

RETIREMENT ANNUITY - RA

CSRS OFFSET PLAN

CSRS Offset Employees are covered by CSRS and Social Security at same time. The term "CSRS Offset" applies to employees:

- With 5 or more years of CSRS Service performed before January 1, 1987.
- Break in service exceeding 365 days, and
- Rehired following break in service after December 31, 1983.

If there is a break in service after 12-31-86, you must have five years of creditable service as of:

- Date of break and some time under CSRS or Foreign Service
- Certain transfers and conversions to new appointments.

Employees subject to the CSRS Offset plan contribute the normal CSRS contribution of 7% of pay. Of this contribution, an amount equal to the Social Security tax is transferred to the Social Security Administration. For 2008 the Social Security tax is 6.20% of the first \$102,000 in earnings, .80% goes to the CSRS system. For employees who earn more than the Social Security wage base, the CSRS salary deductions increase to the full CSRS rate when the Social Security tax stops for the calendar year.

COMPUTATION OF OFFSET ANNUITY

Compute the basic CSRS annuity based on "High-3" Average Salary and Length of Service as if employee is covered by CSRS alone. When the individual becomes eligible for Social Security, usually at age 62, the CSRS annuity will be reduced by the amount of Social Security earned in the Federal Service. If employee has Social Security coverage in the private sector, the amount of reduction in the CSRS benefit will generally be less than the Social Security benefit to which the individual will be entitled.

Example: Employee retires at age 55, 30 years service, "High-3" \$30,000, 15 years Federal service after 1983 (Offset Service), 10 years in Private Sector covered by Social Security.

COMPUTATION AT RETIREMENT

$$30 \text{ years} = .562500 \text{ (page 38)} \times \$30,000 = \$16,875$$

When an employee becomes eligible for Social Security, usually at age 62, the Civil Service Annuity will be offset by 15 years of Social Security earned in Federal Service after 1983. The offset will be approximately .375 of total Social Security payable.

RETIREMENT ANNUITY	
Assume Social Security benefit for 25 years is % earned in Federal Service after 1983 $*15 \div \text{by } 40 = .375$	\$ 7,200
Offset: $\$16,875 - 2,700 = \$14,175$	\$14,175
Benefits Payable at Age 62	
From Civil Service Retirement System	\$14,175
From Social Security	7,200
Total	\$21,375

Portion attributable to CSRS offset service \$2,700 subtracted from CSRS Annuity \$16,875. The offset applies if the employee is eligible for benefits from Social Security Administration (SSA) whether or not Social Security is actually received.

CSRS CHANGEOVER TO FERS

For those employees who transferred to FERS with five or more years of creditable CSRS service at time of transfer, the more flexible FERS rules will be applicable to determine retirement eligibility. The retirement benefits will come from both CSRS and FERS, using the CSRS formula for the years covered by CSRS, and the FERS formula for the years spent under FERS.

Disability benefits for those who become disabled after transferring to FERS will be computed under the FERS rules. However, there may be a CSRS component if the earned annuity computation (non-disability) is used or when the annuity is recomputed at age 62.

Survivor benefits provided by transferees will be determined entirely under FERS rules, even though the retiree's benefit will be a combined CSRS/FERS annuity.

Cost of Living Adjustments (COLA) for transferees with a CSRS component will have the COLA on the CSRS portion of the annuity computed under the CSRS rules which will be payable upon retirement. The FERS portion will not begin until age 62. Exception: COLA'S for special groups, Law Enforcement, etc. begin at retirement.

COMPUTATION OF ANNUITY FOR TRANSFEREES

CSRS SERVICE 20 YEARS, FERS SERVICE 10 YEARS, "HIGH-3" \$30,000	
Regular Employee	
CSRS computation: 20 years = $.3625 \times 30,000$	\$10,875
FERS computation: $1\% \times 30,000 = 300 \times 10$	3,000
Total Combined Annuity	\$13,875
Involuntary Separation & Voluntary "Early Out"	
CSRS computation: 20 years = $.3625 \times \$30,000$	\$10,875
Less age reduction 2% a year under 55 (5 years x 2%)	10%
Reduction for age	1,087.50
Annuity after reduction	9,787.50
FERS computation: 10 years = $1\% \times \$30,000$	3,000
Total Combined CSRS/FERS Annuity	\$12,787.50

RETIREMENT ELIGIBILITY - CSRS			
Types of Retirement	Age	Service	Special Requirements
Optional	62	5	None
No Age Reduction	60	20	None
	55	30	None
Optional	50	20	Law Enforcement, Firefighters
No Age Reduction	50	20	Air Traffic Controllers
Optional Reduction Under Age 55 (1)	Any Age	25	"Early Out" under a Major Reorganization, Transfer of Function, or a (RIF) Reduction In Force
	50	20	
Discontinued Service- Reduction Under Age 55 (1)	Any Age	25	Involuntary Separation, not for misconduct or delinquency
ATC-Normal Retirement no Reduction	50	20	ATC - All creditable retirement time must be covered under 2152 ATC service
Disability	Any Age	5	Disabled for any current position or vacant position within the agency
Deferred	62	5	Must have left retirement contributions in your retirement fund
Mandatory	57	20	Law Enforcement (2)
	57	20	Firefighters (2)
	56	20	Air Traffic Controllers (2)
	60	20	Military Reserve Technicians (3)

Minimum Requirements

- Five years of civilian service.
- One out of the last two years working under the Civil Service Retirement System, but if retirement is for disability, one out of two year requirement is waived, but employee must be subject to the retirement act when he or she becomes disabled.

Key

- 1) Reduction of 1/16th of 1% for each month employee is under the age of 55, 2% per year.
- 2) May be exempt until age 60 by agency head for law enforcement, firefighters and the Secretary of Transportation and I or Defense, until age 61 for air traffic controllers.
- 3) Required to be separated from military service and therefore cannot remain in technician position.

RETIREMENT ELIGIBILITY - FERS			
Types of Retirement	Age	Service	Special Requirements
Immediate	62	5	None
	60	20	None
	MRA	30	None
Voluntary (2)	MRA	10	Law Enforcement, Firefighters, and Air Traffic Controllers
No Age Reduction	50	20	
Voluntary (1)	Any Age	25	"Early Out" under a Major Reorganization, Transfer of Function, or a (RIF) Reduction In Force. (ATC - All creditable retirement time must be under covered ATC service.)
	50	20	
Law Enforcement Officers And Firefighters (3)	Any Age	25	Complete 20 years of service in one, or a combination of retirement systems. A minimum of 3 years must be served in your primary position.
	50	20	
Air Traffic Controllers (3)	Any Age	25	Complete 20 years of service in one, or a combination of retirement systems. A minimum of 3 years must be served in your primary position.
	50	20	
Air Traffic Controllers 1st & 2nd level Supervisors, Vision 100, implemented 2/10/04	MRA	30	Complete 30 years of service, at least 5 years as an ATC; 2152, and retire on an immediate annuity
Disability	Any Age	18 Mos.	Disabled for any current position or vacant position within the agency.
Deferred	MRA	10	At least 10 years of service
	62	5	None
	60	20	None
	MRA	30	None
Mandatory	57	20	Law Enforcement (3)
	47	20	Firefighters (3)
	56	20	Air Traffic Controllers (3)
	60	20	Military Reserve Technicians (3)

Minimum Requirements

- Five years of civilian service.
- Must be serving in a FERS position at retirement.

Key

- 1) No reduction for age.
- 2) Reduction of 5/12 of 1% for each month employee is under the age 62, 5% per year.
- 3) May be exempt until age 60 by agency head for law enforcement officers or firefighters, until age 61 for Air Traffic Controllers.
- 4) Required to be separated from military service and therefore cannot remain in technician position.

RETIREMENT ELIGIBILITY**FERS Employees-Minimum Retirement Age (MRA)**

Under FERS, employees may retire with as little as ten years of service when they reach the Minimum Retirement Age which varies according to the employee's year of birth as indicated in the following schedule:

If You Were Born	Your MRA Is
Before 1948	55
In 1948	55 and 2 months
In 1949	55 and 4 months
In 1950	55 and 6 months
In 1951	55 and 8 months
In 1953	55 and 10 months
In 1953 to 1964	56
In 1965	56 and 2 months
In 1966	56 and 4 months
In 1967	56 and 6 months
In 1968	56 and 8 months
In 1969	56 and 10 months
After 12/31/69	57

An employee will be eligible for a REDUCED annuity when he or she

- Reaches the minimum retirement age and completes at least ten years of service, including five years of civilian service.

General Requirement for Retirement

At least five years of civilian service. Must be in a FERS position on last day of service if service is being used to establish eligibility. There is no "one out of two years" requirement as is true under CSRS. Therefore, a FERS is not required to be in a position under the system one out of the last two years of work.

CSRS GENERAL FORMULA COMPUTATION CHART

For computing Basic Annuity where "High-3" average pay is \$5,000 or more. (See Section 50A3.1-1, Note 2, if "High-3" is less than \$5,000). To obtain the Basic Annuity, multiply the "High-3" average pay by factor indicated under applicable years and months of service. NOTE: AIR TRAFFIC CONTROLLERS RETIREMENT FORMULA WILL BE YOUR "HIGH-3" TIMES THE GREATER OF .5000 OR THE FACTORS INDICATED ON PAGES 38 OR 39. FACTORS ARE HIGHER AT 26 YEARS 11 MONTHS.

Years of Service	0 Month	1 Month	2 Months	3 Months	4 Months	5 Months
5	.075000	.076458	.077917	.079375	.080833	.082292
6	.092500	.093958	.095417	.096875	.098333	.099792
7	.110000	.111458	.112917	.114375	.115833	.117292
8	.127500	.128958	.130417	.131875	.133333	.134792
9	.145000	.146458	.147917	.149375	.150833	.152292
10	.162500	.164167	.165833	.167500	.169167	.170833
11	.182500	.184167	.185833	.187500	.189167	.190833
12	.202500	.204167	.205833	.207500	.209167	.210833
13	.222500	.224167	.225833	.227500	.229167	.230833
14	.242500	.244167	.245833	.247500	.249167	.250833
15	.262500	.264167	.265833	.267500	.269167	.270833
16	.282500	.284167	.285833	.287500	.289167	.290833
17	.302500	.304167	.305833	.307500	.309167	.310833
18	.322500	.324167	.325833	.327500	.329167	.330833
19	.342500	.344167	.345833	.347500	.349167	.350833
20	.362500	.364167	.365833	.367500	.369167	.370833
21	.382500	.384167	.385833	.387500	.389167	.390833
22	.402500	.404167	.405833	.407500	.409167	.410833
23	.422500	.424167	.425833	.427500	.429167	.430833
24	.442500	.444167	.445833	.447500	.449167	.450833
25	.462500	.464167	.465833	.467500	.469167	.470833
26	.482500	.484167	.485833	.487500	.489167	.490833
27	.502500	.504167	.505833	.507500	.509167	.510833
28	.522500	.524167	.525833	.527500	.529167	.530833
29	.542500	.544167	.545833	.547500	.549167	.550833
30	.562500	.564167	.565833	.567500	.569167	.570833
31	.582500	.584167	.585833	.587500	.589167	.590833
32	.602500	.604167	.605833	.607500	.609167	.610833
33	.622500	.624167	.625833	.627500	.629167	.630833
34	.642500	.644167	.645833	.647500	.649167	.650833
35	.662500	.664167	.665833	.667500	.669167	.670833
36	.682500	.684167	.685833	.687500	.689167	.690833
37	.702500	.704167	.705833	.707500	.709167	.710833
38	.722500	.724167	.725833	.727500	.729167	.730833
39	.742500	.744167	.745833	.747500	.749167	.750833
40	.762500	.764167	.765833	.767500	.769167	.770833
41	.782500	.784167	.785833	.787500	.789167	.790833

CSRS GENERAL FORMULA COMPUTATION CHART

For computing Basic Annuity Where "High-3" average pay is \$5,000 or More (See Section 50A3.1-1, Note 2, if "High-3" is less than \$5,000) To obtain the Basic Annuity, multiply the "High-3" average pay by factor indicated under applicable years and months of service. NOTE: AIR TRAFFIC CONTROLLERS RETIREMENT FORMULA WILL BE YOUR "HIGH-3" TIMES THE GREATER OF .5000 OR THE FACTORS INDICATED ON PAGES 38 OR 39. FACTORS ARE HIGHER AT 26 YEARS 11 MONTHS.

