



STATE OF WASHINGTON

OFFICE OF FINANCIAL MANAGEMENT

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October 10, 2023

TO: Agency Directors

FROM: David Schumacher
Director

SUBJECT: 2023-25 VOLUNTARY SEPARATION AND RETIREMENT INCENTIVE PROGRAM

Section 905 of the enacted 2023-25 operating budget (Chapter 475, Laws of 2023) allows a voluntary separation and retirement incentive program to give agencies the option to offer financial incentives to employees to voluntarily separate from state service through retirement or resignation. Here is the link to the [2023-25 program guidelines](#).

Consistent with the guidelines set out in the last two biennia, the 2023-25 program is open for any agency, including higher education institutions, to submit a plan for OFM approval. Agency plans must clearly outline how they will contribute to the objectives of the program, which are to reduce staffing costs and to make more effective use of human resources.

If your agency wishes to participate, you must submit a voluntary separation and retirement incentive plan to OFM for prior approval. Once plans are approved, agencies must report quarterly to the Department of Retirement Systems and the OFM State Human Resources Division. You also must submit a final report to OFM and the Legislature at the end of the biennium.

If you have any questions, please contact the staff listed in the guidelines.

cc: Dave Johnson, Staff Coordinator, House Appropriations Committee
Susan Howson, Staff Coordinator, Senate Ways & Means Committee
Shawn Merchant, Legislative and Stakeholder Relations Director, DRS
Michaela Doelman, State Human Resources Officer, OFM
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