Defense Logistics Agency

Instruction

DLAI 1442.03
Effective November 7, 2013

DLA Human Resources Policy

Subject: Voluntary Early Retirement Authority (VERA) and Voluntary Separation Incentive Pay (VSIP)

References: (a) DLA VERA/VSIP Policy Memorandum, dated September 30, 2010 (superseded).
(b) Department of Defense (DOD) Instruction 1400.25, Volume 1702, DoD Civilian Personnel Management System: Voluntary Separation Programs, June 13, 2008, Administratively reissued April 1, 2009.

1. PURPOSE. This DLAI supersedes Reference (a) to update and implement policy, establish procedures, provide guidelines, authority, and assigns responsibilities regarding execution of the VERA and VSIP.

2. APPLICABILITY. This Instruction applies to DLA Headquarters and DLA Primary Level Field Activities (PLFAs), and other defense activities serviced by DLA Human Resources Services according to the terms identified in applicable support agreements. Any provision in a collective bargaining agreement (CBA) that conflicts with this Instruction takes precedence and shall be enforced for employees covered by the CBA. It does not apply to non-United States citizen employees, reemployed annuitants, non-appropriated fund employees, or employees in the Senior Executive Service.

3. POLICY. It is DLA policy that:

a. The Agency utilizes VERA and/or VSIP to minimize adverse impact to the workforce when it becomes necessary to reduce the overall number of personnel or to restructure the workforce to meet mission objectives.

b. A buyout or early retirement is not an employee entitlement and the use of VSIP in conjunction with VERA is not required.

4. RESPONSIBILITIES. See Enclosure 1.

5. PROCEDURES. See Enclosure 2.

6. INTERNAL CONTROLS.

a. DLA Human Resources Services Specialists will review all actions covered by this DLAI to verify the occurrence of all events, ensure proper documentation, and actions are in accordance with applicable rules, regulations, and procedures.

b. Use of controls to only allow authorized users access to certain systems, areas, fields, table authorizations, and certifications based upon access rights.

7. RELEASABILITY. UNLIMITED. This instruction is approved for public release and is available on the Internet from the DLA Issuances Internet Website.

8. EFFECTIVE DATE. This Instruction:

a. Is effective on November 7, 2013.

b. Must be reissued, cancelled, or certified current within 5 years of its publication in accordance with DLAI 5025.01, DLA Issuance Program. If not, it will expire effective November 7, 2023 and be removed from the DLA Issuances Website.

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PHYLLISA S. GOLDENBERG
Director, DLA Strategic Plans and Policy

Enclosures:
Enclosure 1 – Responsibilities
Enclosure 2 – Procedures

ENCLOSURE 1

RESPONSIBILITIES

1. DIRECTOR, DLA HUMAN RESOURCES (J1) shall:

a. Provide policy and guidance to the Heads of DLA Headquarters Directorates (J/D codes) and PLFAs on the use of VERA and VSIP.

b. Solicit annual VERA/VSIP authority and allocations from the Washington Headquarters Service.

c. Administer VERA/VSIP for organizations and employees covered by this DLAI or according to the terms of applicable support agreements.

d. Assist hiring managers, supervisors, and employees in carrying out their responsibilities.

2. DLA HQ DIRECTORS OF THE J CODES AND D STAFF shall:

a. Provide guidance and direction on workforce requirements, resources, workload, and other matters affecting workforce-shaping decisions.

b. Coordinate requests for downsizing/restructuring for the appropriate subordinate field activity (e.g., DLA Information Operations will coordinate for DLA Document Services.)

3. MANAGERS AND SUPERVISORS OF DLA HQs STAFF OFFICES (J/D CODES) and PLFAs WITH DELEGATED shall:

a. Determine the category, number, and type of positions necessary to support the mission. This includes position location, when to fill, abolish or vacate, and surplus employees in a line of work.

b. Continually assess workforce requirements consistent with DLA's Strategic Plan, Human Capital goals, requesting VERA/VSIP only as a last resort to avoid involuntary separations.

c. Provide appropriate notice, consult, and bargain with the appropriate labor organization, as applicable.

d. Approve/disapprove employee requests for VERA and/or VSIP in accordance with this DLAI.