Years of Service	6 Months	7 Months	8 Months	9 Months	10 Months	11 Months
5	.083750	.085208	.086667	.088125	.089583	.091042
6	.101250	.102708	.104167	.105625	.107083	.108542
7	.118750	.120208	.121667	.123125	.124583	.126042
8	.136250	.137708	.139167	.140625	.142083	.143542
9	.153750	.155208	.156667	.158125	.159583	.161042
10	.172500	.174167	.175833	.177500	.179167	.180833
11	.192500	.194167	.195833	.197500	.199167	.200833
12	.212500	.214167	.215833	.217500	.219167	.220833
13	.232500	.234167	.235833	.237500	.239167	.240833
14	.252500	.254167	.255833	.257500	.259167	.260833
15	.272500	.274167	.275833	.277500	.279167	.280833
16	.292500	.294167	.295833	.297500	.299167	.300833
17	.312500	.314167	.315833	.317500	.319167	.320833
18	.332500	.334167	.335833	.337500	.339167	.340833
19	.352500	.354167	.355833	.357500	.359167	.360833
20	.372500	.374167	.375833	.377500	.379167	.380833
21	.392500	.394167	.395833	.397500	.399167	.400833
22	.412500	.414167	.415833	.417500	.419167	.420833
23	.432500	.434167	.435833	.437500	.439167	.440833
24	.452500	.454167	.455833	.457500	.459167	.460833
25	.472500	.474167	.475833	.477500	.479167	.480833
26	.492500	.494167	.495833	.497500	.499167	.500833
27	.512500	.514167	.515833	.517500	.519167	.520833
28	.532500	.534167	.535833	.537500	.539167	.540833
29	.552500	.554167	.555833	.557500	.559167	.560833
30	.572500	.574167	.575833	.577500	.579167	.580833
31	.592500	.594167	.595833	.597500	.599167	.600833
32	.612500	.614167	.615833	.617500	.619167	.620833
33	.632500	.634167	.635833	.637500	.639167	.640833
34	.652500	.654167	.655833	.657500	.659167	.660833
35	.672500	.674167	.675833	.677500	.679167	.680833
36	.692500	.694167	.695833	.697500	.699167	.700833
37	.712500	.714167	.715833	.717500	.719167	.720833
38	.732500	.734167	.735833	.737500	.739167	.740833
39	.752500	.754167	.755833	.757500	.759167	.760833
40	.772500	.774167	.775833	.777500	.779167	.780833
41	.792500	.794167	.795833	.797500	.799167	.800000

BASIC ANNUITY COMPUTATION CHART
FERS 1% ACCRUAL FACTOR FOR RETIREMENT BEFORE AGE 62

To obtain the Basic Annuity, multiply the "High-3" average salary by the factor indicated under applicable years and months of service

Years of Service	0 Month	1 Month	2 Months	3 Months	4 Months	5 Months
1	.010000	.010833	.011667	.012500	.013333	.014167
2	.020000	.020833	.021667	.022500	.023333	.024167
3	.030000	.030833	.031667	.032500	.033333	.034167
4	.040000	.040833	.041667	.042500	.043333	.044167
5	.050000	.050833	.051667	.052500	.053333	.054167
6	.060000	.060833	.061667	.062500	.063333	.064167
7	.070000	.070833	.071667	.072500	.073333	.074167
8	.080000	.080833	.081667	.082500	.083333	.084167
9	.090000	.090833	.091667	.092500	.093333	.094167
10	.100000	.100833	.101667	.102500	.103333	.104167
11	.110000	.110833	.111667	.112500	.113333	.114167
12	.120000	.120833	.121667	.122500	.123333	.124167
13	.130000	.130833	.131667	.132500	.133333	.134167
14	.140000	.140833	.141667	.142500	.143333	.144167
15	.150000	.150833	.151667	.152500	.153333	.154167
16	.160000	.160833	.161667	.162500	.163333	.164167
17	.170000	.170833	.171667	.172500	.173333	.174167
18	.180000	.180833	.181667	.182500	.183333	.184167
19	.190000	.190833	.191667	.192500	.193333	.194167
20	.200000	.200833	.201667	.202500	.203333	.204167
21	.210000	.210833	.211667	.212500	.213333	.214167
22	.220000	.220833	.221667	.222500	.223333	.224167
23	.230000	.230833	.231667	.232500	.233333	.234167
24	.240000	.240833	.241667	.242500	.243333	.244167
25	.250000	.250833	.251667	.252500	.253333	.254167
26	.260000	.260833	.261667	.262500	.263333	.264167
27	.270000	.270833	.271667	.272500	.273333	.274167
28	.280000	.280833	.281667	.282500	.283333	.284167
29	.290000	.290833	.291667	.292500	.293333	.294167
30	.300000	.300833	.301667	.302500	.303333	.304167
31	.310000	.310833	.311667	.312500	.313333	.314167
32	.320000	.320833	.321667	.322500	.323333	.324167
33	.330000	.330833	.331667	.332500	.333333	.334167
34	.340000	.340833	.341667	.342500	.343333	.344167
35	.350000	.350833	.351667	.352500	.353333	.354167
36	.360000	.360833	.361667	.62500	.363333	.364167
37	.370000	.370833	.371667	.372500	.373333	.374167
38	.380000	.380833	.381667	.382500	.383333	.384167
39	.390000	.390833	.391667	.392500	.393333	.394167
40	.400000	.400833	.401667	.402500	.403333	.404167

**BASIC ANNUITY COMPUTATION CHART
FERS 1% ACCRUAL FACTOR FOR RETIREMENT BEFORE AGE 62**

To obtain the Basic Annuity, multiply the "High-3" average salary by the factor indicated under applicable years and months of service.

Years of Service	6 Months	7 Months	8 Months	9 Months	10 Months	11 Months
1	.015000	.015833	.016667	.017500	.018333	.019167
2	.025000	.025833	.026667	.027500	.028333	.029167
3	.035000	.035833	.036667	.037500	.038333	.039167
4	.045000	.045833	.046667	.047500	.048333	.049167
5	.055000	.055833	.056667	.057500	.058333	.059167
6	.065000	.065833	.066667	.067500	.068333	.069167
7	.075000	.075833	.076667	.077500	.078333	.079167
8	.085000	.085833	.086667	.087500	.088333	.089167
9	.095000	.095833	.096667	.097500	.098333	.099167
10	.105000	.105833	.106667	.107500	.108333	.109167
11	.115000	.115833	.116667	.117500	.118333	.119167
12	.125000	.125833	.126667	.127500	.128333	.129167
13	.135000	.135833	.136667	.137500	.138333	.139167
14	.145000	.145833	.146667	.147500	.148333	.149167
15	.155000	.155833	.156667	.157500	.158333	.159167
16	.165000	.165833	.166667	.167500	.168333	.169167
17	.175000	.175833	.176667	.177500	.178333	.179167
18	.185000	.185833	.186667	.187500	.188333	.189167
19	.195000	.195833	.196667	.197500	.198333	.199167
20	.205000	.205833	.206667	.207500	.208333	.209167
21	.215000	.215833	.216667	.217500	.218333	.219167
22	.225000	.225833	.226667	.227500	.228333	.229167
23	.235000	.235833	.236667	.237500	.238333	.239167
24	.245000	.245833	.246667	.247500	.248333	.249167
25	.255000	.255833	.256667	.257500	.258333	.259167
26	.265000	.265833	.266667	.267500	.268333	.269167
27	.275000	.275833	.276667	.277500	.278333	.279167
28	.285000	.285833	.286667	.287500	.288333	.289167
29	.295000	.295833	.296667	.297500	.298333	.299167
30	.305000	.305833	.306667	.307500	.308333	.309167
31	.315000	.315833	.316667	.317500	.318333	.319167
32	.320000	.320833	.321667	.322500	.323333	.324167
33	.330000	.330833	.331667	.332500	.333333	.334167
34	.340000	.340833	.341667	.342500	.343333	.344167
35	.355000	.355833	.356667	.357500	.358333	.359167
36	.365000	.365833	.366667	.367500	.368333	.369167
37	.375000	.375833	.376667	.377500	.378333	.379167
38	.385000	.385833	.386667	.387500	.388333	.389167
39	.395000	.395833	.396667	.397500	.398333	.399167
40	.405000	.405833	.406667	.407500	.408333	.409167

BASIC ANNUITY COMPUTATION CHART
FERS 1.1 % ACCRUAL FACTOR FOR RETIREMENT AT AGE 62 AND AFTER

To obtain the Basic Annuity, multiply the "High-3" average salary by the factor indicated under applicable years and months of service.

Years of Service	0 Month	1 Month	2 Months	3 Months	4 Months	5 Months
0		.000917	.001833	.002750	.036667	.004583
1	.011000	.011917	.012833	.013750	.014667	.015583
2	.022000	.022917	.023833	.024750	.025667	.026583
3	.033000	.033917	.034833	.035750	.036667	.037583
4	.044000	.044917	.045833	.046750	.047667	.048583
5	.055000	.055917	.056833	.057750	.058667	.059583
6	.066000	.066917	.067833	.068750	.069667	.070583
7	.077000	.077917	.078833	.079750	.080667	.081583
8	.088000	.088917	.089833	.090750	.091667	.092583
9	.099000	.099917	.100833	.101750	.102667	.103583
10	.110000	.110917	.111833	.112750	.113667	.114583
11	.121000	.121917	.122833	.123750	.124667	.125583
12	.132000	.132917	.133833	.134750	.135667	.136583
13	.141000	.143917	.144833	.145750	.146667	.147583
14	.154000	.154917	.155833	.156750	.157667	.158583
15	.165000	.165917	.166833	.167750	.168667	.169583
16	.176000	.176917	.177833	.178750	.179667	.180583
17	.187000	.187917	.188833	.189750	.190667	.191583
18	.198000	.198917	.199833	.200750	.201667	.202583
19	.209000	.209917	.210833	.211750	.212667	.213583
20	.220000	.220917	.221833	.222750	.223667	.224583
21	.231000	.231917	.232833	.233750	.234667	.235583
22	.242000	.242917	.243833	.244750	.245667	.246583
23	.253000	.253917	.254833	.255750	.256667	.257583
24	.264000	.264917	.265833	.266750	.267667	.268583
25	.275000	.275917	.276833	.277750	.278667	.279583
26	.286000	.286917	.287833	.288750	.289667	.290583
27	.297000	.297917	.298833	.299750	.300667	.301583
28	.308000	.308917	.309833	.310750	.311667	.312583
29	.319000	.319917	.320833	.321750	.322667	.323583
30	.330000	.330917	.331833	.332750	.333667	.334583
31	.341000	.341917	.342833	.341750	.344667	.345583
32	.352000	.352917	.353833	.354750	.355667	.356583
33	.361000	.361917	.364833	.365750	.366667	.367583
34	.374000	.374917	.375833	.376750	.377667	.378583
35	.385000	.385917	.386833	.387750	.388667	.389583
36	.396000	.396917	.397833	.398750	.399667	.400583
37	.407000	.407917	.408833	.409750	.410667	.411583
38	.418000	.418917	.419833	.420750	.421667	.422583
39	.429000	.429173	.430833	.431750	.432667	.433583
40	.440000	.440917	.441833	.442750	.443667	.444583

**BASIC ANNUITY COMPUTATION CHART
FERS 1.1 % ACCRUAL FACTOR FOR RETIREMENT AT AGE 62 AND AFTER**

To obtain the basic annuity, multiply the "High-3" average salary by the factor indicated under applicable years and months of service.

