

What is VSIP? When can it be offered?

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.

How much will employees be paid under VSIP?

If approved, employees could be entitled to the lesser of:

An amount equal to the amount of severance pay the employee would be entitled to receive, as computed under 5 U.S.C. 5595(c), without adjustment for any previous payment made; or

An amount determined by the agency head, not to exceed \$25,000.

Who is eligible 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.

Who is not eligible?

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”.

Explain the difference between restructuring and abolishing a position under VSIP

Management must either abolish a position or restructure a position.

1. Abolish a Position. Abolishing a position changes the identity of a position completely i.e., the authorization and requirement goes away.

2. Restructuring a Position. Examples of restructuring a position include:

a. Change in grade:

(1) Lower grade. Must be at least two grade levels lower than original position. Positions restructured to lower grades will be subject to a one-year moratorium during which no position review, change or upgrade may be processed.

(2) Higher grade. No position will be restructured to a higher grade unless approved by TRADOC G-1/4.

b. Change in dominant position duties(occupation)or managerially/supervisory status.

c. Change to a trainee or target position. Such restructuring must be to a formal trainee as described in 5 CFR, Part 410. The most common formal trainee positions are apprentices, formal interns, and scientist and engineering interns. Such trainee positions must be eligible to be cleared against the DoD PPP at the entry grade, not the full performance. Also these positions will be submitted only at the entry grade and be covered by a formal training plan as described in 5 CFR, Part 410. The formal training plan must be developed and authorized prior to entrance on duty.

If based on restructuring, the following is required: Justification for restructure (documentation to explain the need to restructure); If the position is being restructured to a lower grade, the new position must be at least two grades lower; a narrative description to identify what changed about the position (i.e. major Duties, pay plan, series, grade, supervisory status, other), documentation to show that without this VSIP an involuntary separation would occur, a copy of the organization’s restructuring plan or human capital strategic plan, CPAC review to ensure there are no available vacancies in the same occupational series and grade within the commuting area of the servicing CPAC, documentation that the position vacated by VSIP and restructured was filled.

Can an employee who accepted VSIP come back to work in Federal Service?

Per 5 USC 9902(g)(6)(A), a VSIP recipient may not be reemployed by the Department of Defense (including NAF employment or through a personal services contract) for a 12-month period beginning on the effective date of the employee's separation. Only the Secretary of Defense or his designee may approve exceptions on a case-by-case basis. Additionally, per 5

USC 9902(g)(6)(B), VSIP recipients who accept employment with the Government of the United States (including employment in NAF instrumentalities or with an agency of the United States through a personal services contract with the United States) within 5 years after the date of separation on which payment of the VSIP is based, must repay the entire amount of the VSIP (before taxes and deductions). A waiver, approved by the Secretary of Defense, can only be sought if the individual is the only qualified candidate for the position.