, what rights and benefits would I be giving up to voluntarily retire rather than waiting to be separated involuntarily?** Because you would be leaving voluntarily, you would be giving up:

   - placement assistance
   - selection priority for Federal employment under the Career Transition Assistance Program (CTAP) and Interagency Career Transition Assistance Programs (ICTAP)

     Note: These programs give you selection priority for Federal jobs in your area at your same or lower grade, if you apply for them and are well-qualified.

   - unemployment benefits (depending on your State's rules)
   - if you come back to Federal employment, you would come back as a reemployed annuitant instead of an employee.

VERA Frequently Asked Questions and Answers (Continued)

6. **If I retire under VERA and do not take the buyout, can I take a job in another Federal agency?** Yes; however, you will come back as a reemployed annuitant, which generally means your annuity is subtracted from the salary you earn in the new position.

7. **What if my agency offers VERA but I am on military duty during the authority time limit?** Employees on military duty are treated as though they were still on the job and are not disadvantaged because of their military service. Therefore, if you met the eligibility criteria during the offer period, you would have 30 calendar days following your return to duty with USDA to either accept or reject an offer of VSIP or VERA.

8. **What does a "time-limited appointment" mean?** An employee on an appointment with a time limit works only until a specified date and then goes off the rolls. The employing agency sets the ending date when it hires the individual and/or when it extends the appointment. For example, temporary and term employees serve with a time limit, so they are not eligible for an incentive payment or early out retirement. Career and career-conditional employees and permanent employees in the excepted service have no time limit so they may be eligible.

9. **What does "continuous service" mean?** To be eligible for early retirement, you must have been on the rolls of the Department of Agriculture 30 calendar days before the request for the VERA, with no breaks. Leave without pay (LWOP), permanent seasonal employment (PSE) off-tour time, and other nonpay status during an appointment are **not** considered breaks in service.

10. **Leaving Federal service under VERA is supposed to be voluntary. What if I am offered VERA or VSIP but do not choose to leave?** Buyouts and early retirement are for **voluntary** separations **and** coercion is prohibited.

11. **Does the VERA eligibility change the eligibility for regular optional retirement?** No. If you are under CSRS, you can take regular optional retirement if you are 55 with at least 30 years of service; age 60 with 20 years of service, or age 62 with 5 years of service. If you are under FERS, you can take regular optional retirement if you have reached your minimum retirement age (MRA) with at least 30 years of service; age 60 with 20 years of service, or age 62 with 5 years of service. In addition, an employee under FERS is eligible for an immediate annuity if he or she has 10 years of service and has reached the MRA. Under this eligibility, there is a 5 percent reduction for each year the employee is under age 62. The MRA chart can be found at **http://www.opm.gov/retire/faq/pre/faq11.asp#FERS**. An employee under CSRS must meet the 1-out-of-last-2-years coverage requirement and all employees must have at least 5 years of civilian service.

VERA Frequently Asked Questions and Answers (Continued)

12. **What is the difference between VERA and discontinued service retirement (DSR)?** The basic difference is simple. VERA is a **voluntary** separation. DSR is an **involuntary** separation. The differences between VERA and DSR benefits may seem subtle, but might be very important to you. It depends on what your personal plans and needs are. If there is a possibility that you will want to come back to work for any Federal agency, you should seek more detailed information from your servicing Human Resources Office **before** you accept a VERA or VSIP offer!

    Generally, if your unique position is being abolished, or you refuse a directed reassignment to a position **outside of your commuting area**, or to a position that is more than 2 grade intervals below your current grade, or receive a letter of separation from the agency in a RIF, you would be eligible for an immediate annuity retirement under DSR rules if you meet the age and length of service requirements. The age and service requirements for DSR are the same as those for VERA. The key differences come into play when or if you ever return to work for the Federal government, e.g., as a VERA retiree, you would be a reemployed annuitant with the amount of your pay will be offset by the amount of your annuity. If you were covered under CSRS and you separated under DSR, you would not be considered a reemployed annuitant because your annuity will stop, so there would be no offset to pay. This does not apply to those covered under FERS.