Years of Service	6 Months	7 Months	8 Months	9 Months	10 Months	11 Months
0	.005500	.006417	.007333	.008250	.009167	.010083
1	.016500	.017417	.018333	.019250	.020167	.021083
2	.027500	.028417	.029333	.030250	.031167	.032083
3	.038500	.039417	.040333	.041250	.042167	.043083
4	.049500	.050417	.051333	.052250	.053167	.054083
5	.060500	.061417	.062333	.063250	.064167	.065083
6	.071500	.072417	.073333	.074250	.075167	.076083
7	.082500	.083417	.084333	.085250	.086167	.087083
8	.093500	.094417	.095333	.096250	.097167	.098083
9	.104500	.105417	.106333	.107250	.108167	.109083
10	.115500	.116417	.117333	.118250	.119167	.120083
11	.126500	.127417	.128333	.129250	.130167	.131083
12	.137500	.138417	.139333	.140250	.141167	.142083
13	.148500	.149417	.150333	.151250	.152167	.153083
14	.159500	.160417	.161333	.162250	.163167	.164083
15	.170500	.171417	.172333	.173250	.174167	.175083
16	.181500	.182417	.183333	.184250	.185167	.186083
17	.192500	.193417	.194333	.195250	.196167	.197083
18	.203500	.204417	.205333	.206250	.207167	.208083
19	.214500	.215417	.216333	.217250	.218167	.219083
20	.225500	.226417	.227333	.228250	.229167	.230083
21	.236500	.237417	.238333	.239250	.240167	.241083
22	.247500	.248417	.249333	.250250	.251167	.252083
23	.258500	.259417	.260333	.261250	.262167	.263083
24	.269500	.270417	.271333	.272250	.273167	.274083
25	.280500	.281417	.282333	.283250	.284167	.285083
26	.291500	.292417	.293333	.294250	.295167	.296083
27	.302500	.303417	.304333	.305250	.306167	.307083
28	.313500	.314417	.315333	.316250	.317167	.318083
29	.324500	.325417	.326333	.327250	.328167	.329083
30	.335500	.336417	.337333	.338250	.339167	.340083
31	.346500	.347417	.348333	.349250	.350167	.351083
32	.357500	.358417	.359333	.360250	.361167	.362083
33	.368500	.369417	.370333	.371250	.372167	.373083
34	.379500	.380417	.381333	.382250	.383167	.384083
35	.390500	.391417	.392333	.393250	.394167	.395083
36	.401500	.402417	.403333	.404250	.405167	.406081
37	.412500	.413417	.414333	.415250	.416167	.417083
38	.423500	.424417	.425333	.426250	.427167	.428081
39	.434500	.435417	.436333	.437250	.438167	.439083
40	.445500	.446417	.447333	.448250	.449167	.450083

CSRS SPECIAL CATEGORY RETIREMENT FORMULA CHART

LAW ENFORCEMENT, FIREFIGHTERS & MILITARY RESERVE TECHNICIANS
 NOTE: AIR TRAFFIC CONTROLLERS SHOULD USE CHART ON PAGES 38 OR 39

Years of Service	0 Month	1 Month	2 Months	3 Months	4 Months	5 Months
1	.025000	.027083	.029187	.031250	.033333	.035417
2	.050000	.052083	.054187	.058250	.058333	.060417
3	.075000	.077083	.079187	.081250	.083333	.085417
4	.100000	.102083	.104187	.108250	.108333	.110417
5	.125000	.127083	.129187	.131250	.133333	.135417
6	.150000	.152083	.154187	.156250	.158333	.160417
7	.175000	.177083	.179187	.181250	.183333	.185417
8	.200000	.202083	.204187	.206250	.208333	.210417
9	.225000	.227083	.229187	.231250	.233333	.235417
10	.250000	.252083	.254187	.256250	.258333	.260417
11	.275000	.277083	.279187	.281250	.283333	.285417
12	.300000	.302083	.304187	.306250	.308333	.310417
13	.325000	.327083	.329187	.331250	.333333	.335417
14	.350000	.352083	.354187	.356250	.358333	.360417
15	.375000	.377083	.379187	.381250	.383333	.385417
16	.400000	.402083	.404187	.406250	.408333	.410417
17	.425000	.427083	.429187	.431250	.433333	.435417
18	.450000	.452083	.454187	.456250	.458333	.460417
19	.460417	.477083	.479187	.481250	.483333	.485417
20	.500000	.501667	.503333	.505000	.506667	.508333
21	.520000	.521667	.523333	.525000	.526667	.528333
22	.540000	.541667	.543333	.545000	.546667	.548333
23	.560000	.561667	.563333	.565000	.566667	.568333
24	.580000	.581667	.583333	.585000	.586667	.588333
25	.600000	.601667	.603333	.605000	.606667	.608333
26	.620000	.621667	.623333	.625000	.626667	.628333
27	.640000	.641667	.643333	.645000	.646667	.648333
28	.660000	.661667	.663333	.665000	.666667	.668333
29	.680000	.681667	.683333	.685000	.686667	.688333
30	.700000	.701667	.703333	.705000	.706667	.708333
31	.720000	.721667	.723333	.725000	.726667	.728333
32	.740000	.741667	.743333	.745000	.746667	.748333
33	.760000	.761667	.763333	.765000	.766667	.768333
34	.780000	.781667	.783333	.785000	.786667	.788333
35	.800000	.800000	.800000	.800000	.800000	.800000

CSRS SPECIAL CATEGORY RETIREMENT FORMULA CHARTLAW ENFORCEMENT, FIREFIGHTERS & MILITARY RESERVE TECHNICIANS
AIR TRAFFIC CONTROLLERS SHOULD USE CHART ON PAGES 38 OR 39

Years of Service	6 Months	7 Months	8 Months	9 Months	10 Months	11 Months
1	.037500	.039583	.041667	.043750	.045833	.047917
2	.062500	.064583	.066667	.068750	.070833	.072917
3	.087500	.089583	.091667	.093750	.095833	.097917
4	.112500	.114583	.116667	.118750	.120833	.122917
5	.137500	.139583	.141667	.143750	.145833	.147917
6	.162500	.164583	.166667	.168750	.170833	.172917
7	.187500	.189583	.191667	.193750	.195833	.197917
8	.212500	.214583	.216667	.218750	.220833	.222917
9	.237500	.239583	.241667	.243750	.245833	.247917
10	.262500	.264583	.266667	.268750	.270833	.272917
11	.287500	.289583	.291667	.293750	.295833	.297917
12	.312500	.314583	.316667	.318750	.320833	.322917
13	.337500	.339583	.341667	.343750	.345833	.347917
14	.362500	.364583	.366667	.368750	.370833	.372917
15	.387500	.389583	.391667	.393750	.395833	.397917
16	.412500	.414583	.416667	.418750	.420833	.422917
17	.437500	.439583	.441667	.443750	.445833	.447917
18	.462500	.464583	.466667	.468750	.470833	.472917
19	.487500	.489583	.491667	.493750	.495833	.497917
20	.511667	.511667	.513333	.515000	.516667	.518333
21	.530000	.531667	.533333	.535000	.536667	.538333
22	.550000	.551667	.553333	.555000	.556667	.558333
23	.570000	.571667	.573333	.575000	.576667	.578333
24	.590000	.591667	.593333	.595000	.596667	.598333
25	.610000	.611667	.613333	.615000	.616667	.618333
26	.630000	.631667	.633333	.635000	.636667	.638333
27	.650000	.651667	.653333	.655000	.656667	.658333
28	.670000	.671667	.673333	.675000	.676667	.678333
29	.690000	.691667	.693333	.695000	.696667	.698333
30	.710000	.711667	.713333	.715000	.716667	.718333
31	.730000	.731667	.733333	.735000	.736667	.738333
32	.750000	.751667	.753333	.755000	.756667	.758333
33	.770000	.771667	.773333	.775000	.776667	.778333
34	.790000	.791667	.793333	.795000	.796667	.798333

FERS SPECIAL CATEGORY RETIREMENT FORMULA CHART						
LAW ENFORCEMENT, FIREFIGHTERS, AIR TRAFFIC CONTROLLERS & MILITARY RESERVE TECHNICIANS						
Years of Service	0 Month	1 Month	2 Months	3 Months	4 Months	5 Months
1	.017000	.018417	.019833	.021250	.022667	.024084
2	.034000	.035417	.036833	.038250	.039667	.041084
3	.051000	.052417	.053833	.055250	.056667	.058084
4	.068000	.069417	.070833	.072250	.073667	.075084
5	.085000	.086417	.087833	.089250	.090667	.092084
6	.102000	.103417	.104833	.106250	.107667	.109084
7	.119000	.120417	.121833	.123250	.124667	.126084
8	.136000	.137417	.138833	.140250	.141667	.143084
9	.153000	.154417	.155833	.157250	.158667	.160084
10	.170000	.171417	.172833	.174250	.175667	.177084
11	.187000	.188417	.189833	.191250	.192667	.194084
12	.204000	.205417	.206833	.208250	.209667	.211084
13	.221000	.222417	.223833	.225250	.226667	.228084
14	.238000	.239417	.240833	.242250	.243667	.245084
15	.255000	.256417	.257833	.259250	.260667	.262084
16	.272000	.273417	.274833	.276250	.277667	.279084
17	.289000	.290417	.291833	.293250	.294667	.296084
18	.306000	.307417	.308833	.310250	.311667	.313084
19	.323000	.324417	.325833	.327250	.328667	.330084
20	.340000	.340833	.341666	.342499	.343332	.344165
21	.350000	.350833	.351666	.352499	.353332	.354165
22	.360000	.360833	.361666	.362499	.363332	.364165
23	.370000	.370833	.371666	.372499	.373332	.374165
24	.380000	.380833	.381666	.382499	.383332	.384165
25	.390000	.390833	.391666	.392499	.393332	.394165
26	.400000	.400833	.401666	.402499	.403332	.404165
27	.410000	.410833	.411666	.412499	.413332	.414165
28	.420000	.420833	.421666	.422499	.423332	.424165
29	.430000	.430833	.431666	.432499	.433332	.434165
30	.440000	.440833	.441666	.442499	.443332	.444165
31	.450000	.450833	.451666	.452499	.453332	.454165
32	.460000	.460833	.461666	.462499	.463332	.464165
33	.470000	.470833	.471666	.472499	.473332	.474165
34	.480000	.480833	.481666	.482499	.483332	.484165
35	.490000	.490833	.491666	.492499	.493332	.494165
36	.500000	.500833	.501666	.502499	.503332	.504165
37	.510000	.510833	.511666	.512499	.513332	.514165
38	.520000	.520833	.521666	.522499	.523332	.524165
39	.530000	.530833	.531666	.532499	.533332	.534165
40	.540000	.540833	.541666	.542499	.543332	.544165
41	.550000	.550833	.551666	.552499	.553332	.554165
42	.560000	.560833	.561666	.562499	.563332	.564165
43	.570000	.570833	.571666	.572499	.573332	.574165
44	.580000	.580833	.581666	.582499	.583332	.584165
45	.590000	.590833	.591666	.592499	.593332	.594165

