

Instructions for Using Voluntary Separation Incentive Pay (VSIP)

1. VSIP may be offered to reduce the number of personnel employed or to restructure the workforce to meet mission objectives. Downsizing VSIPs may be offered at any time and location where the acceptance of the incentive avoids civilian involuntary separations. Workforce restructuring VSIPs allow the organization to reshape its workforce without resorting to reduction in force (RIF), a RIF avoidance action or the loss of a position. Workforce restructured VSIPs may be used to correct skill imbalances or to reduce managerial or supervisory positions. Position restructuring is limited to the vacancy created by application of the VSIP. The resulting vacancy must show a change in grade, pay band, major duties, occupation, or supervisory status.
2. When a position is being restructured, the Civilian Personnel Advisory Center (CPAC) should review its serviced area to ensure there are no vacancies within the commuting area for which the employee would be eligible. If a vacancy is identified, the employee must be placed in the vacancy as an exception using either Chapter 4.C.2.f.(3) or (5) of the Priority Placement Program, PPP Operations Manual. If the situation is not addressed in either situation, an exception to PPP must be submitted to the AG-1, Civilian Personnel.
3. VSIP usage must reflect good fiscal stewardship and be based on sound business principles to ensure efficiencies gained are consistent with workforce needs.
4. Management must open windows, either multiple or single, when seeking VSIP applications. The VSIP announcement will include the time limit for accepting the VSIP offer and the restrictions identified in DoDI 1400.25-V1702, June 13, 2008.
5. In situations where there are more applicants than VSIP opportunities, the offers shall be processed in order of seniority using the Service Computation Date – Leave.
6. VSIP separation must occur no later than 30 September (end of FY).

Eligibility for VSIP

- (1) Only U.S. citizen employees and non-appropriated fund employees are eligible for VSIPs.
- (2) Employees must be serving under an appointment without time limitations.
- (3) Employees must have been employed by DoD for a continuous period of at least 12 months immediately preceding the effective date of separation.
- (4) The VSIP buyout must be offered at least 30 days before RIF notices are issued.
- (5) Employees must be rated Fully Successful or higher.

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Employees Ineligible for VSIP

- (1) A reemployed annuitant according to subchapter III of chapters 83 or 84 of Title 5.
- (2) Is or would be eligible for disability retirement under a Federal retirement system.
- (3) Is on a Schedule C excepted appointment.
- (4) Is a non-compensated employee.
- (5) Has accepted a position with another Federal agency.
- (6) Has received a specific notice of RIF separation.
- (7) Has declined to relocate with his or her position or declined a transfer of function.
- (8) Has received a decision notice of involuntary separation for misconduct or unacceptable performance.
- (9) Has previously received a buyout.

Absent a Waiver, an Employee Meeting any of the Below Criteria is Ineligible for VSIP

- (1) Is covered by a written service agreement such as, but not limited to, those required with a permanent change of station, training, student loan repayment, critical acquisition positions or recruitment, relocation, or retention incentives.
- (2) Is receiving a retention incentive.
- (3) Is occupying a position for which special salary rates or targeted local market supplements under NSPS are approved.
- (4) Is occupying a position defined as "hard to fill".

Check Sheet for Voluntary Separation Incentive Pay (VSIP)

Check Sheet should be completed in consultation with the Manager and the Servicing Civilian Personnel Advisory Center Human Resources Specialist.

1. _____ Identify reason for VSIP (RIF, skills imbalance, organizational delayering, other)
2. _____ Identify if reason is based on BRAC, TOF, A-76 or Other
3. _____ Determine open and closing date for window(s) to accept VSIP applications. Identify anticipated number of VSIPs to be approved, if additional windows will be opened and proposed date employees must separate.
4. _____ Distribute VSIP announcement to employees.
5. _____ Review applications to ensure eligibility.
6. _____ Identify employees who are approved for VSIP.
7. _____ Establish effective date of separation based on reason for VSIP.
8. _____ Notify approved employees.
9. _____ Signed VSIP Agreement with acknowledgement of 12-month reemployment and 5-year repayment restrictions.
10. _____ Documentation maintained in the Civilian Personnel Advisory Center and available for review.

Additional Documents Required if Based on Restructuring

11. _____ Justification for restructure (documentation to explain the need to restructure).
12. _____ If the position is being restructured to a lower grade, the new position must be at least two grades lower.
13. _____ Provide a narrative description to identify what changed about the position:

_____ Major Duties	_____ Pay Plan
_____ Series	_____ Grade
_____ Supervisory Status	_____ Other
14. _____ Documentation to show that without this VSIP an involuntary separation would occur.

Additional Documents Required if Based on Restructuring
(Cont)

15. _____ A copy of the organization's restructuring plan or human capital strategic plan.
16. _____ CPAC review to ensure there are no available vacancies in the same occupational series and grade within the commuting area of the servicing CPAC.
17. _____ Documentation that the position vacated by VSIP and restructured was filled.
18. _____ Documentation will be maintained in the Civilian Personnel Advisory Center.

Additional Documentation if a Waiver is Required to Meet Eligibility

19. _____ Justification signed by the approving official that he/she has determined a VSIP is in the best interest of the offering installation.