13. **I have not been enrolled in the Federal Employee Health Benefits (FEHB) Program for a full 5-year period and I accept a VERA, do I lose my FEHB?** No, OPM has granted pre-approved waivers to employees who have been covered under the FEHB Program continuously since the beginning date of the agency's approved VERA and retire under the VERA.

14. **I have not been enrolled in the Federal Employees' Group Life Insurance (FEGLI) Program for a full 5-year period. Do I lose my life insurance when I retire under VERA?** Most likely, yes, but you could be eligible under certain circumstances or you might be able to convert your coverage. You should ask your benefits specialist what your options will be.

15. **If I take early retirement, is my annuity reduced?** CSRS employees who retire under the voluntary early retirement authority will have a reduction in their annuity of 2 percent per year for each year they are under age 55. The reduction is 1/6 of 1 percent for each full month. This is a permanent reduction in annuity.

    - Employees with only FERS service will not have their annuities reduced under voluntary early retirement. FERS employees retiring under the MRA+10 provision are subject to a reduction of 5 percent for each year under age 62.

    - Under DSR or early retirement, FERS employees would receive their FERS supplement if under age 62 once they reach their MRA.

    - Employees with both CSRS and FERS service will have a reduction only for the CSRS portion of their annuity if under age 55.

    - Special rules apply to the calculation of annuities of employees who have part-time service after 1986.

VERA Frequently Asked Questions and Answers (Continued)

16. **How do I know if I have enough time in service to meet the requirements to retire?** Although you can check your retirement service computation date (SCD) on your SF-50 (Notification of Personnel Action), on your yearly statement of benefits from NFC, or on NFC's Employee Personal Page (EPP), you should still check with your retirement specialist **before** you make a decision on accepting a VERA. They can provide you with a retirement calculation and verify that your retirement SCD is correct. Different types of appointments, types of Federal service, or if you owe a deposit or redeposit can make a difference in your SCD. The rules are complicated and different depending on the retirement system you are covered under. **Do not just assume your service time is creditable**.

17. **Where can I go to get an estimate of my annuity?** You need to contact your servicing Human Resources Office.

18. **Where can I get more information on retirement benefits?** Go to **http://www.opm.gov/retire/index.aspx**. If you have questions or need additional information, contact your servicing Human Resources Office.

19. **What is the effective date of my retirement/separation?** You may select the date of your retirement/separation, but it must be effective after the date of the VERA authorization and no later than the date the VERA expires.

20. **Can I delay the date of my retirement?** No. An employee must retire by the date established for the VERA/VSIP window.

21. **Can my retirement date be delayed by management?** Management may extend your separation date when there is a documented need to retain your skills and knowledge.

22. **Can Veterans Preference be applied to be eligible for VERA?** No. There is no preference for veterans under the VERA authority.

Other Considerations for VERA

Plan for a possible early out retirement offer and be prepared to act quickly if you are offered one. There is never a bad time to begin planning for the future and often employees do not have large amounts of time to consider an offer. Because of the fundamental changes in an employee's life that voluntary separations present, and because employees may not have large amounts of time to make decisions when offers are made, **IF YOU ARE CONSIDERING REQUESTING AN EARLY OUT RETIREMENT, YOU SHOULD TAKE THE FOLLOWING STEPS NOW TO BE PREPARED FOR ANY OFFERS THAT MAY BE MADE:**

- ☞ **REVIEW YOUR DETAILED SERVICE HISTORY INFORMATION TO ENSURE THAT ALL PERIODS OF YOUR FEDERAL SERVICE ARE DOCUMENTED**

Having all of this documented is critical because your annuity amount will be computed based on this information. Verify that all your military and civilian service, along with salary for any temporary service, has been documented. Your Human Resources Office retirement counselors can assist you in understanding your annuity. Be careful to determine what impact retirement or separation will have on your insurance coverage. Carefully consider whether you can live on a reduced income.