FERS SPECIAL CATEGORY RETIREMENT FORMULA CHART

LAW ENFORCEMENT, FIREFIGHTERS, AIR TRAFFIC CONTROLLERS & MILITARY RESERVE TECHNICIANS

Years of Service	6 Months	7 Months	8 Months	9 Months	10 Months	11 Months
1	.025500	.026917	.028334	.029750	.031167	.032584
2	.042500	.043917	.045334	.046750	.048167	.049584
3	.059500	.060917	.062334	.063750	.065167	.066584
4	.076500	.077917	.079334	.080750	.082167	.083584
5	.093500	.094917	.096334	.097750	.099167	.100584
6	.110500	.111917	.113334	.114750	.116167	.117584
7	.127500	.128917	.130334	.131750	.133167	.134584
8	.144500	.145917	.147334	.148750	.150167	.151584
9	.161500	.162917	.164334	.165750	.167167	.168584
10	.178500	.179917	.181334	.182750	.184167	.185584
11	.195500	.196917	.198334	.199750	.201167	.202584
12	.212500	.213917	.215334	.216750	.218167	.219584
13	.229500	.230917	.232334	.233750	.235167	.236584
14	.246500	.247917	.249334	.250750	.252167	.253584
15	.263500	.264917	.266334	.267750	.269167	.270584
16	.280500	.281917	.283334	.284750	.286167	.287584
17	.297500	.298917	.300334	.301750	.303167	.304584
18	.314500	.315917	.317334	.318750	.320167	.321584
19	.331500	.332917	.334334	.335750	.337167	.338584
20	.344998	.345831	.346664	.347497	.348330	.349163
21	.354998	.355831	.356664	.357497	.358330	.359163
22	.364998	.365831	.366664	.367497	.368330	.369163
23	.374998	.375831	.376664	.377497	.378330	.379163
24	.384998	.385831	.386664	.387497	.388330	.389163
25	.394998	.395831	.396664	.397497	.398330	.399163
26	.404998	.405831	.406664	.407497	.408330	.409163
27	.414998	.415831	.416664	.417497	.418330	.419163
28	.424998	.425831	.426664	.427497	.428330	.429163
29	.434998	.435831	.436664	.437497	.438330	.439163
30	.444998	.445831	.446664	.447497	.448330	.449163
31	.454998	.455831	.456664	.457497	.458330	.459163
32	.464998	.465831	.466664	.467497	.468330	.469163
33	.474998	.475831	.476664	.477497	.478330	.479163
34	.484998	.485831	.486664	.487497	.488330	.489163
35	.494998	.495831	.496664	.497497	.498330	.499163
36	.504998	.505831	.506664	.507497	.508330	.509163
37	.514998	.515831	.516664	.517497	.518330	.519163
38	.524998	.525831	.526664	.527497	.528330	.529163
39	.534998	.535831	.536664	.537497	.538330	.539163
40	.544998	.545831	.546664	.547497	.548330	.549163
41	.554998	.555831	.556664	.557497	.558330	.559163
42	.564998	.565831	.566664	.567497	.568330	.569163
43	.574998	.575831	.576664	.577497	.578330	.579163
44	.584998	.585831	.586664	.587497	.588330	.589163
45	.594998	.595831	.596664	.597497	.598330	.599163

FERS SPECIAL CATEGORY 30 YEAR ATC RETIREMENT FORMULA CHART

AIR TRAFFIC CONTROLLERS WITH AT LEAST 30 YEARS AND REACHED MRA.
(SEE PAGE 37 FOR MINIMUM RETIREMENT AGE, MRA.)

Years of Service	0 Month	1 Month	2 Months	3 Months	4 Months	5 Months
1	.017000	.018417	.019833	.021250	.022667	.024084
2	.034000	.035417	.036833	.038250	.039667	.041084
3	.051000	.052417	.053833	.055250	.056667	.058084
4	.068000	.069417	.070833	.072250	.073667	.075084
5	.085000	.086417	.087833	.089250	.090667	.092084
6	.102000	.103417	.104833	.106250	.107667	.109084
7	.119000	.120417	.121833	.123250	.124667	.126084
8	.136000	.137417	.138833	.140250	.141667	.143084
9	.153000	.154417	.155833	.157250	.158667	.160084
10	.170000	.171417	.172833	.174250	.175667	.177084
11	.187000	.188417	.189833	.191250	.192667	.194084
12	.204000	.205417	.206833	.208250	.209667	.211084
13	.221000	.222417	.223833	.225250	.226667	.228084
14	.238000	.239417	.240833	.242250	.243667	.245084
15	.255000	.256417	.257833	.259250	.260667	.262084
16	.272000	.273417	.274833	.276250	.277667	.279084
17	.289000	.290417	.291833	.293250	.294667	.296084
18	.306000	.307417	.308833	.310250	.311667	.313084
19	.323000	.324417	.325833	.327250	.328667	.330084
20	.340000	.341417	.342833	.344250	.345667	.347084
21	.357000	.358417	.359833	.361250	.362667	.364084
22	.374000	.375417	.376833	.378250	.379667	.381084
23	.391000	.392417	.393833	.395250	.396667	.398084
24	.408000	.409417	.410833	.412250	.413667	.415084
25	.425000	.426417	.427833	.429250	.430667	.432084
26	.442000	.443417	.444833	.446250	.447667	.449084
27	.459000	.460417	.461833	.463250	.464667	.466084
28	.476000	.477417	.478833	.480250	.481667	.483084
29	.493000	.494417	.495833	.497250	.498667	.500084
30	.510000	.511417	.512833	.514250	.515667	.517084
31	.527000	.528417	.529833	.531250	.532667	.534084
32	.544000	.545417	.546833	.548250	.549667	.551084
33	.561000	.562417	.563833	.565250	.566667	.568084
34	.578000	.579417	.580833	.582250	.583667	.585084
35	.595000	.596417	.597833	.599250	.600667	.602084
36	.612000	.613417	.614833	.616250	.617667	.619084
37	.629000	.630417	.631833	.633250	.634667	.636084
38	.646000	.647417	.648833	.650250	.651667	.653084
39	.663000	.664417	.665833	.667250	.668667	.670084
40	.680000	.681417	.682833	.684250	.685667	.687084
41	.697000	.698417	.699833	.701250	.702667	.704084
42	.714000	.715417	.716833	.718250	.719667	.721084
43	.731000	.732417	.733833	.735250	.736667	.738084
44	.748000	.749417	.750833	.752250	.753667	.755084
45	.765000	.766417	.767833	.769250	.770667	.772084

FERS SPECIAL CATEGORY 30 YEAR ATC RETIREMENT FORMULA CHART						
AIR TRAFFIC CONTROLLERS WITH AT LEAST 30 YEARS AND REACHED MRA (SEE PAGE 37 FOR MINIMUM RETIREMENT AGE, MRA)						
Years of Service	6 Months	7 Months	8 Months	9 Months	10 Months	11 Months
1	.025500	.026917	.028334	.029750	.031167	.032584
2	.042500	.043917	.045334	.046750	.048167	.049584
3	.059500	.060917	.062334	.063750	.065167	.066584
4	.076500	.077917	.079334	.080750	.082167	.083584
5	.093500	.094917	.096334	.097750	.099167	.100584
6	.110500	.111917	.113334	.114750	.116167	.117584
7	.127500	.128917	.130334	.131750	.133167	.134584
8	.144500	.145917	.147334	.148750	.150167	.151584
9	.161500	.162917	.164334	.165750	.167167	.168584
10	.178500	.179917	.181334	.182750	.184167	.185584
11	.195500	.196917	.198334	.199750	.201167	.202584
12	.212500	.213917	.215334	.216750	.218167	.219584
13	.229500	.230917	.232334	.233750	.235167	.236584
14	.246500	.247917	.249334	.250750	.252167	.253584
15	.263500	.264917	.266334	.267750	.269167	.270584
16	.280500	.281917	.283334	.284750	.286167	.287584
17	.297500	.298917	.300334	.301750	.303167	.304584
18	.314500	.315917	.317334	.318750	.320167	.321584
19	.331500	.332917	.334334	.335750	.337167	.338584
20	.348500	.349917	.351334	.352750	.354167	.355584
21	.365500	.366917	.368334	.369750	.371167	.372584
22	.382500	.383917	.385334	.386750	.388167	.389584
23	.399500	.400917	.402334	.403750	.405167	.406584
24	.416500	.417917	.419334	.420750	.422167	.423584
25	.433500	.434917	.436334	.437750	.439167	.440584
26	.450500	.451917	.453334	.454750	.456167	.457584
27	.467500	.468917	.470334	.471750	.473167	.474584
28	.484500	.485917	.487334	.488750	.490167	.491584
29	.501500	.502917	.504334	.505750	.507167	.508584
30	.518500	.519917	.521334	.522750	.524167	.525584
31	.535500	.536917	.538334	.539750	.541167	.542584
32	.552500	.553917	.555334	.556750	.558167	.559584
33	.569500	.570917	.572334	.573750	.575167	.576584
34	.586500	.587917	.589334	.590750	.592167	.593584
35	.603500	.604917	.606334	.607750	.609167	.610584
36	.620500	.621917	.623334	.624750	.626167	.627584
37	.637500	.638917	.640334	.641750	.643167	.644584
38	.654500	.655917	.657334	.658750	.660167	.661584
39	.671500	.672917	.674334	.675750	.677167	.678584
40	.688500	.689917	.691334	.692750	.694167	.695584
41	.705500	.706917	.708334	.709750	.711167	.712584
42	.722500	.723917	.725334	.726750	.728167	.729584
43	.739500	.740917	.742334	.743750	.745167	.746584
44	.756500	.757917	.759334	.760750	.762167	.763584
45	.773500	.774917	.776334	.777750	.779167	.780584

CREDITABLE CIVILIAN SERVICE UNDER CSRS

To determine total length of service for annuity computation purposes, add together (1) creditable civilian service, (2) creditable military service, and (3) unused sick leave credit.

Example:

Civilian Service	28 years	1 month	3 days
Military Service	4 years	2 months	6 days
Unused Sick Leave	0 years	6 months	18 days
Total Service	32 years	9 months	27 days

Creditable Service Includes:

- Time elapsed between dates of appointment and separation.
- Leave Without Pay (LWOP) up to six months in a calendar year.
- Workers Compensation time (OWCP), provided employee returns to duty.

Part-time Service (regular tour of duty) receives full time credit for both eligibility and computation purposes if performed prior to 4-7-86. Part-time Service performed on and after 4-7-86 is fully creditable for eligibility purposes but will be prorated based on part-time schedule in relation to full-time service for computation purposes.

Intermittent (WAE) only for actual days worked, based on 260-day year.

Breaks in service up to 3 days.

Deposit Service (refunded service) for eligibility and computation, if performed prior to 10-1-82, unless deposit is made.

Redeposit Service (refunded service) creditable for eligibility only unless redeposit is made. Exception: For non-disability retirees, who owe a redeposit for service that ended before 10-1-90, full credit will be allowed without a redeposit but the annuity will be actuarially reduced.

NOTE: See details under discussion of "Redeposit Service-Effect on Annuity".

CREDITABLE MILITARY SERVICE UNDER CSRS

Honorable active duty military service is potentially creditable. Receipt of military retired pay will bar credit of military service unless military retired pay is waived.

Exception: Credit will be allowed for active duty military service of military retiree if retired pay based on combat-connected disability retirement in line of duty, during period of war, or based on age and service in the reserves (under Chapter 67, Title 10, U.S. Code). (20 years combined active military and reserve duty and reaches age 60 while still employed as a Federal employee status changes to a military retiree).

Military service performed prior to January 1, 1957 is covered by Social Security and may be credited toward a Civil Service annuity only under conditions indicated below.

CSRS employees first employed by the Government before October 1, 1982, have the option of:

- Making a deposit of 7% of basic military pay for post-56 military service while employed, or
- Having post-56 military service excluded from the annuity computation at age 62, if eligible for Social Security, or at anytime annuity commences if retirement is after age 62.

CSRS employees first employed by the Government on or after October 1, 1982 will be allowed credit for post-56 military service only if a deposit of 7% of military basic pay for such service is made while employed.

INTEREST ON MILITARY SERVICE DEPOSITS FOR CSRS

For CSRS employees, no interest is charged if deposit is made within two years of employment, or if it was made prior to September 30, 1986.

Regardless of whether the employee was hired before or after October 1, 1982, the interest rate (see page 65), after the "grace" period ends, will be the variable rate determined by the Secretary of the Treasury based upon the yield of the Retirement Trust Fund during the previous fiscal year.

Military deposits, if made, must be paid to the employing agency no later than date of retirement.

Deposit Due for Post-56 Service - Effect on Annuity

Example: Employee first employed by Government prior to 10-1-82, with:

- 30 years service
- Age 55
- "High-3" = \$30,000
- 15 years civilian service
- 15 years military service
- (5 years military before 1-1-57, 10 years after 1-1-57)

If employee deposits 7% of basic military pay for post-56 service into retirement fund, annuity computation will be:

$$30 \text{ years} = .5625 \times \$30,000 = \$16,875 \text{ (see page 38 for retirement factor).}$$

If employee does not deposit 7% of basic military for post-56 service into retirement fund, annuity computation will be:

- At time of retirement (age 55) based on 30 years service resulting in \$16,875.
- Then at age 62, if eligible for Social Security, annuity will be re-computed eliminating the 10 years of post-56 service, and annuity will be reduced as follows:

$$20 \text{ years} = .3625 \times \$30,000 = \$10,875$$

If employee is not eligible for Social Security, no re-computation will be made and retiree will continue to receive \$16,875.

