

GOVERNMENT OF THE DISTRICT OF COLUMBIA
D.C. Department of Human Resources

District Personnel Manual Issuance System

E-DPM Bulletin No. 26A-81

This bulletin may be accessed electronically at www.dchr.dc.gov, by clicking on the "District Personnel Manual" link; and the "Issuances" link for **Chapter(s): 26A**

SUBJECT: Voluntary Early Retirement (Early Out)
Pursuant to VERA No. 2013-017 – Extension

Date: January 24, 2014

NOTE: This Electronic-District Personnel Manual (E-DPM) bulletin extends the voluntary early retirement authority through December 31, 2014. Please be advised that the provisions of E-DPM Bulletin No. 26A-80, Voluntary Early Retirement (Early Out), dated January 14, 2013, remained in effect until December 31, 2013. As a result, any eligible employee retiring through December 31, 2013 would have done so under the authority/provisions contained in E-DPM Bulletin No. 26A-80, except that provisions of Title 1, Subtitle A – Bonus and Special Pay Limitation, of the Fiscal Year 2014 Budget Support Act of 2012 (Act), were effective December 24, 2013 (D.C. Law 20-0061).

1. Introduction

By letter dated December 23, 2013, the U.S. Office of Personnel Management (OPM) approved the D.C. Department of Human Resources' (DCHR) request for an **extension** of the use of the voluntary early retirement authority ("early out") within the District government. Under this renewed authority, eligible District government employees, except those occupying excluded positions, may voluntarily apply for early retirement during the authorized period, **January 1, 2014 through December 31, 2014.**

All retirements under this option must be truly voluntary. Subordinate agency heads within District government agencies must take all possible steps to ensure that no coercion is exercised against employees who are eligible to retire.

2. Applicability

- a. The provisions of this e-DPM bulletin apply to those District agencies which are subordinate to the Mayor's personnel authority. Other personnel authorities or independent personnel authorities may adopt any or all provisions to provide guidance to employees under their respective jurisdictions.
- b. This early out authority applies to all eligible employees covered by the Civil Service Retirement System (CSRS) who have been continuously employed by the District government since at least **January 22, 2010.**

3. Determining Retirement Eligibility

- a. To be eligible for voluntary early retirement under the CSRS, an employee must meet one of the following minimum age and service requirements:

Inquiries: Benefits and Retirement Services, DCHR (202) 442-9700

Distribution: Heads of Departments and Agencies, HR Advisors and DPM Subscribers

Bulletin Expires: December 31, 2014

- (1) Fifty (50) years of age and 20 years of creditable service; or
 - (2) Any age and 25 years of creditable service.
- b. The employee must have attained the age requirement for retirement eligibility on his or her last birthday prior to the effective date of retirement. If an employee indicates that his or her birth date as recorded in the Official Personnel Folder (OPF) or on the most recent Personnel Action Form SF-50 (or equivalent form) is incorrect, he or she must provide the personnel office with a copy of the birth certificate showing the correct birth date.

Note: If the retiring employee is under age 55, the basic life annuity rate is reduced by one-sixth of one percent for each full month (two percent a year), if any, he or she is under age 55. The annuity rate so determined will not be increased when the annuitant reaches age 55.

4. Personnel Action Requirements

a. Retirement Counseling

Affected employees in subordinate agencies should contact the Benefits and Retirement Services, DCHR, to receive retirement counseling.

b. Continuation of Federal Benefits

As in other retirement situations, eligible employees must have participated in the Federal Employees Health Benefits (FEHB) program and the Federal Employees Group Life Insurance (FEGLI) program for the 5 years of service immediately before retirement in order to continue coverage under those programs in retirement.

c. Forms

- (1) The personnel action form used to separate employees who are retiring under this authority should use the following (or equivalent) personnel action and nature of action (NOA) codes:

<u>Block</u>	<u>Code</u>
5-B	303; Retirement - Special Option
5-D or Remarks	RET 5 U.S.C. § 8336 (d)(2) and § 831.114 of Title 5, Code of Federal Regulations (CFR); OPM Auth 2013-017

- (2) For each voluntary early retirement, the individual retirement record (Standard Form 2806) must show the appropriate CSRS authority. The following statement must appear on the last line of the service history portion of the form: "RET 5 U.S.C. § 8336 (d)(2); OPM Authority Number 2013-017."

5. Exclusions

- a. Critical positions may be excluded from this early retirement authority.
 - (1) A “critical position” is defined as a position whereby non-performance of the duties of that position would adversely affect the fulfillment of the mission or function of an agency, office, or department, or any other lesser organizational component.
 - (2) Each subordinate agency **must** notify in writing the Director of the D.C. Department of Human Resources (DCHR) and each employee occupying an excluded position of any such exclusion or limitation.
- b. The following criteria may be used by a personnel authority or an agency under the personnel authority of the Mayor to identify critical positions in the agency:
 - (1) The position is the only position of its kind in the agency, office, department, or any lesser organizational component;
 - (2) The position is the sole supervisory position in the agency, office, department, or any lesser organizational component;
 - (3) The position is a court-ordered position; or
 - (4) The position is essential to the carrying out of the mission or functions of the agency.

