

# memorandum

DATE: November 5, 2001

REPLY TO:  
ATTN OF: AD-442:Blaylock

SUBJECT: **BUYOUTS AND EARLY RETIREMENT AUTHORITY**

TO: All ORO Employees

## BUYOUTS

The Office of Management and Budget has authorized the Department of Energy (DOE) to offer buyouts through the end of the 2001 leave year. Oak Ridge Operations (ORO) has the authority to offer up to 35 buyouts with separations no later than January 12, 2002.

It may be necessary for some employees to leave the payroll before January 12, 2002, in order to fulfill the cost savings requirement of the buyout. Buyouts will be approved on a first come, first served basis within the parameters specified in our request. Eligible buyout applicants will be notified of final buyout approval. In order to be eligible for a buyout, the following criteria must be met:

- Must leave early enough that there is a cost savings. That is, it will cost less to pay the employee to leave, including payment of annual leave and buyout, than to pay the employee's salary for the remainder of the fiscal year;
- Is serving under an appointment without time limitation; and
- Has been currently employed for a continuous period of at least 3 years

Employees who meet one of the following are ineligible for buyout:

- Is a reemployed annuitant;
- Has a disability that is or would render the employee eligible for disability retirement;
- Is in receipt of a specific notice of involuntary separation for misconduct or unacceptable performance;
- Has previously received a voluntary separation incentive payment by the Federal government and has not repaid such payment;
- Is covered by statutory reemployment rights while on transfer to another organization; or
- Has received a recruitment or relocation bonus during the 24-month period preceding the date of separation or has received a retention allowance within the 12-month period preceding the date of separation.

Employees covered under the Civil Service Retirement System (CSRS) who wish to leave the payroll through optional retirement must meet the following age and service requirements in order to be eligible to retire with an immediate annuity:

Age is at least	Creditable Service
55	30 years
60	20 years
62	5 years

Employees covered under the Federal Employees Retirement System (FERS) who wish to leave the payroll through optional retirement must meet the following age and service requirements in order to be eligible to retire with an immediate annuity:

Age is at least	Creditable Service
Minimum Retirement Age (MRA)	30 years
60	20 years
62	5 years

Employees covered by FERS may retire with an immediate annuity through the FERS "MRA plus 10" option. The retirement annuity is reduced by five-twelfths of one percent for each full month by which the commencing date of annuity precedes the employee's 62 birthday. The reduction is 5 percent for each year the employee is under age 62. The reduction under "MRA plus 10" is permanent and does not stop when age 62 is reached.

The MRA is the earliest age at which an employee may retire with an immediate reduced annuity after 10 to 29 years of service or with an unreduced annuity after 30 years of service.

Year of Birth	MRA
Before 1948	55
1948	55 and 2 months
1949	55 and 4 months
1950	55 and 6 months
1951	55 and 8 months
1952	55 and 10 months

<b>Year of Birth</b>	<b>MRA</b>
1953 - 1964	56
1965	56 and 2 months
1966	56 and 4 months
1967	56 and 6 months
1968	56 and 8 months
1969	56 and 10 months
1970 and later	57

### **EARLY RETIREMENT**

ORO has also received tentative approval of our request for early retirement (early out) authority from the Office of Personnel Management. We are optimistic that final approval will be received in the next 2 weeks. We recognize that several employees are eligible for an early out during the buyout window described above. As a result, we are issuing the call for interest in obtaining an early out in order to assure equity in the distribution of buyouts and to maximize the amount of time employees have to make these important decisions. Employees who separate through an early out must leave the payroll no later than September 30, 2002. Employees who separate through an early out with a buyout must leave the payroll no later than January 12, 2002.

Employees covered under CSRS who wish to leave the payroll through early retirement must meet the following age and service requirements in order to be eligible to retire with an immediate annuity. CSRS employees who retire through an early out incur an annuity reduction of 2 percent for each year the retiring employee is under age 55.

<b>Age is at least</b>	<b>Creditable Service</b>
50	20 years
Any Age	25 years

Employees covered under FERS who wish to leave the payroll through early retirement must meet the following age and service requirements in order to be eligible to retire with an immediate annuity. FERS employees do not incur a reduction for early retirement.

Age is at least	Creditable Service
50	20 years
Any Age	25 years

Employees who are interested in a buyout and/or early out should complete the attached application and submit it to the Personnel and Management Analysis Branch no later than **November 14, 2001**. Please indicate whether your separation will be by optional retirement, early retirement, or resignation. The decision to request a buyout is voluntary, and completion of this application is not binding. However, once an employee's application for buyout has been approved, and he/she has signed the required SF-52, Request for Personnel Action, the decision will be final and binding. ORO will act on that decision in determining other necessary actions required to meet staffing and funding levels for fiscal year 2002.

Employees who desire retirement annuity estimates should print and complete the annuity estimate request form available at <http://www.oro.doe.gov/pmab/Forms/AnnuityEst.PDF>. Completed forms should be submitted to the Personnel and Management Analysis Branch as soon as possible in order to provide sufficient time for processing. Questions regarding buyout and early out authorities should be directed to Michael Blaylock at (865) 576-0130.

  
 Patricia Howse-Smith, Director  
 Human Resources Division

Attachment

