



2020 Federal Employees Retirement System (FERS)

MID-CAREER PLANNING

Agenda



What are we going to discuss today?

- **Online Applications**
- **Benefits**
- **Leave**
- **Absent-US and RTD**
- **Military Buy-Back Post 56**
- **Retirement Eligibility**
- **Annuity Calculations**
- **Thrift Savings Plan**

Online Programs Critical for Technician Career Management



- **My Pay**
- **MyBiz+**
- **Electronic Official Personnel Folder (eOPF)**
- **Army Benefits Center / GRB -Formerly Employee Benefits Information System (EBIS)**

Who gets a My Biz+ account?



All Permanent, Indefinite, and Temporary technicians automatically get a My Biz+ account

- **My Biz+ interfaces with DCPDS *nightly* to create / update accounts**

Additional Manager Functions in MyBiz+



Supervisors

- **Appointments**
- **Salary information**
- **Performance (PAA)**
- **Awards**
- **Bonuses**
- **Reports**
- **Personnel Actions**
- **Position information (current & historical)**

Access Login



- **MyBiz+ login:** <https://compo.dcpds.cpms.osd.mil>
- **Select your non-email certificate**
- **Create username and password: SSN (use hyphens)**
- **Select MyBiz go to > “Update My Information”**
- **Enter email address (.mil) and emergency contact info**
- **Technicians stay in **MyBiz+** to perform your actions**
- **Supervisors have additional options to perform other actions**

Resources



- **References located on the HRO Public Site:**
 - <http://hr.ong.ohio.gov/HR.aspx>
- **CNGBI 1400.25 Vol 431 Performance Appraisal Program**
- **ONGJI 1400.25 Vol 431 Ohio Performance Appraisal Program**
- **Ohio NG Familiarization Training Slides and Participant Guide**
- **Quick Guide for Establishing Critical Elements**
- **Self Assessment Guide and Self Assessment Journal**
- **MyBiz+ User Guide**
- **PAA Guides for Employees, Rating Officials and Higher Level Reviewers**
- **Links:**
- **DCPDS Portal: Log in for My Biz+**
- <https://compo.dcpds.cpms.osd.mil>

Points of Contact



LOGIN ISSUES

Mr. Nicholas Hammons, nicholas.j.hammons.civ@mail.mil

HIERARCHY ISSUES

Air Personnel: Contact your Base Remote

Army Personnel: Ms. Susan Higginbotham, susan.m.higginbotham2.civ@mail.mil

PERFORMANCE MANAGEMENT PROCESSES

Mr. Jacob Curry, jacob.m.curry.2.civ@mail.mil
Mr. Don French, donald.e.french2.civ@mail.mil

The electronic Official Personnel Folder (eOPF)



- **eOPF is a file containing your Federal technician civilian personnel records throughout your career**
- **Can only be accessed from a .mil network**
- **eOPF is not Common Access Card enabled (CAC)**

<https://eopf.opm.gov/nationalguard/>

The electronic Official Personnel Folder (eOPF)



- **You will need an ID and password**
 - **Ensure your MYBIZ+ enterprise email is valid**
 - **eOPF ID is system generated**
- **Select “Request a New Password” link on the eOPF login page.**
 - **Two emails will be received. One with your login ID and one with your temporary password**
- **The reset link that is received, opens and prompts you to enter your eOPF ID and token**
- **Once submitted, create a new password that adheres to eOPF password requirements**

Army Benefits Center – Civilian (ABC-C)



- **Military Deposits**
- **Retirements**
- **Links to things such as:**
 - **GRB (Government and Retirement Benefits Platform)**
 - **Office of Personnel Management**
 - **Health Benefits and TSP**
 - **Social Security Administration**

<https://www.abc.army.mil/>

Government and Retirement Benefits Platform (GRB)