For an employee first employed by the Government on or after 10-1-82, he or she must make 7% deposit, otherwise the post-56 military service will not be used for either eligibility or computation purposes.

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OVERVIEW OF RECAPTURED MILITARY TIME						
FAQ's	CSRS	FERS	Offset	Change Over	Explanation	
How much will it cost me to buy-back the military time?	7% of base pay	3% of base pay	7% of base pay	7% or 3% of base pay	In the case of Changeover, the percentage charged is that of the system you are, or were, under at the time the buy-back started. If time was bought back under CSRS and you move to FERS, you may be eligible for a refund of 4%. NOTE: all time must be purchased before your date of separation.	
Are there any other charges besides the 3% or 7% of Base Pay?	Maybe	Maybe	Maybe	Maybe	Only the percentage of base pay is due if payments begin within a specified time, within 3 years for FERS and 2 years for CSRS, that an employee first became subject to the retirement act. After that time a variable interest rate is changed.	
Must I buy-back the time in order for it to count?	No	Yes	Yes	Yes	In the case of CSRS, if your military duty was before 10/1/82, service will automatically be included in retirement computation, even if you did not buy it back. At age 62, however, retirement will be recomputed and service time will be eliminated if any Social Security is received.	
How much of my military service can I buy back?	All	All	All	All	You are eligible to purchase all your active and/or reserve service. Upon completion, your Civil Service Computation Date will include all civil service military time. With some exceptions, because military time usually precedes civil service time, service time that is bought back would count toward minimum retirement.	
Does my time apply toward meeting my minimum retirement requirements?	Yes most of the time	Yes most of the time	Yes most of the time	Yes most of the time	"Special Categories", or those employees receiving a higher retirement computation must work the required minimum years in order to be eligible for a full retirement. In these cases, the recaptured time would be added to their length of credited service.	
Can I receive both a military and federal/Civil Service retirement annuity?	Yes	Yes	Yes	Yes	If you qualify for a full retirement under both the Civil Service/Federal Employees Retirement Act and satisfy all the requirements under the Military Retirement Act, you may qualify for both pensions.	

Use of Military Time For Retirement

Generally you can use military or reserve time to satisfy retirement requirements for both Military and Government retirement. However, it is important that you are 100% certain about how your military time is credited. There are numerous ways in which the time you have accumulated may not qualify for both retirement systems. Understanding the differences between active military service, active reserve service and reserve service is critical. It is possible for some or all of the time spent in the reserves to be credited as active reserve time. It is also possible that your reserve personnel might not be sure how your time was credited. Credited time depends on job classification and status of your classification at any point during your reserve service. The branch of service you are associated with will determine the exact service time. The following breakdown is from information received from various personnel departments within the branches of service and Office of Personnel Management.

Active Military Service Only

Time served in the military can count for either your government annuity or your military annuity. If a government annuity is preferable, your military retirement must be waived and military time bought back. The entire time will then be computed under the government annuity. Check with your Human Resource Department to evaluate which method will be financially feasible. Your Military annuity would be available immediately upon retirement and would not adversely affect your government annuity.

Active Military Service Combined With Active Reserve

Although your continued service time was in the reserves, Active Reserve service is credited under your military retirement and not your reserve retirement. In this case you may use your service time for either your military retirement or the government retirement annuity, but not both. If you elect a military retirement, your annuity payments will begin immediately after retirement. Receiving a military retirement will not adversely affect your government annuity. Check with your Human Resource Department to evaluate which method will be financially feasible. If you elect to have your time count toward your government retirement, as in situation #1, your time will count toward meeting minimum service requirements. This is not true for special category employees, however. Law Enforcement, Air Traffic Controllers and Firefighters must work the minimum 20-year requirement. If an individual is employed under the "special group" category, military time that is bought back will count in addition to their service time in the civil service I federal retirement system.

Active Military Service Combined With Service in the Reserves

A combination of reserve time and active military service can be used to establish a Reserve Retirement Annuity. Your military service time can be bought back and would establish a total retirement calculation based on civil I federal and military service. Regardless of whether the active military time is bought back, it can still be used in establishing a retirement annuity under "Reserve Non-Disability Retirement". Reserve Officers, Warrant Officers and Enlisted Members who complete a minimum of 20 years of satisfactory service before becoming eligible for retirement pay at age 60. Reservist must earn 50 points in a 365 or 366 day period in order to receive credit for a year. You should check with your Human Resource Department to evaluate which method of retirement would be more advantages for you and your family. Verify with your Military Personnel Office that the time you have spent in the service is credited as you believe.

DECISION TO WAIVE OR NOT WAIVE MILITARY RETIRED PAY

Example:

- Employee age 60
- "High-3" = \$30,000
- 20 years civilian service
- 20 years military service
- Drawing military pay

Annuity computation if military retired pay is waived

$$40 \text{ years} = .7625 \times \$30,000 = \$22,875$$

Annuity computation if military retired pay is not waived

$$20 \text{ years} = .3625 \times \$30,000 = \$10,875$$

$$20 \text{ years Military Retired pay} = \quad ?$$

Compare this total with the \$22,875 to determine the greater.

IMPORTANT: *If military service is necessary for retirement eligibility, you must waive if you want to retire before having the required civilian service and age combination. In this case, decision is irrevocable. Also, if you are eligible for Social Security, the "Catch-62" law will apply to any Post-56 military service.*

UNUSED SICK LEAVE CREDIT UNDER CSRS

Credit for unused sick leave at time of retirement is added to length of service to compute the annuity.

Credit is added to length of service as though the employee had used the sick leave beginning with the day after retirement. In other words, how many months and days would the sick leave carry the employee if used?

Example:

- As of retirement date, employee has 1,148 hours of sick leave.
- Locate "1148" on the "2087 Hours Chart" (see page 57).
- Draw a straight line across from 1,148 to the first column titled: "Days".
- Employee receives credit for the number of months at top of column containing 1,148 and number of days in first column opposite the figure 1,148 or 6 months and 18 days.

If the number of hours is not on chart, use next higher number. For example for 1,150 hours use "1154" on chart which gives 6 months and 19 days credit.

Sick Leave credit is used only in counting service for computation of annuity. It cannot be added in computing the employee's "High-3" average salary, or for purposes of meeting minimum length of service required for retirement eligibility.

UNUSED ANNUAL LEAVE AT RETIREMENT UNDER CSRS

Employee will be paid, in a lump sum, for the number of hours of Annual Leave to his or her credit, at time of retirement. Payment will be made by the agency from which the employee is retiring. As a general rule, check for the lump sum payment will be issued within 4 to 6 weeks after separation.

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UNUSED SICK LEAVE - 2087 HOURS CHART - CSRS ONLY												
Number of days	0 Month and up	1 Month and up	2 Months and up	3 Months and up	4 Months and up	5 Months and up	6 Months and up	7 Months and up	8 Months and up	9 Months and up	10 Months and up	11 Months and up
0	0	174	348	522	696	870	1044	1217	1391	1565	1739	1913
1	6	180	354	528	701	875	1049	1223	1397	1571	1745	1919
2	12	186	359	533	707	881	1055	1229	1403	1577	1751	1925
3	17	191	365	539	713	887	1061	1235	1409	1583	1757	1930
4	23	197	371	545	719	893	1067	1241	1415	1588	1762	1936
5	29	203	377	551	725	899	1072	1246	1420	1594	1768	1942
6	35	209	383	557	730	904	1078	1252	1426	1600	1774	1948
7	41	214	388	562	736	910	1084	1258	1432	1606	1780	1954
8	46	220	394	568	742	916	1090	1264	1438	1612	1786	1959
9	52	226	400	574	748	922	1096	1270	1444	1617	1791	1965
10	58	232	406	580	754	928	1101	1275	1449	1623	1797	1971
11	64	238	412	586	759	933	1107	1281	1455	1629	1803	1977
12	70	243	417	591	765	939	1113	1287	1461	1635	1809	1983
13	75	249	423	597	771	945	1119	1293	1467	1641	1815	1988
14	81	255	429	603	777	951	1125	1299	1472	1646	1820	1994
15	87	261	435	609	783	957	1130	1304	1478	1652	1826	2000
16	91	267	441	615	788	962	1136	1310	1484	1658	1832	2006
17	99	272	446	620	794	968	1142	1316	1490	1664	1838	2012
18	104	278	452	626	800	974	1148	1322	1496	1670	1844	2017
19	110	284	458	632	806	980	1154	1328	1501	1675	1849	2023
20	116	290	464	638	812	986	1159	1333	1507	1681	1855	2029
21	122	296	470	643	817	991	1165	1339	1513	1687	1861	2035
22	128	301	475	649	823	997	1171	1345	1519	1693	1867	2041
23	133	307	481	655	829	1003	1177	1351	1525	1699	1873	2046
24	139	313	487	661	835	1009	1183	1357	1530	1704	1878	2052
25	145	319	493	667	841	1015	1188	1362	1536	1710	1884	2058
26	151	325	499	672	846	1020	1194	1368	1542	1716	1890	2064
27	157	330	504	678	852	1026	1200	1374	1548	1722	1896	2070
28	162	336	510	684	858	1032	1206	1380	1554	1728	1901	2075
29	168	342	516	690	864	1038	1212	1386	1559	1733	1907	2081

* 2087 hours equals one year. After 2087 hours, subtract 2087 from total unused sick leave and find the true unused sick leave.

COMPUTATION OF DEPOSIT DUE

The basic deposit is computed by adding up the deductions that would have been taken from the pay if the employee had been serving in a position subject to the Retirement Act. The prevailing percentage at the time the service took place is applied to the basic pay received.

If Deposit Covers Service Between and Including	Percentage of Basic Salary is
August 1, 1920 and June 20, 1926	2½%
July 1, 1926 and June 30, 1942	3½%
July 1, 1942 and June 30, 1948	5%
July 1, 1948 and October 21, 1956	6%
November 1, 1956 and December 31, 1969	6½%
After December 31, 1969	7%
After December 31, 1974 Law Enforcement/Firefighters	7½%

For CSRS Offset employees, the rates of deduction (and therefore rates for deposit) are:

Status	1984-1987	1988-1989	1990-Present
Regular Employees	1.3%	.94%	.80%
LE/FF	1.8%	1.44%	1.30%
Member of Congress	2.3%	1.94%	1.80 %

Interest is charged on the basic deposit due from the midpoint of the nondeducted service to the date of deposit or commencing date of annuity, whichever is earlier. The following rates are charged, compounded annually:

- 4% through 12/31/47
- 3% from 1/1/48 through 12/31/84

Beginning 1/1/85:

- 3% if nondeducted service was performed before 10/1/82.
- If nondeducted service was performed on or after 10/1/81, a variable rate of interest is charged each year. The rate is determined by the Secretary of the Treasury. (rate is based on the average rate payable on securities in which the retirement trust fund invested during the previous fiscal year).
- No interest is charged during periods of separation that began before 10/1/56.

REDEPOSIT SERVICE - EFFECT ON ANNUITY

Redeposit service represents creditable civilian service where retirement contributions were made but later refunded.

Redeposit due is amount of refund plus interest. Interest is computed in the same manner as for deposits due.

Redeposit service is fully creditable for eligibility purposes, but not creditable for computation purposes, if redeposit is not made; unless the retiring employee is covered under one of the following conditions:

- If the retiring employee qualifies for and elects the Alternative Form of Annuity (AFA) (Lump Sum) under one of the exceptions now available, the redeposit will be deemed paid, and the retiring employee's annuity will be computed as though amounts owed were paid (or)
- For those employees, whose annuity commences on or after October 1, 1994, and who retires (other than on disability) while owing a redeposit of a refund for service that ended before October 1, 1990. Such persons will not be required to pay the redeposit in order to receive credit for the refunded service. Instead, full credit for the refunded service will be allowed in computing their annuity, but the annuity will be actuarially reduced.

Example:

- Employee age 55 at retirement
- Redeposit due \$8,624
- $\$8,624 \div \text{by } 212.6^* = \40.56

(See Redeposit Service - Effect on Annuity: page 60)

The monthly annuity will be reduced by \$40.56 if the amount of \$8,624 is not paid to the Retirement Fund.