- ☞ **IF YOU SERVED IN THE MILITARY AFTER 1956 AND HAVE NOT ALREADY PAID A DEPOSIT FOR YOUR MILITARY TIME, SEND FOR YOUR PAY RECORDS**

It may be in your best interest to pay a retirement contribution to cover any post-1956 military service. **You must do this before you retire.** Start the process by requesting your military pay records from the military finance center for your branch of service. Begin the process immediately. It is not unusual for the processing of these changes to take several weeks. Contact your servicing Human Resources Office for more information on Post 56 and the process to make the payment.

- ☞ **DISCUSS YOUR PLANS WITH YOUR SPOUSE AND FAMILY**

A retirement represents a major change in your way of life. Your spouse and family should be involved in this life-changing decision. Retirement means more free time at home, and often, lower earnings. Discuss these issues with your family and allow them to take an active role in your planning. The choice to leave your job will affect them as much as it affects you.

- ☞ **CONSIDER MEETING WITH A PERSONAL FINANCIAL ADVISOR**

Because retirement means smaller paychecks, it may be useful to speak with a personal advisor or accountant. These individuals can help you figure out what tax advantages may be open to you, how much your income will be, what debts you can reduce, and what your standard of living would be like with your annuity.

Immediate and thorough preparation and planning NOW will make your decision much easier when an early out offer is made.

Using the VSIP/VERA Automated System (VVAS) to Submit a VERA Application Online

Follow these instructions **to access VVAS for the first time.**

Step	Action
1	Go to **https://wdcprod80.sc.egov.usda.gov/vvas** to access VVAS.
2	CLICK "**I agree**" on the eAuthentication Screen.
3	Enter your eAuthentication user ID and password and CLICK "**Login**".
4	Enter your SSN (twice) and CLICK "**Submit**". **Note:** This will only be required the first time you access the system.
5	CLICK "**Statement of Understanding**" to review the statement.
6	Close the window by clicking the "**x**" in the upper right corner.
7	CLICK "**I agree**" to continue.
8	The system will display the VVAS Offers Screen.
9	CLICK "**I want to apply for this offer**".
10	The system will display the VERA Application Form.
11	Enter all required information marked with a red asterisk (*) and any optional information on the screen.
12	CLICK "**Submit**".
13	The system will display the confirmation message.
14	CLICK "**Confirm**" to continue the submission.
15	The system will display a receipt for the submitted application.
16	An e-mail notification will be sent to the e-mail addresses (office and alternate) specified on the application form earlier.
17	CLICK "**View Application Detail**" on the Receipt Screen. Then CLICK "**Print Details**" on the Detail Screen to print the application that was submitted.
18	CLICK "**HomePage**" to return to the VVAS Offers Screen.
19	Select the "**Logout of eAuth**" or "**Exit VVAS**" menu option to exit the system.

Follow these instructions to **withdraw the VERA Application**.

Step	Action
1	Go to **https://wdcprod80.sc.egov.usda.gov/vvas** to access VVAS.
2	CLICK "**I agree**" on the eAuthentication Screen.
3	Enter your eAuthentication user ID and password and CLICK "**Login**".
4	The system will display the VVAS Offers Screen.
5	CLICK "**View your submitted application**".
6	The system will display the submitted application receipt.
7	CLICK "**Withdraw application**".
8	The system will display the withdraw confirmation message.
9	CLICK "**Confirm**".
10	The system will display a withdraw receipt. An e-mail notification will be sent to the e-mail addresses (office and alternate) specified on the application form.
11	CLICK "**HomePage**" to return to the VVAS Offers Screen.
12	Select the "**Logout of eAuth**" or "**Exit VVAS**" menu option to exit the system.