- **Unique to you (Secure Site)**
- **Replaced EBIS - 22 Apr 2019**
- **Same functionality as EBIS but more user friendly**
- **Self Service Changes for FEHB / FEGLI / TSP**
- **Benefit information specific to the employee**
- **Available 24 hours a day**
- **Common Access Card (CAC) authentication**
- **Still uses the same web link as EBIS**

<https://www.ebis.army.mil/>



ARMY BENEFITS CENTER - CIVILIAN

Home

Benefits

GRB Platform

About Us

Contact Us

ICE



BENEFITS TOPICS

- Civilian Death-in-Service
- Forms
- Health Insurance
- Injury Compensation
- Life Insurance
- Retirement
- Thrift Savings Plan (TSP)
- Unemployment Compensation

QUICK LINKS

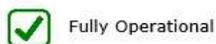
- Affordable Care Act
- Court Ordered Benefits
- Defense Contract Management Agency
- Department of Defense Education Activity
- Federal Benefits Open Season
- Financial Literacy
- Leave Without Pay (LWOP)
- National Guard
- New Employee Benefits Tool Kit
- Non-Appropriated Fund
- Social Security
- Uniformed Services

HOW DO I...

- Access my eOPF?
- Change my beneficiary?
- Change my date of retirement?
- Change my mailing address?
- Change my TSP contributions?
- Contact someone after I retire?
- Complete the retirement forms?

ABC-C STATUS

PHONE CENTER



Fully Operational

GRB Platform



Fully Operational

Updated: 16 Jul 2019

ANNOUNCEMENTS

TSP changes on the horizon

The Thrift Savings Plan (TSP) has several changes coming in the near future. These changes include changes to your withdrawal options (15 Sep 2019), changes to the financial hardship in-service withdrawal rules (15 Sep 2019) and changes to the automatic enrollment percentage (1 Oct 2020). You can find more information by reviewing the following documents or by visiting the TSP website at www.tsp.gov.

Change to TSP Withdrawal Options (15 Sep 2019)

Change to Eliminate Financial Hardship In-Service Withdrawal Six-Month Suspension Rule (15 Sep 2019)

Change to the Automatic Enrollment Percentage for Thrift Savings Plan Participants (1 Oct 2020)

GRB Platform is here!

As of 22 Apr 2019, The Employee Benefits Information System (EBIS) was replaced by the new GRB Platform. The GRB Platform continues to provide the same basic functionality as EBIS but with more user-friendly features. The best news is the Platform eliminates the need for a USERNAME and PIN. Instead, you will log into the Platform with your Common Access Card (CAC). You can log into the GRB Platform at the same URL as before, <https://www.ebis.army.mil>. Feel free to view our flyers and documents for the GRB Platform.

[GRB Platform Flyer](#)

[GRB Platform \(formerly EBIS\)](#)

[GRB Platform Access and Functions](#)

FOLLOW US

- Facebook
- YouTube

GRB PLATFORM

Click to log into:



GRB Platform (formerly EBIS)

What is the GRB Platform?

The Government & Retirement Benefits (GRB) Platform is an automated, secure, self-service web application that allows employees to review general and personal benefits information, and allows them to calculate their own retirement estimates. The GRB Platform also allows employees to make benefits elections for Federal Employees Health Benefits (FEHB), Federal Employees' Group Life Insurance (FEGLI), and the Thrift Savings Plan (TSP).

Did you know?

You can only access the GRB Platform if you are logged in with your Common Access Card (CAC). This is to help protect your Personally Identifiable Information (PII)!

Problems accessing the GRB Platform?

Contact a [Benefits Specialist](#).

EXTERNAL LINKS

[Federal Employees Dental and Vision](#)



Click on GRB Platform to get started.



Windows Security

Select a Certificate

Site www.ebis.army.mil needs your credentials:

 Signature -

Issuer: DOD EMAIL

Valid From: 12/11/2017 to 12/11/2020

[Click here to view certificate properties](#)

[More choices](#)

OK Cancel

Choose your Email certificate.

