

# **Voluntary Early Retirement (VERA)**

- **Authority:** 5 United States Code 8336(d)(2)
- **Purpose:** To provide agencies a tool to help minimize the separation of employees in times of downsizing by allowing more employees to qualify for early retirement
- **Benefit:** Early retirement authority is used in agency downsizing situations as an incentive to get employees near standard retirement eligibility to leave, thus relating the agency from having to downsize through reduction-in-force.
- **Eligibility** The standard federal retirement combinations are 30 years of service and at least age 55, and at least 20 years of service and at least age 60, or at least 5 years service and at least age 62.  
  
In early retirement offers, the age and service requirements are reduced to 20 years of service at age 50, or 25 years of service at any age.
- Ramifications:** Employees under the Civil Service Retirement System (CSRS) suffer a two percent per year reduction to their annuity for each year they are under age 55. Employees under the Federal Employees Retirement System (FERS) suffer a five percent decrease to their annuity for each year they retire under the minimum retirement age. There are no provisions to offset either annuity reduction.