These rules are applicable to FERS transferees, with a CSRS component, if funds were withdrawn before transferring to FERS.

Retiring employees must still pay redeposit to Office of Personnel Management (OPM) for refunds that cover service ending on or after October 1, 1990, in order to receive credit for that service in the computation of their annuities. Those individuals who qualify for, and elect, the AFA under one of the exceptions will continue as before to have all civilian service credit deposits deemed paid and the amounts of such redeposit included on the W-2 form for tax purposes.

If the employee is not eligible for one of the two methods discussed on the previous page to avoid making a redeposit, the time covered by the refunded service will not be included in the computation of the annuity. This will result in a sharp reduction in the retiree's benefit.

Example:

- Employee worked five years and separated
- Employee received a refund of contributions at separation
- Employee reinstated and worked another 25 years
- Employee owes Redeposit including interest of \$8,624, with "High-3" Average Salary of \$47,654

If the employee pays the redeposit due, 30 years of service will be used in the computation of his or her annuity.

$$30 \text{ years} = .5625\% \times \$47,654 = \$26,805$$

If the employee does not pay the redeposit due, 25 years will be used in the computation of the annuity.

$$25 \text{ years} = .4625\% \times \$47,654 = \$22,040$$

In this example, the retiring employee will receive \$4,765 more per year in annuity if redeposit is paid.

$$\$26,805 - \$22,040 = \$4,765$$

Interest Charged on Redeposit Due

Refunds paid on OPM (on or after October 1, 1982), if redeposited, will be subject to the new higher interest rate as of 1/1/85, as determined by the Secretary of Treasury. If application for refund was before October 1, 1982, the old interest rates will apply, that is 4% through 1947 and 3% thereafter, compounded annually.

REDEPOSIT SERVICE - EFFECT ON ANNUITY PRESENT VALUE FACTORS			
Retirement Age	Present Value of Monthly Annuity	Retirement Age	Present Value of Monthly Annuity
40	294.4	61	182.9
41	290.0	62	177.0
42	285.5	63	171.9
43	280.8	64	166.5
44	276.2	65	161.1
45	270.4	66	156.0
46	264.7	67	150.7
47	259.2	68	145.4
48	253.5	69	140.2
49	247.2	70	134.7
50	240.4	71	129.4
51	235.0	72	124.0
52	229.8	73	118.8
53	224.4	74	113.6
54	218.6	75	108.5
55	212.6	76	103.5
56	207.5	77	98.7
57	202.4	78	93.9
58	197.0	79	89.4
59	192.3	80	84.9
60	188.3	81	80.5

DEPOSITS - REDEPOSITS

Deposit (non-deduction) Service under FERS performed before January 1, 1989, may be credited provided a deposit of 1.3% of salary received is paid into retirement fund.

Deposit (non-deduction) Service performed on and after January 1, 1989 under FERS cannot be credited for eligibility or computation purposes. An exception in the law allows certain non-deduction service performed after 1988 to be credited, if it is creditable under the Foreign Service Pension System.

Redeposit (refund) Service

If a refund of FERS deductions is received after becoming subject to FERS, the refunded deductions may never be redeposited. The period of service covered by the refund will not be creditable for eligibility or computation of an annuity.

Transfers to FERS

In an employee transferred to FERS, any service subject to 1.3% or 1.8% deductions after 1983 and before the effective date of the transfer, becomes subject to FERS rules. However, if these deductions are refunded upon separation from service, they may usually be redeposited upon later reemployment subject to FERS. But the refund must be based on applications filed before becoming covered by FERS.

NOTE: *Deposit service and/or Redeposit service applicable to the CSRS component of a FERS annuity is creditable under CSRS rules.*

VOLUNTARY CONTRIBUTIONS

Eligibility

Employees covered by CSRS (including CSRS Offset) who wants to receive a larger annuity than would be payable based on service and "High-3" may make voluntary contributions to purchase additional annuity. However, an employee who owes a deposit or redeposit for civilian service will be eligible to make voluntary contributions only after the deposit or redeposit is paid. Also, an employee who has previously made voluntary contributions, and received a refund of those contributions, may not make voluntary contributions again, unless he or she has had a break in service after receiving the refund.

An employee who is covered by FERS may not open a voluntary contributions account. An employee who had a voluntary contributions account before becoming covered by FERS may retain an account, which will continue to earn market interest, but may not add to the account. The interest rate for 2008 is 4.75%.

Amount of Additional Annuity

At retirement, each \$100 in a voluntary contributions account (including interest earned) will provide an additional annuity of \$7 a year, plus 20¢ for each full year the employee is over age 55. The employee may also choose to share the additional annuity by electing to provide a survivor annuity. However, the employee's additional annuity would then be reduced by 10% to 40% depending on the difference between the employee's age and the age of the person designated to receive the survivor annuity. Any person, related or unrelated to the employee, may be designated, and need not

be the same person for whom regular survivor annuity benefits were elected.

NOTE: COLA's do not increase Voluntary contributions annuities.

Interest Voluntary contributions earn a variable interest rate determined by the Treasury Department each calendar year, based on the average yield of new investments purchased by the Retirement Fund during the previous fiscal year. The interest credited to each voluntary contributions account is compounded annually on December 31. (see page 65.)

As a general rule, if an employee separates from Federal service to retire on an immediate annuity, interest accrues on the voluntary contributions account to the date of separation for retirement. If an employee separates from Federal service with entitlement to a deferred annuity at age 62, interest continues to accrue to the beginning date of annuity or death, whichever is earlier. However, if a separated employee takes a refund of the voluntary contributions, or does not have title to a deferred annuity, interest accrual stops at the date of separation from service.

Limitations on Voluntary Contributions

Voluntary contributions may be made only in amounts of \$25 or in multiples of \$25 (\$50, \$75, etc.). Total contributions may not exceed 10% of the total Basic pay the employee received during all of his or her Federal service.

Refund of Voluntary Contributions

An employee may withdraw all voluntary contributions with interest at any time before receiving additional annuity based on those contributions. If the employee dies while still in Federal service (or after leaving, but before receipt of annuity benefits) the voluntary contributions account, plus interest, will be paid to the employee's survivors, in the order of precedence specified in the retirement law, as a lump-sum payment.

If the employee dies after retirement before having received additional annuity payments equal to the voluntary contributions plus interest, the difference will be paid either as a lump sum or in additional survivor annuity payments, depending upon the employee's election at retirement.

Application Form and Payments

A CSRS (or CSRS Offset) employee who wants to make voluntary contributions should file a Standard Form 2804 (Application to Make Voluntary Contributions) with OPM. After the application is approved, OPM will assign the employee an account number and send instructions for making contributions.

The employee should not send money with the application. Contributions will not be accepted until the application is approved. OPM will not approve an application from an employee who; (1) has not deposited amounts covering all civilian service, or (2) has previously received a refund of voluntary contributions, unless the applicant was separated for more than three calendar days and was again employed under CSRS after the refund was paid.

EXPEDITING REFUNDS OF VOLUNTARY CONTRIBUTIONS

Most employees will elect to receive a refund of Voluntary Contribution (VC) rather

than use the VC to purchase additional annuity. If their interest on the VC is at least \$200, the employee can elect to have OPM rollover all or part of the interest to an Individual Retirement Account (IRA) or other qualified retirement plan to defer income tax. Under OPM current procedures, they have to send an election package to the employee to obtain his or her rollover election before authorizing the refund. If the employee is retiring, OPM would delay final adjudication of the retirement claim and the VC refund until OPM received the rollover election.

To expedite payment for those employees in a position to make rollover decisions at the time that they request a refund, OPM will allow employees to submit their rollover election with their refund request. Employees, including employees who are retiring, should submit their refund/rollover elections directly to OPM. Since interest generally stops at separation, retiring employees should submit their refund requests to OPM at least 60 days before retirement. Retiring employees who properly complete the new Voluntary Contribution Election form (RI 38-124) will receive their refunds about 60 days earlier than under the current process. Those individuals who want OPM to pay all or part of the interest to an IRA or other qualified retirement account should be sure to have the financial institution complete Part II of form RI 38-124. OPM can rollover the interest only if the interest is at least \$200. If the refund/rollover election is received with the employee's retirement package, OPM will expedite payment by processing the refund separately from the retirement application.

Employees (including retiring employees) who are applying for a refund should send the completed form RI 38-124 to:

Office of Personnel Management
Retirement Operations Center
(ATTN: Refund Section)
P.O. Box 45
Boyers, PA 16017-0045

Retiring employees who want to use their VC to purchase additional annuity should complete Part III of RI 38-124 and return it to their personnel office.

NOTE: *Spousal notification is not required for a voluntary contributions refund.*

CREDITABLE CIVILIAN SERVICE UNDER FERS

To determine total length of service for eligibility and annuity computation purposes, add together:

- Creditable civilian service
- Creditable military service

Example:

- Civilian Service 28 years 1 month 3 days
- Military Service 4 years 2 months 6 days
- Total Service 32 years 3 months 9 days

Creditable Service Includes:

- Time elapsing between dates of appointment and separation.
- Leave Without Pay (LWOP) up to six months in a calendar year.
- Workers Compensation time (OWCP), provided employee returns to duty.
- Part-time service (regular tour of duty), receives full time credit for both eligibility and computation purposes if performed prior to 4-7-86. Part-time service performed on and after 4-7-86 is fully creditable for eligibility purposes, but will be prorated based on part time schedule in relation to full time service for computation purposes.
- Intermittent (WAE) only for actual days worked, based on a 260 day year.
- Breaks in service up to 3 days.

Deposit Service (non-deduction service) if:

- It was performed prior to January 1, 1989, and
- The deposit for the service is paid.

NOTE: *Non-deduction service that applies to the CSRS component of a FERS annuity is creditable under CSRS rules non-deduction service after December 31, 1988, cannot be credited, under FERS for retirement.*

Redeposit Service (refunded service) is creditable if the refund was received before first coming under FERS and a Redeposit is made. Refunded service going into a FERS component is not creditable for either eligibility or annuity computation unless the refund was received before first coming under FERS and a deposit of 1.3% of base pay received during period of refunded service is made. Refunded FERS deductions may not be redeposited.

NOTE: *Refund service that applies to the CSRS component of a FERS annuity is creditable under CSRS rules.*

CREDITABLE MILITARY SERVICE UNDER FERS

Honorable Active Duty military service is potentially creditable. Receipt of Military Retired Pay will bar credit of military service unless Military Retired Pay is waived.

Exception: Credit will be allowed for active duty military service of military retiree if pay is:

- Based on combat - connected disability retirement, in line of duty, during period of war, or
- Based on age and service in the Reserves (under Chapter 67, Title 10, U.S. Code) (20 years combined active military and reserve duty and reaches age 60 while still employed as a Federal employee then status changes to a military retiree).

Military service performed on or after January 1, 1957, is covered by Social Security.

In order to obtain credit for Post-56 military service, a deposit must be made to cover such service. The amount due will be 3% of the military base pay. No interest is charged if deposit is completed within three years from the date that the employee first became subject to FERS. Therefore, no interest would have been charged before January 1, 1990, or before the third anniversary after becoming subject to FERS, if later. If interest is included, it is computed from the second anniversary of becoming subject to FERS.

Military deposit, if made, must be paid to the employing agency no later than date of retirement. Military service performed prior to January 1, 1957, is automatically credited without cost.

IMPORTANT: *Even if an employee covered by FERS was first hired before October 1, 1982, military service after 1956 cannot be credited for any purpose including retirement eligibility unless the required deposit is completed.*

If an employee under FERS has already made a deposit under CSRS rules, a refund may be payable. If payable, the refund will be equal to the difference between the 7% CSRS deposit and the 3% FERS deposit. For employees with five or more years of service during which time regular CSRS retirement deductions were made, and who transferred to FERS, where military service was performed prior to the transfer to FERS, military service is credited under CSRS, and military service performed after the transfer is credited under FERS.

Under FERS, there is no distinction between the treatment of an employee who separated from his or her position during a period of war or national emergency and one who does not.

Consequently, a FERS employee who leaves a covered position to enter military service during a period of war or national emergency is considered separated and NOT deemed to be on military furlough. The employee must exercise his or her restoration rights within the time limits specified under Title 38 of the U.S. Code in order to be treated as if he or she were on military furlough to obtain credit for the period of military separation.