Select launch to begin.

GRB Platform

You have successfully signed into the GRB Platform.

Site best viewed with Internet Explorer 11, Edge, or Chrome

Your current browser: Google Chrome

Security Notice

This system, including all related equipment, networks, and network devices (specifically including internet access), are provided only for authorized use only. This computer system may be monitored for all lawful purposes, including to ensure that its use is authorized, for management of the system, to facilitate protection against unauthorized access, and to verify security procedures, survivability and operational security. Monitoring includes active attacks by authorized entities to test or verify the security of this system.

Use of this computer system, authorized or unauthorized, constitutes consent to monitoring of this system. Unauthorized use may subject you to criminal prosecution. Evidence of unauthorized use collected during monitoring may be used for administrative, criminal or other adverse action. Use of this system constitutes consent to monitoring for these purposes.

By pressing "Launch", I acknowledge that I have read and accept the above notice.

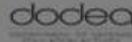
To start using the GRB Platform click the "Launch" button.

Once the GRB Platform is open in a new browser you may close this window.

Launch



Army Benefits Center - Civilian



Health Insurance

Life Insurance

Thrift Savings Plan

Retirement

Dental & Vision Insurance

Long Term Care Insurance

Flexible Spending Accounts

Social Security

Individual benefit tiles.

Drop down menu with additional information.

Summary statement of total compensation. Includes individual salary and agency costs for each benefit provided.



Federal Employees' Health Benefits (FEHB) Program

The Federal Employees Health Benefits (FEHB) program is an employer-sponsored group health insurance program for Federal employees and their families. Employees can choose from Fee-for-Service (FFS) plans, Health Maintenance Organizations (HMO), Consumer-Driven Health Plans (CDHP), and High Deductible Health Plans (HDHP). Employees can enroll, make changes, or cancel coverage during the annual Federal Benefits Open Season or if the employee experiences a qualifying life event. Permanent employees and certain temporary employees are eligible for coverage unless their appointment is excluded from coverage by law or regulation. The Office of Personnel Management (OPM) has the overall responsibility for the administration of the FEHB Program. Premiums are based on the plan and option an employee chooses and are shared by the employee and the employing Agency. The employing Agency's share is set by law and cannot exceed 75% of the total premium. Part-time employees receive a prorated contribution and temporary employees are responsible for the full amount of the premium. Premiums are paid on a pre-tax basis (known as premium conversion) unless the employee waives this option.

Current FEHB Enrollment

Health Plan Type: FEHB
Plan Name: Blue Cross and Blue Shield Service Benefit Plan
Plan Option: Basic Self Plus One
Enrollment Code: 113

Premium per Pay Period

Employee Cost: \$170.57
Agency Cost: \$492.27
Premium Conversion: Participating (Pre-Tax)

[View FEHB Plans/Premiums](#)

Plan Details

Plan Brochure:
Plan Website: www.fepblue.org
Telephone: 888-630-2583

Select here to create and submit a specific benefits transaction.

Submit a FEHB Transaction +

Transactions

Entered	Effective	Type	Status

Resources

Type	Description
	Federal Employees Health Benefits (FEHB) Program
	Medicare
	New Employee Benefits Orientation
	New Employee Benefits Orientation for Congressional Employees
	Federal Employees Health Benefits (FEHB) Program



Army Benefits Center - Civilian

A white icon of a caduceus (a staff with two snakes and wings) on a grey background.

Health Insurance

A white icon of an umbrella over two people on a grey background.

Life Insurance

A white icon of a bar chart with an upward-pointing arrow on a grey background.

Thrift Savings Plan

A white icon of a sun over a person lying on a lounge chair on a grey background.

Retirement

A white icon of a hand holding a tooth and an eye on a grey background.

Dental & Vision Insurance

A white icon of a person wearing a medical mask on a grey background.

Long Term Care Insurance

A white icon of a piggy bank on a grey background.