6. Report to the OPM

The District government is required to furnish a report on the use of this authority that provides the number of retirements, the average age of all retirees, the number of employees separated, and the number of employees (by category) who left by attrition of all types (*i.e.*, by resignation, other retirements, *etc.*).

The Associate Director, Benefits and Retirement Services, DCHR, will compile this information for activity in agencies subordinate to the Mayor and from other participating personnel authorities for inclusion in the report to the OPM. If no eligible employees choose to retire voluntarily under this authority, we must report this fact as well as the number of employees separated.

Within 5 days following the end of each pay period, each participating personnel authority must fill out the attached Voluntary Early Retirement Authority (VERA) separation report form and forward it to:

D.C. Department of Human Resources
Benefits and Retirement Services
441 4th Street, N.W., Suite 340N
Washington, D.C. 20001
Attention: Kameron Kima-Cherry, Associate Director

This form must be completed and forwarded for all separations that occur during the authorized early retirement period from January 1, 2013 to December 31, 2014.

7. Retirement Awards

At the discretion of the employing agency, employees eligible for voluntary early retirement who retire under this early retirement authority may be granted a *retirement award* in accordance with the provisions of subsection 1904.7 of Chapter 19 of the D.C. personnel regulations, Incentive Awards; and Title 1, Subtitle A – Bonus and Special Pay Limitation, of the Fiscal Year 2014 Budget Support Act of 2013 (Act), effective December 24, 2013(D.C. Law 20-0061).

8. Inquiries

Questions regarding provisions contained in this E-DPM bulletin should be directed to staff in Benefits, Retirement and Staffing Services, DCHR, by calling (202) 442-9700.

9. Effective Date

The provisions of this E-DPM bulletin are in effect from January 1, 2014 through December 31, 2014.



Shawn Y. Stokes
Director

Attachment 1: Frequently Asked Questions

Attachment 2: Report Form – Voluntary Early Retirement Authority No. 2013-017

**GOVERNMENT OF THE DISTRICT OF COLUMBIA
D.C. Department of Human Resources**



***FREQUENTLY ASKED QUESTIONS (FAQ) SHEET:
VOLUNTARY EARLY RETIREMENT (EARLY OUT)***



Q1. What is the Voluntary Early Retirement (Early Out)?

A1. Under the Voluntary Early Retirement (Early Out) eligible District government employees, except those occupying excluded positions, may voluntarily apply for early retirement during the authorized period, January 1, 2014 through December 31, 2014.

Q2. What is the authority for the extension of the Early Out through December 31, 2014?

A2. The authority extending the early out through December 31, 2014 is the Voluntary Early Retirement Authority (or VERA) No. 2013-017, issued by the U.S. Office of Personnel Management (OPM) on December 23, 2013.

Q3. Who is eligible to take the Early Out?

A3. District government employees eligible for voluntary early retirement under the Civil Service Retirement System (CSRS), must meet one of the following minimum age and service requirements:

- (1) Fifty (50) years of age and 20 years of creditable service; or
- (2) Any age and 25 years of creditable service.

Q4. E-DPM Bulletin No. 26A-81 indicates that some employees occupy positions that are considered “critical” positions and, as a result, are ineligible from taking the early out. How do I know if my position is “critical”?

A4. It is the responsibility of agencies to identify which positions in their agency are “critical” positions. Each agency is required to notify the employee if the position they occupy is a “critical” position.

Q5. How do I know if I am in the CSRS?

A5. An employee is in the CSRS if he or she was employed with the District government prior to October 1, 1987 in a position subject to the provisions of CSRS that is administered by the US Office of Personnel Management.

Q6. If I am under age 55 when I retire under the early retirement, will that impact my annuity?

A6. Yes. If an employee is under the age of 55 when he or she retires under early retirement, the annuity will be reduced by two percent (2%) for each year under age 55.

Q7. If I am considering retiring under the early out, who should I contact for more information?

A7. Employees in subordinate agencies under the Mayor should contact the Benefits and Retirement Services, DCHR, by calling (202) 442-9700 or send an email to dchr.benefits@dc.gov.

Q8. During a retirement counseling session, what type of information will I receive?

A8. Employees will receive information on eligibility to include, but not limited to an estimate of benefits, review of service history and options for continuing benefits.

Q9. If I retire under the early out, will I retain my benefits in retirement?

A9. District government employees retiring under the CSRS receive health and life insurance benefits under the Federal Employees Health Benefits (FEHB) Program and the Federal Employees Group Life Insurance (FEGLI) Program, respectively. To continue health and life insurance coverage in retirement, the employee must have participated in the FEHB and the FEGLI for the 5 years of service immediately before retirement.

Q10. If I retire under the early out, will I be eligible to receive a retirement award?

A10. At the discretion of the employing agency, a retirement award may be granted to certain eligible District government employees. To determine if you are eligible and find out any stipulations upon receipt of the award, employees should contact their agency Human Resources Advisor.

Q11. Once I retire, when will I begin receiving my annuity payments?

A11. Annuity payments are handled by the U.S. Office of Personnel Management. The process can take up to 120 days to receive the initial payment. Applications are typically transmitted to the U.S. Office of Personnel Management within 10 business days of the effective date of retirement.

