VOLUNTARY RETIREMENT INCENTIVE (VRI) FREQUENTLY ASKED QUESTIONS

Who should I contact with questions related to the VRI? You can either call (334) 242-3389 and ask for Dan Morris or email VRI@personnel.alabama.gov.

What does "Anticipated Retirement Effective Date" on the application mean? Please list the anticipated date of your retirement if the legislation becomes effective.

Will the cash incentive amount be increased to more than $15,000? The Legislature may choose to amend this amount during the legislative session.

Are post-DROP participants allowed to participate in the VRI? As the legislation is currently written, post-DROP participants are allowed to participate in the VRI. However, some legislators have expressed concern about this issue. We expect this portion of the legislation to be the most discussed, and are uncertain whether or not post-DROP participants will remain eligible.

Is my agency participating in the VRI? As the legislation is currently written, an agency head may decide on a classification basis which employees may participate in the VRI. The agency head may also allow the entire department to participate or exclude the entire department from participating. However, no decision will be made on an individual basis. Agency heads will only be able to review a list of the applicant classifications and will not receive a list of names before they decide their exclusions.

How long do I have to apply? Employees are encouraged to submit their application now so the Governor's office and legislators can gauge interest in the program and make adjustments to the program, if necessary. However, as the legislation is written, an employee would be required to retire within two months of the passage of the bill. Since we are unsure when the legislation will pass, we do not have a definitive end date for application submission.

Can I purchase service credit? The legislation states that the VRI may not increase the amount of earned service credit, other than currently allowed by law. Retirement benefits will be calculated based on the employee's actual service time as defined by the Retirement Systems of Alabama.

Are Postsecondary and the State Department of Education eligible to participate in the VRI? Any employees in the main Executive Branch offices are included in the program, including administrative and support staff for the Executives at SDE and Postsecondary. However, this program does not include teachers, county employees, support staff at schools, etc., or any University or community college system employee. A similar program for teachers and those support positions not covered under the VRI may be considered at a later date.

Are health insurance service and age penalties still applicable? Statutory health insurance service and age penalties will still apply. However, in the case of an employee who accepts the Insurance Option,

early retirement health insurance penalties associated with accepting the VRI will be paid in addition to the cost of the health insurance and shall be paid by the agency.

If an employee dies after retirement but before the cash incentive and leave payments are disbursed, would the monies be paid to the employee's beneficiary? Yes, the remaining payments would be made to the employee's designated beneficiary.

***DISCLAIMER: Changes to the VRI may be made during the legislative session. No details will be final or official until the legislation passes and becomes law.**