



# Headquarters 2005 Buyout Information Session

March 2005



# AGENDA

STRATEGIC HUMAN CAPITAL MANAGEMENT

- Welcome
- Agency Overview
- Headquarters Buyout/Early-out Overview
- Retirement/NEBS Overview
- Questions/Answers



# AGENCY OVERVIEW

STRATEGIC HUMAN CAPITAL MANAGEMENT

## **Agency-wide workforce issues and challenges are:**

- Program requirements do not support on-board FTE's
- Projected missions require changes in the number and competencies of it's workforce
- Agency need to reshape its workforce so it is aligned with the Vision and current and future budget allocations



# AGENCY OVERVIEW

STRATEGIC HUMAN CAPITAL MANAGEMENT

Five NASA Centers identified areas of excess competencies, where funding issues dictated that these imbalances be addressed during FY 2005 and FY 2006:

- Glenn Research Center
- Langley Research Center
- Ames Research Center
- Dryden Flight Research Center
- Marshall Space Flight Center



# AGENCY OVERVIEW

STRATEGIC HUMAN CAPITAL MANAGEMENT

- The Agency formed a Transformation Action Team to implement mitigating actions in sequence from the least to the most disruptive to our workforce:
  - ***Hiring Restrictions***
  - ***Buyouts/Earlyouts at Centers with uncovered capacity***
  - ***Buyouts/Earlyouts of surplus competencies NASA-wide***
  - Voluntary reassignments/Job Fairs
  - Career Transition Assistance Program
  - Directed reassignments (last resort)
  - Involuntary Workforce Realignment (last resort)
  
- Hiring restrictions (recruit from within) have been implemented across the Agency and job fairs were conducted at the 5 Centers with uncovered capacity
  
- Currently offering buyouts/early-outs throughout most of the Agency



# AGENCY OVERVIEW

STRATEGIC HUMAN CAPITAL MANAGEMENT

## Buyouts/Early-outs from the Human Capital Perspective

- Continue to protect core safety, shuttle and station, and exploration-related competencies; and other critical workforce competencies
- Careful analysis to ensure adequate staffing of each competency
- Apply One-NASA Agency-wide approach to ensure we do not buyout competencies needed elsewhere in NASA



# HEADQUARTERS BUYOUTS/EARLY OUT OVERVIEW

STRATEGIC HUMAN CAPITAL MANAGEMENT

- Conducted a comprehensive, strategic review of the current human capital
- Identified current position competencies and those needed to support new NASA strategies and program priorities
- Applied Agency-wide approach to ensure that critical competencies needed elsewhere in NASA were not required
- Determined surplus competencies at Headquarters



# HEADQUARTERS BUYOUT/EARLY-OUT OVERVIEW

STRATEGIC HUMAN CAPITAL MANAGEMENT

## Two Categories of buyouts/early-outs will be offered at Headquarters:

- Earlyouts must follow same rules as Category 1 & 2 buyouts

### Category 1

- 3 competencies have been identified as surplus (i.e., there is no longer a requirement or there is a reduced requirement for the competency)
  - Commercial Technology; Air Traffic Systems; Research Dev, or Flight Facility Planning
- Will be offered to General Schedule employees in positions whose competency has been identified as surplus
- Employees in affected positions are being notified that they will have the opportunity to apply for the buyout
- Separation of employees in this Category must be completed by April 3, 2005
- Positions targeted for this buyout will not be refilled with the same competency at Headquarters



# HEADQUARTERS BUYOUT/EARLY-OUT OVERVIEW

STRATEGIC HUMAN CAPITAL MANAGEMENT

## Category 2 will be offered to:

- Any General Schedule employee willing to leave provided it creates a placement for an employee occupying a position whose competency has been identified as surplus. These buyouts will be contingent on the placement of the Center employee in the surplus competency; and
- Employees in Senior Executive Service positions provided the position is abolished, SES slot eliminated and a vacancy is created for a General Schedule employee occupying a position whose competency has been identified as surplus at one of the affected Centers. These buyouts will also be contingent on the placement of a Center employee in a surplus competency.



# HEADQUARTERS BUYOUT/EARLY-OUT OVERVIEW

STRATEGIC HUMAN CAPITAL MANAGEMENT

## Category 2 (Cont.)

- Headquarters employees will have the opportunity to volunteer for a buyout/early-out
- Buyout/early-out will be contingent on the placement of an employee in a surplus competency to Headquarters
- Headquarters Human Resources Division will work with organizations to explore possibilities for placement of employees in surplus competencies through a “swap” with those Headquarters employees who volunteer for a buyout/early-out
- Employees who replace potential buyout/early-out recipients must commit to be reassigned and relocated to Headquarters before a buyout agreement is final
- Separation of employees in this Category would occur by June 3, 2005 or on October 3, 2005



# APPROVAL REQUIREMENTS

STRATEGIC HUMAN CAPITAL MANAGEMENT

## ➤ For Category 2

- Application completed and submitted
- Meet basic requirements
- Match made and confirmed
- Management approval
- Human Resources Management Division approves buyout
- Employee completes retirement/separation paperwork and buyout occurs



# HEADQUARTERS BUYOUT/EARLY OUT OVERVIEW

STRATEGIC HUMAN CAPITAL MANAGEMENT

## Basic Eligibility Requirements for a Buyout

The law specifies that you are **not** eligible to receive a buyout if you:

- Are a re-employed annuitant; or serving under an appointment with a time limitation;
- Have a disability on the basis of which you would be eligible for a disability retirement;
- Have not been on-board with the Federal Government without a break in service for 3 continuous years;
- Are in receipt of a specific notice of involuntary separation for misconduct or unacceptable performance;
- Have received a buyout before;
- Are covered by statutory reemployment rights from another organization;
- During the 24 months preceding separation you performed service for which a recruitment or relocation bonus was or is to be paid; or
- During the 12 months preceding separation you performed service for which a retention bonus (or allowance) was or is to be paid



# HEADQUARTERS BUYOUT/EARLY OUT OVERVIEW

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## Headquarters Buyout/Early-Out Process

- Category 1 & 2 employees begin to sign up for consideration March 16
- Deadline for Category 1 employees to submit applications March 23
- Deadline for Category 2 employees to submit applications April 22 (June 3 applicants)  
May 23 (October 3 applicants)
- HR evaluates applications & notifies employees of basic eligibility (Category 1 applications will be reviewed first) Ongoing thru May 31
- Category 1 Employees Group “Out-Processing” April 1 (last business day)
- Category 2 Employees “Out-Processing” Thru June 3 or on Oct 3



# RETIREMENT OVERVIEW

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## Types of Retirements

### CSRS:

- **Optional (Voluntary)**
  - Age 55 with 30 years of service
  - Age 60 with 20 years of service
  - Age 62 with 5 years of service
- **Early Out (Voluntary with reduction)**
  - Age 50 with 20 years of service
  - Any age with 25 years of service
- **Deferred retirement - resignation with an option for retirement in the future.**
  - Applies for deferred annuity at age 62 (must have at least 5 years creditable service)
  - Does not receive a refund of all retirement contributions
  - Is not eligible for immediate retirement benefit



# RETIREMENT OVERVIEW

STRATEGIC HUMAN CAPITAL MANAGEMENT

## Types of Retirement (Cont.)

### FERS:

- Optional (Voluntary)
  - Minimum Retirement Age (MRA) with 30 years of service
  - Age 60 with 20 years of service
  - Age 62 with 5 years of service
- Early Retirement (Voluntary)
  - Age 50 with 20 years of service
  - Any Age with 25 years of service
- Deferred retirement - resignation with an option for retirement in the future.
  - Completed at least 5 years creditable service and are eligible for a deferred retirement
  - Completed at least 10 years creditable service, including 5 years civilian service, and are eligible for an annuity at the Minimum Retirement Age (MRA)



# ELIGIBILITY FOR VOLUNTARY EARLY OUT AUTHORITY (VERA)

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- In order to be eligible to retire under a VERA by the date of separation, an employee must:
  - Complete at least 20 years creditable service and be at least age 50; or complete at least 25 years creditable service, regardless of age;
  - Serve in a position eligible to receive the offer
  - Serve during a time period designated by the Agency (under an OPM approved authority) in which voluntary early retirements are offered; and
  - Not meet any of the ineligibility categories



# INELIGIBILITY FOR VOLUNTARY EARLY OUT AUTHORITY (VERA)

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- Employees in the following categories are **not** eligible for voluntary early retirement:
  - Were not employed in the requesting agency at least 31 days prior to the date the agency requested VERA; or
  - Are serving under time-limited appointments; or
  - Are in receipt of a decision of involuntary separation for misconduct or unacceptable performance.

**The above provisions affect all employees seeking voluntary early retirements.**



# BUYOUT AMOUNT/CALCULATION

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- **Buyout calculation based on the formula to compute severance pay.**
  - Combination of years of service, age and salary
  - Maximum amount is \$25,000 (pre-tax) or the severance pay amount, whichever is less.
- **Severance Pay calculation:**
  - 1 week's basic pay for each of the first 10 years of civilian service
  - Plus 2 weeks' basic pay for each year over 10 years
  - Age adjustment allowance of 10% added for each year over age 40.



# NASA EMPLOYEE BENEFIT STATEMENT (NEBS)

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To see your monthly annuity before deductions,  
you can review your NEBS at:

<http://nasapeople.nasa.gov/NEBS/index.htm>



# CONTACTS FOR FURTHER INFORMATION

STRATEGIC HUMAN CAPITAL MANAGEMENT

- Headquarters Buyout Website:
  - <http://www.hq.nasa.gov/buyout2005>
- Headquarters Contact Information:
  - Retirement Estimates
    - Al Reeves, 358-1793, [jreeves@nasa.gov](mailto:jreeves@nasa.gov)
  - Benefits and NEBS Questions
    - Scott Howell, 358-1558, [scott.howell@nasa.gov](mailto:scott.howell@nasa.gov)
  - Buyout Process Questions
    - Brenda Spicer, 358-1561, [brenda.l.spicer@nasa.gov](mailto:brenda.l.spicer@nasa.gov)
  - Competency Questions
    - Jody Williams, 358-3706, [jody.b.williams@nasa.gov](mailto:jody.b.williams@nasa.gov)
    - <http://competency.hq.nasa.gov>
  - General Questions
    - Brenda Spicer (see above)