Flexible Spending Accounts

A white icon of a Social Security card on a grey background.

Social Security

You can select calculators in the TSP, Retirement and Social Security sections to help in making projections and comparisons for planning.



GRB Platform

MENU 

TOTAL COMPENSATION STATEMENT 

 Requests

 Account

 Announcements

 Documents

 Resource Library

 New User Video


Dental & Vision Insurance


Long Term Care Insurance


Flexible Spending Accounts


Social Security

Federal Employees' Insurance Benefits



FEHB
FEDVIP
FSA
FLTC
NGAUS
TCC
FEGLI



Federal Employee Health Benefits (FEHB) Plan Features



- **Guaranteed Coverage – No medical exams**
- **No restrictions on pre-existing conditions**
- **No waiting periods**
- **Choice of coverage**
- **Choice of plans and options**
- **Government contributes substantially**
- **Premium Conversion Waiver Option**
- **Annual Open Season**



Federal Employee Health Benefits (FEHB) Plan Features



- **Continued group coverage**
- **Technician must enroll in self only, self plus one or self & family within 60 days of eligibility**
- **Enrollees may change plans or options during annual Open Season**
- **In certain cases, may also convert coverage when leaving government**
- **Can be maintained while on LWOP**

Federal Employee Health Benefits (FEHB) Plan Features



Temporary Technicians

- **Temporary Appointments Basic Requirements for eligibility**
 - Scheduled for at least 30 hours per week or 130 hours a month and
 - Appointed for or expected to work for a period of at least 90 days
- **Temporary employees with a NTE period of less than 90 days are not eligible**
- **If initial appointment <90 days becomes eligible upon any extension that will then exceed 90 days from the date of hire.**
- **If initial appointment >90 days, immediately eligible.**

****As soon as they become FEHB eligible they are no longer eligible for Tricare Reserve Select (TRS).**

Federal Employee Health Benefits (FEHB) Plan Features



Temporary Technicians

- **Enrollment window is 60 days from effective date of eligibility**
- **Election is effective the first day of the next pay period**
- **If enrollment is missed it's considered as waived. No changes can be made until next open season or a QLE.**
- **Being selected for an Indefinite or Permanent position now creates a new window based on a QLE for a job status change.**
- **To otherwise create a new window there must be a break in service for one full pay period**

FEHB Coverage Into Retirement



To be eligible to continue FEHB coverage into retirement you must:

- **Be eligible for an immediate annuity**
- **Be insured on the date of retirement**
- **Have been enrolled (or covered as a family member) for 5 years immediately preceding retirement, *or* since your first opportunity to enroll**
- **Tri-Care during mobilization is considered federally sponsored insurance towards the five year requirement**
- **Request a certificate of Creditable Coverage from DEERS**

FEHB Coverage for Surviving Family Members



For surviving family members to be eligible to continue FEHB coverage:

- **At least one family member must be entitled to a survivor annuity,**
- **AND**
- **They must have been covered as a family member on the employee or retiree's date of death**

Temporary Continuation of Coverage (TCC) - if ineligible for FEHB



TCC Benefits

- Provides up to 18 months additional coverage to employees/retirees after separation from Fed Service
- Provides up to 36 months additional coverage for family members upon loss of status as eligible family member
- Enrollee must pay the **entire** premium, **plus 2%** admin fee

Flexible Spending Account (FSA)



- Must be **eligible** for FEHB (including temporary employees)
- Voluntary Tax-favored program
- PRE-Tax Contribution (**BEFORE** taxes)
- Sign up during Open Season (New hire within 60 days)
- \$100 up to \$2,750 per account (2020)
- Key Benefit: It Saves Money!
- \$500 carryover into the next year

Flexible Spending Account (FSA)