ENCLOSURE 2

PROCEDURES

1. GENERAL PROCEDURES.

a. Utilize VERA and VSIP when it is necessary to reduce the overall number of personnel or restructure the workforce to meet mission objectives.

b. Announce VERA and/or VSIP offers to the workforce based on the specific parameters authorized, which includes the number and whether multiple windows will be used.

c. Forward VERA and/or VSIP applications to the servicing DLA Human Resources Services Office for review and approval by the closing date of the authorized window.

d. Notify each VERA and/or VSIP candidate and specify the time limit for accepting the offer and the restrictions on reemployment within the Federal Government.

e. Employees approved for separation due to downsizing must separate on or before the date the position is abolished or the effective date of the Reduction-in-Force (RIF) action. If the downsizing VERA is not in conjunction with a buyout, the effective date may be extended beyond the RIF effective date to allow employees to use annual leave to establish initial eligibility for early retirement. However, employees cannot use annual leave if the VERA is in conjunction with a buyout. For those receiving a restructuring buyout, the separation may be effective on any date approved by the activity head.

f. The servicing DLA Human Resources Services Office will maintain documentation to support the approval of a VERA authorizations and/or payments of a VSIP allocation for each fiscal year and supply all information needed to respond to reporting requirements.

g. DLA Human Resources Services will develop standard operating procedures for implementing this DLAI.

h. Useful links:

(1) DOD Instruction 1400.25, Volume 1702, April 1, 2009

(2) OPM VSIP Description

(3) OPM VERA Description

2. VSIP PROCEDURES.

a. Eligibility for VSIP. Employees must be serving under an appointment without time limitation and have been employed by DOD for a continuous period of at least 12 months immediately preceding the effective date of separation. See DOD Instruction 1400.25, Volume 1702 (Reference (b)) for the circumstances that make an employee ineligible for a buyout or circumstances under which waivers and exceptions may be granted.

b. Eligible employees may separate from service voluntarily, by retirement or resignation, to avoid or minimize the need for involuntary separations due to RIF or workforce restructuring.

c. DLA receives allocations based on projected prior fiscal year end-strength annually. Whether by resignation, early or optional retirement, or for restructuring or downsizing each buyout payment will count toward the fiscal year limitation. DLA may not authorize the payment of VSIP for more than the authorized allocations in any fiscal year.

d. Downsizing buyouts may be offered at any time and location if the acceptance avoids involuntary separations. Standard RIF factors, based on the results of performing a mock RIF, will be used to determine if use of each buyout is justified. All DLA vacancies within the commuting area will be identified for placement of impacted employees prior to authorizing use of VSIP for downsizing. When using buyouts to avoid civilian involuntary separations, the buyouts must be offered at least 30 days before RIF notices are issued.

e. Workforce restructuring buyouts must tie directly to workforce restructuring actions in which management offers the buyout to create vacancies that will be reshaped to meet mission objectives.

f. Workforce restructuring buyouts will be used to correct skill imbalances or to reduce managerial or supervisory positions. Position restructuring is restricted to the vacancy created by application of the buyout. The resulting vacancy will reflect a change in grade, dominant position duties, occupation, or supervisory status; and the resulting position description will be developed prior to approval of each buyout. Each resulting vacancy must be filled expeditiously in accordance with all applicable staffing and mandatory placement requirements.

g. When a restructuring buyout effects an Enterprise position, it will be reviewed for Enterprise impact. Management must provide justification for targeting this position and excluding other identical additional positions within the competitive area.

h. Employees accepting an incentive must sign a VSIP agreement confirming the voluntary nature of the action, the reemployment restrictions resulting from acceptance of the buyout, and the payment terms.

i. Once approved for VSIP, employees are ineligible for registration in the DOD Priority Placement Program.

j. To identify VSIP rehires, all DLA Job Opportunity Announcements will require applicants to identify themselves as a VSIP recipient and provide DLA with separation form SF-50 for the VSIP payment.

k. VSIP recipients rehired within 5 years after the date of separation must repay the entire amount of the buyout, before taxes and deductions, unless a repayment waiver is granted prior to rehire. DOD VSIP recipients may not be rehired within 1 year without approval from the Office of the Secretary of Defense.

3. VERA PROCEDURES.

a. VERA may be offered to reduce the number of DOD personnel or restructure the workforce to meet mission objectives. This authority may be used in conjunction with VSIP or as a stand-alone authorization.

b. Eligibility for VERA. Employees must be at least 50-years old and have 20 years of creditable service, or be any age with at least 25 years of creditable service. In addition, employees must be serving under an appointment without time limitation and have been continuously employed within DOD for more than 30 days before the date on which the determination to conduct a workforce reduction or restructuring action is approved. See Reference (b) for the circumstances that make an employee ineligible for VERA. Employees cannot be forced or coerced to retire under VERA.