



Director's Office

One Capitol Hill | Providence, RI 02908 | 401-222-2280
Brett Smiley, Director

Voluntary Retirement Incentive (VRI)

The State of Rhode Island is offering a Voluntary Retirement Incentive (VRI) payment to state employees in the Executive Branch who participate in the Employees' Retirement System of Rhode Island (ERSRI), who are currently eligible to retire and who are the recipients of longevity payments under the state's longevity program ("[Longevity Payments](#)" and "[Future Longevity Payments](#)"). The terms of the Voluntary Retirement Incentive will be governed by the terms of this policy document and the Frequently Asked Questions that accompany this document.

In order to facilitate the orderly administration of the VRI, and in particular the orderly calculation and payment of pensions by ERSRI, the terms of this plan relating to the timing of the processing of applicants for the VRI may be amended from time to time by the Department of Administration after consultation with the Office of the General Treasurer and ERSRI.

The VRI is intended to allow the State to recognize the long-term service of our employees and provide them with the flexibility to retire. It is also intended to achieve strategic and budgetary objectives.

The VRI is a one-time voluntary program designed to meet the State's current and future needs. There are no plans to offer another program.

Program Elements

Participation

Participation in this program is voluntary. Eligible employees are under no obligation to participate, and no employee will be terminated or suffer any adverse employment consequences for choosing not to participate in this VRI offer.

Eligibility

The VRI is available to employees who meet all the following criteria:

- Employees must be actively employed with the State of Rhode Island on January 4, 2021 and must have been in continuous employment for at least one year immediately preceding January 4, 2021. Employees who are on or have been on authorized leave during the period will be considered eligible for the VRI, provided they otherwise meet eligibility criteria.
- Employees must be current active participants in ERSRI and have achieved their Full Benefit Retirement Date on or before December 31, 2020. An employee's Full Benefit Retirement Date is the date that the employee is entitled to retire under ERSRI and receive full benefits based on the employee's service with the State. Members eligible to retire with a reduced pension benefit on or before December 31, 2020 are **not** eligible for the incentive.

- Only those employees with a longevity amount calculated as a percentage additional to an employee's salary are covered under the VRI.

Employees who do not have separately calculated longevity amounts or who have a longer step progression in their compensation program, such as correctional officers and sheriffs, are not eligible. State Police and Judges who participate in the State Police and Judicial Retirement Benefits Trusts are not eligible for this incentive program.

Enrollment Period and Retirement Dates

In order to effectively implement the VRI, the program will be offered to employees in stages in accordance with their longevity entitlements:

- **20% Longevity Recipients:** Employees entitled to Longevity at the 20% level must submit written notice of their election to retire under the VRI on or before March 15, 2021 and must designate a retirement date effective on or before April 15, 2021.
- **17.5% and 15% Longevity Recipients:** Employees entitled to Longevity at the 17.5% and 15% levels must submit written notice of their election to retire under the VRI on or before April 15, 2021 and must designate a retirement date effective on or before May 15, 2021.
- **10%, 7.5% and 5% Longevity Recipients:** Employees entitled to Longevity at the 10%, 7.5% and 5% levels must submit written notice of their election to retire under the VRI on or before May 15, 2021 and they must designate a retirement date effective on or before June 15, 2021.

Exceptions extending these election periods and retirement dates may only be made on an individual employee basis upon application of the employee's agency director with the agreement of the employee and with the written consent of both the Director of Administration and the Executive Director of Human Resources/Personnel Administrator. In no event shall the retirement date be extended later than September 30, 2021.

Program Benefits

- Eligible employees who elect to retire within the enrollment periods designated above will receive a one-time payment in the amount equal to two times (2X) the employee's current annualized Longevity amount to a maximum payment amount of forty thousand dollars (\$40,000.00) (the "Incentive Payment").
- The Incentive Payment is **not** considered pensionable salary and will **not** be included in your pension benefit calculation.
- The Incentive Payment will be paid within 30 days of the employee's retirement date (or last date of service) as specified above.
- The VRI will **not** affect any other benefits provided by the State. Benefits such as your ERSRI pension, TIAA defined contribution plan, retiree health benefits, COBRA benefits and other employer provided benefits remain subject to their current terms and conditions and will not be increased or decreased by participation in the VRI.

Other Conditions

- Once an employee submits his/her written election to retire, the employee cannot withdraw that election.

Certain Limitations

You may become ineligible for the incentives offered through the VRI program after you have made an election to participate if any of the following occurs:

- If you fail or refuse to timely complete, execute and submit the election form.
- If your employment with the State is terminated by the State prior to your retirement date for cause.
“Cause” is defined as:
 - engaging in misconduct or negligence in the performance of your duties;
 - committing a felony or any act of fraud, embezzlement, theft or dishonest conduct in the course of your employment; or
 - falsifying any employment or other record.
- If you fail to return property that belongs to the State on or prior to your retirement date.
- If you fail or refuse to retire from employment with the State on your retirement date.