Interest, if applicable, will be at the variable rate determined annually by the Secretary of Treasury.

NOTE: *Military service that applies to the CSRS component of a FERS annuity is creditable under CSRS rules.*

INTEREST RATES HISTORY CHARGED OR CREDITED			
Before 1948	04.000%	1948 -1984	03.000%
1985	13.000%	1986	11.125%
1987	09.000%	1988	08.375%
1989	09.125%	1990	08.870%
1991	08.625%	1992	08.125%
1993	07.125%	1994	06.250%
1995	07.000%	1996	06.875%
1997	06.825%	1998	06.750%
1999	05.750%	2000	05.875%
2001	06.375%	2002	05.500%
2003	05.000%	2004	03.875%
2005	04.375%	2006	04.125%
2007	04.875%	2008	04.750%

UNUSED SICK LEAVE CREDIT FOR FERS

Unused Sick Leave is not creditable under FERS for computation purposes. Transferees are given credit for sick leave in the computation of the CSRS component of the annuity. Amount of sick leave that applies to the CSRS component is the lesser of:

- The unused sick leave balance at time of transfer, or
- The unused sick leave balance at retirement.

The "2087 Hours Chart" will be used to compute the Sick Leave credit for the CSRS component.

UNUSED ANNUAL LEAVE AT RETIREMENT

An employee will be paid a lump sum for the number of hours of Annual Leave to his or her credit at time of retirement. Payment will be made by the agency from which the employee is retiring. As a general rule, a check for the lump sum payment will be issued within 4 to 6 weeks after separation.

COMPUTATION OF ANNUITY FOR CSRS

Regular Formula:

- 1.50% x "High-3" x 1st 5 years
- 1.75% x "High-3" x 2nd 5 years
- 2.00% x "High-3" x all remaining years

Example:

- "High-3" Average Salary \$47,654.94
- Years of Credited Service 32 years, 9 months

The factor based on the above Regular Formula may be used in lieu of computations indicated. (see pages 38 and 39.) For 32 years and 9 months of service the factor is .617500. Multiply factor times "High-3" average salary: $.617500 \times \$47,654.94 = \$29,426.93$.

Generally, an annuity is effective on the first day of the month following month of retirement. However, if retirement commences on 1st, 2nd, or 3rd day of month, annuity is effective that same month. (FERS retirees do not get the benefit of retiring on 1st, 2nd, or 3rd day of month with effective date that month.)

Exception: *Disability and Involuntary Separation annuities begin the day immediately following retirement.*

Maximum Annuity Under CSRS

The maximum basic annuity may not exceed 80% of the "High-3" average salary. The 80% maximum is reached when an employee has 41 years and 11 months of creditable service. However, the annuity produced by any unused sick leave credit is added to the 80%.

Short Cut Formula - "Unofficial", but provides a good estimate

Years of Service	32.750
Double Years of Service	<u>x 2</u>
	65.500
Subtract 3.75 (constant)	<u>- 3.750</u>
Use as % of "High-3" Average Salary	61.750
61.750% x \$47,654.94 =	\$29,426.93

Disability Retirement

The regular disability formulas apply in CSRS and FERS, respectively.

COMPUTATION OF ANNUITY FOR FERS

Immediate Annuity - Unreduced

- Age 62 with 5 or more years of service
- Age 60 with 20 or more years of service
- MRA with 30 or more years of service

For employees who retire at age 62 or more, the formula is:

1.1 % x "High-3" average pay x years and months of credit service

For employees who are under Age 62 at date of separation, with at least 20 yrs .of service, including CSRS service if the FERS annuity includes a CSRS component, the formula is:

1% x "High-3" average pay x years and months of credited service

Factor Tables (page 40) may be used to make computations of basic annuity.

A Special Retirement Supplement (page 42) will be payable until retiree reaches age 62. The supplement will be subject to the Social Security Earnings Test. COLA'S are payable at Age 62.

Generally, effective date of FERS annuity is first day of month following month of retirement. Exception: Disability and Involuntary Separations annuities begin the day immediately following retirement.

NOTE: *If a FERS employee retires on last day of the month, his or her annuity will be effective on the 1 st of the following month.*

SPECIAL RETIREMENT SUPPLEMENT FOR FERS

A supplement is provided to some FERS employees who retire before age 62 with 20 years of creditable FERS or FERS and CSRS combined service, as Social Security benefits cannot begin any earlier. The supplement is roughly 75 percent of the portion

of a full career Social Security benefit you would receive at age 62 that was earned while you were under FERS. The supplement ends at age 62, when Social Security benefits normally become available, even if you are not eligible for such benefits.

To be eligible for the Special Retirement Supplement you:

- Must retire on a non-disability, immediate annuity.
- Must be eligible for one of the following types of retirements:

TYPES OF RETIREMENT	
Voluntary Retirement Without a Reduction for Age	This excludes people who meet only the "MRA + 10" requirements at the time they of annuity), and people who only qualify for a deferred annuity
Involuntary or " Early Out" Retirement	If less than Minimum Retirement Age (MRA) at retirement with at least 20 yrs., may not begin receiving supplement until reaching MRA.
Law Enforcement, Firefighters Retirement	May receive supplement before reaching MRA.
Air Traffic Controllers Retirement	May receive supplement before reaching MRA.
Military Reserve Technicians Early Retirement	May receive supplement before reaching MRA
SES, Defense Intelligence SES, or Senior Cryptologist Executive Service Early Retirement	If less than MRA at retirement, may not begin receiving supplement until reaching MRA.

- Must be under age 62 during the time you are receiving this supplement, with 20 years of creditable FERS or CSRS and FERS combined service.
- Service credited under the FERS component must include at least one full calendar year of civilian service beginning January 1 and ending December 31.

The Special Retirement Supplement is computed by estimating your full career Social Security benefit and approximating the portion, about 75% of that full career benefit that your service under FERS represents at age 62:

- Step 1: OPM first estimates what a full career Social Security benefits per month would be for you if you were age 62.
- Step 2: OPM then calculates the length of your civilian service that goes into the FERS component of your annuity.
- Step 3: OPM figures which percentage of a full career (40 years) is taken up by your FERS component civilian service. (OPM divides the service from Step 2 by 40.)

Step 4: Finally, OPM multiplies the full career Social Security benefit (Step 1) by the percentage from Step 3 to arrive at the Special Retirement Supplement.

Example:

- Age 57
- Elected FERS 11/18/87
- Retired 4/3/90
- Full wages under FERS: 1988: \$25,564.18
 1989: \$27,587.53

The special retirement supplement equals \$34 per month.

The supplemental benefit, payable before age 62, is subject to the same earnings test as is applied to Social Security benefits for recipients, age 62 - 65. That is, a retiree who works after retirement can earn up to the maximum earnings without losing any portion of the Special Retirement Supplement. If earnings exceed this amount, the retiree's supplement will be reduced by \$1 for every \$2 that is earned above the maximum earnings. It is possible for the supplement to be reduced to zero. The reduction applies to all eligible retirees, except Law Enforcement/Firefighters, Air Traffic Controllers, and Military Reserve Technicians who have not yet reached the MRA. (Once they reach the MRA, they are subject to the reduction.)

NOTE: "Earnings" do not include income from annuity or return on investments, but refer to wages/salary earned from services performed.

Law Enforcement/Firefighters

An employee retiring under FERS has different rules. First, your agency head, not OPM, determines which positions meet the FERS definition of a Law Enforcement or Firefighter position. The definition includes a requirement that the positions be limited to "young and vigorous" personnel. Second, in order to qualify for the special benefits, the employee must occupy a primary or first-line Law Enforcement or Firefighter position for at least three years before moving to an administrative or supervisory position. The FERS definition and the three-year requirement are generally stricter than the CSRS rules.

Under FERS, the special benefit formula is 1.7% of the employee's "High-3" for each of the first 20 years, and 1 % per year, thereafter. The Earnings Test will NOT be applied to the Special Retirement Supplement until age 55 or the MRA. Once an employee has 20 years of covered service, the mandatory retirement age 55 or 57 applies. Other FERS provisions, including those of Social Security and the Thrift Savings Plan, are the same as for all other FERS employees. A FERS employee under these special provisions can retire with 25 years of service at any age. (This could be before age 55.)

If an employee transferred from CSRS to FERS, he or she could begin a new 20-year period at 1.7%.

If an employee retires on voluntary retirement under FERS rules, the annuity begins the first day of the next month. It is, therefore, advisable to retire on the last day of the month. The under age 55 reduction does NOT apply.

If an employee retires on involuntary retirement (age 55 for Firefighters; age 57 for Law Enforcement), the annuity will begin the next day.

In 2008, the maximum earnings level is \$13,560 until year of full retirement age and \$36,120 for year in which the retiree reaches full retirement age.

Disability Retirement

The regular disability formulas apply in CSRS and FERS respectively.

COMBINATION OF ANNUITY - CSRS/FERS COMBINED

Example:

33 years of service; transferred to FERS January 1, 1988; retiring on December 31, 1991; "High-3" is \$45,000. The computation of the annuity is:

(29 years)	(4 years)
CSRS	FERS
\$45,000	\$45,000
50% (first 20 years)	<u>6.8% (1.7% x 4 years)</u>
\$22,500	\$3,060 FERS Retirement
\$45,000	\$22,500 (20 years CSRS)
<u>18% (9 years x 2%)</u>	8,100 (additional CSRS)
	<u>3,060 (FERS)</u>
\$ 8,100	\$33,660 Total Retirement

Remember, the employee would also qualify for the Special Retirement Supplement and Social Security coverage.

One final thought. Under CSRS, the maximum basic annuity (before reduction, for survivor benefit) is 80%, plus credit for unused sick leave.

REDUCTION IN ANNUITY - UNDER AGE FOR CSRS

An employee who retires under the Discontinued Service provision of the Retirement Act, (involuntarily separated) or is separated because of a major RIF or major reorganization in the agency ("early out"), a reduction will be made in the retiring employee's annuity. The reduction will be 1/6 of 1% per month for each full month the employee is under age 55. This amounts to 2% per year for each full year an employee is under age 55. (Reduction for under age 55 does not apply to disability retirements or to Law Enforcement Officers, Firefighters, and Air Traffic Controllers.)

Example:

Employee involuntarily separated has:

Creditable Service of 20 years	02 months	10 days
Sick Leave Credit	24 months	14 days
Total 20 years	06 months	24 days

Age of employee; 52 years, 5 months, 10 days on retirement date; "High-3" average salary is \$30,000.

Regular Formula Computation:

1.50% x \$30,000 = 450 x 5 years	\$2,250
1.75% x \$30,000 = 525 x 5 years	2,625
2% x \$30,000 = 600 x 10.5 years	6,300

Basic Annuity	\$11,175
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Less Reduction of 5%

(2 years and 6 full months under age 55)	x 5%
Reduction for Under Age	\$559

Basic Annuity	\$11,175
Less Reduction	559
Reduced Annuity	\$10,616

The reduction is permanent. It will not be restored when retiree reaches age 55.

REDUCTION IN ANNUITY - DEPOSIT SERVICE FOR CSRS

Deposit service represents civilian service during which no retirement contributions were made.

Deposit service performed prior to October 1, 1982 is fully creditable for length of service and computation purposes. However, if deposit is not made, annuity is reduced by 10% of amount due. Interest is charged at rate of 4% through 12/31/47, and 3% thereafter, compounded annually. Exception: No interest is charged during period of separation that began before October 1, 1956.

Example: Assume employee worked in a position not subject to the Retirement Act, November, 1965 to September, 1967. No retirement deductions were taken. Earnings for the two-year period totaled \$24,000. Retirement date was November 30, 1992.

\$24,000 x 6½% = Withholdings not taken	\$ 1,560
Plus interest to November 30, 1992	\$ 1,596
Total deposit due including interest	\$ 3,156

Less reduction	x 10%
Reduction if deposit not paid	\$ 316

Less Basic Annuity	\$18,516
Reduction (if deposit not made)	\$ 316
Reduced Annuity is	\$18,200

If deposit of \$3,156 is made, full annuity of \$18,516 will be payable. If not paid, employee will be entitled to \$18,200.

Estimated time required to recover deposit if made:

\$3,156 ÷ by 316 = 10 years without COLA'S
Probably 5 to 7 years with COLA'S

Deposit Service performed on and after October 1, 1982 is creditable for eligibility purposes but is not used for computation of annuity unless a deposit due including interest is made. There will be a substantial reduction in annuity if deposit is not made.

Interest rates for Deposit Service performed on or after October 1, 1982 will be charged at the rate of 3% through December 31, 1984. Thereafter, rates are determined on a yearly basis by the Secretary of the Treasury.

EARLY RETIREMENT - REDUCED ANNUITY, FERS

For employees who retire when or after reaching the MRA with at least 10 years of service (five years of which must be civilian service), the annuity will be calculated according to the same formula for Immediate Unreduced Annuity. However, the amount of the annual rate will be reduced by 5½ of 1% for each month (5% per year) the employee is under age 62.

Example:

- Employee voluntarily retires at MRA 55 years, 6 months:
- 20 years service
- "High-3" Average Salary = \$30,000

Calculation of Reduced Annuity:

$$1\% \times 30,000 \times 20 \text{ years} = \$6,000$$

Employee is 6½ years (78 months) under age 62 requiring a reduction of 32½%

$$\begin{aligned} \$6,000 \times 32\frac{1}{2}\% &= \$1,950 \\ \$6,000 - \$1,950 &= \$4,050 \\ \text{Annual reduced rate is:} & \$4,050 \end{aligned}$$

No Special Retirement Supplement is payable

"EARLY OUT" OR INVOLUNTARY SEPARATION UNDER FERS

There is no reduction for employees who are involuntarily separated from the service, or who are voluntarily separated during a period when an agency is undergoing a major reorganization, a major RIF or transfer of function, ("Early Out"). Such employees will be eligible to begin receiving an early unreduced annuity after:

- Completing 25 years of service regardless of age, or
- Reaching age 50 and completing 20 years of service.

The annuity will be calculated according to the same formula for Immediate Unreduced Annuity.

Upon reaching the MRA (55-57), the employee will be eligible to receive the Special Retirement Supplement, which will be payable until age 62. For employees who transferred to FERS with frozen CSRS service, the CSRS rules for age reduction will apply to the CSRS portion of the annuity. The reduction is 1/6 of 1% per month for each full month (or 2% for each full year) the employee is under age 55.

If a FERS employee who retires with the MRA and 10 years postpones the annuity until age 62 to avoid the 5% reduction per year for each year under age 62, the employee's Health Benefits and Group Life Insurance stops. They may be reinstated at age 62 when the FERS annuity begins.

ELIGIBILITY FOR SPECIAL CATEGORY EMPLOYEES LE, FF, ATC, MRT

Requirements

An employee under the retirement system is eligible for voluntary retirement on an immediate annuity under the special provision for Law Enforcement Officers (LE), Air Traffic Controllers (ATC), Military Reserve Technicians (MRT) and Firefighters (FF) upon meeting the following conditions:

- Employment under the retirement system for at least one year within the 2-year period immediately preceding the separation upon which the annuity is based.
- Age 50 or over. (see page 76 for Special ATC Retirement Option, FERS only)
- At least 20 years of creditable service as a Law Enforcement officer or Firefighter, or any combination of such service totaling at least 20 years, as described below.
- A person with 20 years qualifying service can avoid mandatory retirement at age 57 by moving to a non-covered position. Upon retirement from the non-covered position the 2½% formula for the covered service would still apply.

Purpose of Special Provision

This provision initially affected only Law Enforcement officers of the Federal Bureau of Investigation, and was to allow the earlier retirement of those officers whose duties are primarily the investigation, apprehension, or detention of persons suspected or convicted of offenses against the criminal laws of the United States, and who, because of the physical requirements of their positions are no longer capable of carrying on efficiently, and that their replacement by younger employees would improve the service. Since August 14, 1972, this reasoning has been applied equally to Federal Firefighters.

A more generous method of computing the amount of annuity is provided. This position is not a special regard for the type of service involved, but rather because a more liberal formula is usually necessary to make the earlier retirement (with resultant shorter service) economically feasible. This provision also includes an employee who is transferred to a supervisory or administrative position in this type of capacity.

For Firefighters, these provisions cover employees whose primary duties require the performance of work directly connected with the control and extinguishment of fires, or the maintenance and use of fire fighting apparatus and equipment. This includes an employee who is transferred to a supervisory or administrative position in this type of activity.

The appropriate administrative authority of an agency (the agency head or appropriate officials of major divisions) makes the determination of whether an employee is covered under these provisions. For CSRS positions, OPM must concur. For FERS positions, OPM does not have to concur.

Employees Transferred to Supervisory or Administrative Position

An employee covered by the special provision for Law Enforcement Officers or Firefighters may, under certain conditions, continue this coverage upon transfer to a supervisory or administrative position if:

- 1) Service in the position transferred to follows service in a covered position without a break in service of more than three days or after intervening employment in a non-covered position.
- 2) For Law Enforcement officers, the duties in the position transferred to must be in the Law Enforcement line of work in an organization with responsibility for the investigation, apprehension, or detention of suspected or convicted criminals. The position transferred to must be:
 - Supervisory – which includes a duty of supervising subordinates in rigorous positions who are directly engaged in the investigation, apprehension, or detention of criminals; or
 - Administration – which includes an executive or managerial position, and may include a technical, semiprofessional or professional position found in organizations with no law enforcement responsibility, provided that experience as a Law Enforcement officer is a mandatory prerequisite for the administrative position.
- 3) For Firefighters, the duties in the position transferred to must be in the fire fighting line of work in an organization with the responsibility for the control and extinguishment of fires. The position transferred to must be:
 - Supervisory – which includes a duty of supervising subordinates in rigorous positions that are directly engaged in fire fighting and/or in the maintenance and use of fire fighting apparatus and equipment.
 - Administration -- which includes an executive or managerial position, and may include a technical, semiprofessional or professional position found in organizations with no fire fighting (and/or maintenance and use of fire fighting apparatus and equipment) responsibility, provided that experience as a Firefighter is a mandatory prerequisite for the administrative position.

- 4) The foregoing guidelines refer to a transfer from a primarily covered position, but they have general administrative positions that move to another covered supervisory or administrative position. For CSRS positions there is no time limit a person must have been in a non-supervisory position before transferring to a supervisory-administrative position.

Crediting of Military Service Under The Special Provision

- 1) The law requires 20 years of civilian service in a Law Enforcement officer or Firefighter position. Military service, even though it may have been Law Enforcement or Firefighter work, may not be counted in determining the 20-year period. However, after the minimum period has been established, military service is creditable in computing the annuity rate.
- 2) Periods of military service during which the employee is on furlough from a civilian position may be counted as civilian service. Therefore, an employee serving in a Law Enforcement Officer or Firefighter position who goes on military furlough will be credited with the military furlough period in computing the 20-year minimum. Of course, if the employee is receiving military retirement pay and was discharged under conditions that would preclude credit for military service, the period of military furlough cannot be counted. If a retiree retires on voluntary retirement, annuity is subject to the 3-day rule. (The employee must retire the last day of the month, or within the first three days of the next month for the annuity to be effective the next day.)

If an employee retires on involuntary retirement (age 57 for Law Enforcement & Firefighters), the annuity will begin the next day.

An employee retiring under FERS has different rules. First, your agency head, not OPM, determines which positions meet the FERS definition of Law Enforcement or Firefighting position. The definition includes a requirement that the positions be limited to "young and vigorous" personnel. Second, in order to qualify for the special benefits, the employee must occupy a primary or first-line Law Enforcement or Firefighting position for at least three years before moving to an administrative or supervisory position. The FERS definition and the three-year requirement are generally stricter than the CSRS rules.

Under FERS, the special benefit formula is 1.7% of the employee's "High-3" for each of the first 20 years, and 1% per year, thereafter. The earnings test will not be applied to the Special Retirement Supplement until age 55 or the MRA. Once an employee has 20 years of covered service, the mandatory retirement age 57 applies. Other FERS provisions, including those of Social Security and the Thrift Savings Plan are the same as for all other FERS employees. A FERS employee under these special provisions can retire with 25 years of service at any age. (This could be before age 50.)

If an employee transferred from CSRS to FERS, he or she could begin a new 20-year period at 1.7%.

If an employee retires on voluntary retirement, under FERS rules, the annuity begins the first day of the next month. It is, therefore, advisable to retire on the last day of the month. The under age 55 reduction does not apply.

Special Eligibility for ATC under PL 108-176 (Vision 100: ARA)

Section 226 of Public Law 108-176, "Vision 100-Century of Aviation Reauthorization Act", adopted February 10, 2004, will have an impact on the retirement calculation, and broadens the language of specific sections of current provisions.

Section 226 now includes second level managers to the previous class of individuals eligible for special ATC retirement benefits. In addition this calculation would apply to service as a second-level supervisor of ATC's employed in-flight service station.

The terms applicable to ATC mandatory retirement under CSRS and FERS were amended. The newly added second-level supervisor will not be subject to mandatory retirement. Currently active ATC's with a date of birth on or after January 1, 1965 can not qualify for the higher retirement annuity, because their age would exceed mandatory retirement at age 56.

New provisions were added that apply only to ATC's and former ATC's who retire and meet the following criteria. Under 5 U.S.C. 8412 (a) retirement is permitted at minimum retirement age, MRA (MRA is between 55 and 57, depending on your date of birth.) with 30 years of service. If an individual meets the provisions as stated or has a least 5 years of service as an ATC, as defined by 5 U.S.C. (a) (1) (A) (i), actively engaged in the separation and control of air traffic, the retiree's annuity will be computed at a rate of 1.7% for all years of service in lieu of the 1% after 20 that would normally apply. This provision includes some, but not all flight service station ATC's. Your current contribution percentage deposited to your FERS annuity can be used as a determining factor

Second-level supervisors under FERS will be required to make an additional deposit into the retirement fund for all service performed prior to the effective date of Section 226. Individuals must make a deposit of 0.5% of basic pay, the difference between 1.3%, ATC and .8% supervisor. Active ATC's do not owe any additional deposits as they currently contribute the full 1.3%

Military service will be credited in your retirement annuity. Military service, however, will only be calculated at one percent not one point seven percent. Example, an ATC employee has 27 years of FAA service and 5 years military service; your annuity would be computed at $27 \times 1.7\%$ plus 5 years times 1.0%. Under the FERS you must buy back your military service for any of the service time to count. (see page 64 for details)

Disability Retirement

The regular disability formulas apply in CSRS and FERS, respectively.

COMPUTATION OF ANNUITY - SPECIAL FORMULA FOR LAW ENFORCEMENT AND FIREFIGHTERS

An employee retiring under CSRS will receive 2% of his or her "High-3" for each year up to 20 years of service. This will equal 50% of the "High-3". For each year that exceeds the first 20 years, the employee will receive 2% of the "High-3". The under age 55 reduction will not apply.

Formula:

$2\frac{1}{2}\% \times \text{"High-3"} \times \text{first 20 years}$
 $2\% \times \text{"High-3"} \times \text{all remaining years}$

Law Enforcement officers and Firefighters may be exempt from mandatory retirement until age 60, if approved by the Agency Head.

An employee retiring under FERS will receive 1.7% of his or her "High-3" for each year up to 20 years of service. For each year that exceeds the first 20 years, the employee will receive 1% of the "High-3". The under age 62 reduction will not apply.

Formula:

$1.7\% \times \text{"High-3"} \times \text{first 20 years}$
 $1\% \times \text{"High-3"} \times \text{all remaining years}$

Law Enforcement officers and Firefighters may be exempt from mandatory retirement until age 60, if approved by the Agency Head.

A Special Retirement Supplement will be payable until age 62. Social Security Earnings Test not applicable until Minimum Retirement Age (MRA). COLA's begin at retirement instead of age 62.

Mandatory retirement is at age 57 after 20 years of Special Service for Law Enforcement officers and Firefighters and age 56 with 20 years for Air Traffic Controllers. Law Enforcement officers and Firefighters may be exempt until age 60, if approved by Agency Head.

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