- **Health Care FSA (HCFSA)**
Eligible Out of pocket medical expenses
(examples include: prescription drugs and copays)
- **Limited Expense Health Care FSA (LEX HCFSA)**
limited to Vision and Dental
- **Dependent Care FSA (DCFSA)**
Daycare - Dependent Adults

<https://www.fsafeds.com/>

Federal Employees Dental and Vision Insurance Program (FEDVIP)



- Supplemental dental and vision benefit
- Separate from FEHB
- Must be eligible for FEHB
- Provides competitive premiums
- No pre-existing conditions
- Enrollment is within 60 days for newly eligible employees and during Open Season
- Pre-tax benefit
- Plan options for self only, self plus one and self and family
- Temporary employees are not eligible for FEDVIP Dental or Vision
 - **Note:** Military members may enroll in the Tricare Reserve Dental program through MilConnect

<https://www.benefeds.com/>

Federal Employees Dental and Vision Insurance Program (FEDVIP)



- Must be **eligible** for FEHB
- Can enroll in dental, vision or both
- Self Only, Self & Family, Self Plus One
- Pre-tax benefit (while employed)
- <https://www.benefeds.com/>

ENROLL AT

<https://www.benefeds.com>

1-877-888-3337

TTY 1-877-889-5680

Vision Benefits

Diagnostic Services
Preventative Services
Eyewear

- Glasses
- Contacts

Dental Benefits

Diagnostic
Preventative
Emergency Care
Restorative
Oral/Maxillofacial Surgery
Endodontics
Periodontics
Prosthodontics
Orthodontics

Federal Long Term Care Insurance Program (FLTCIP)



This insurance program is designed to protect the Federal family against high costs of long term care. Can help pay for a wide range of services, including:

- **Nursing Home Care**
- **Assisted Living Facility Care**
- **Home Health Care**
- **Adult Day Care**
- **Respite Care**

Long term care is available at any age and helps with illness or injury.

Federal Long Term Care Insurance Program (FLTCIP)



Benefit Periods

- Two years, 730 days
- Three years, 1,095 days
- Five years, 1,825 days

Daily Benefit Amount choices from \$100 - \$450 in \$50 increments

90 day wait period before benefits are payable

Apply and enroll *online*, answer a few health questions.

Qualified Relatives can also apply.

Premiums are based on age and health.

www.opm.gov/insure

Federal Long Term Care Insurance Program (FLTCIP)



Want to talk with a Certified Long Term Care Insurance Consultant?

Tel: 1-800-LTC-FEDS (1-800-582-3337)

TTY: 1-800-843-3557

Mon - Fri 8 a.m. - 8 p.m. ET

Sat 9 a.m. - 5 p.m. ET

Closed Sun and Federal holidays.

<http://www.ltcfeds.com>

NGAUS Disability Insurance



- **Helps replace lost income if you become sick or disabled**
- **New Hire guaranteed acceptance window is 31 days from date of hire. Afterwards, you must have a physical.**
- **Bi-weekly premiums are based on age and salary range groups. Available in Basic or Basic + Supplemental**
- **T5 employees are still eligible though there may currently be a waiting period.**
- **Technicians Insurance Program pamphlet for more detailed information.**

Technicians Insurance Program

Guaranteed coverage for Technicians.

- ★ No health questions asked
- ★ No proof of evidence of insurability

Your acceptance to our insurance plans is guaranteed if you **enroll during your first 31 days of employment or during an official open enrollment period.**



The only program endorsed by the National Guard Association of the United States, and the Enlisted Association of the National Guard of the U.S.

Vaccines In Technician Status



- **A technician may not be required to receive vaccinations, they may however voluntarily receive influenza vaccinations.**

(NGB Memorandum TN 12-08 dated 13 Mar 12)

- **Technicians should be administered vaccinations in an inactive duty or active military status.**

Federal Employees Group Life Insurance (FEGLI)



Federal Employees Group Life Insurance (FEGLI)



Basic Life:

- **Annual basic salary rounded to next highest thousand plus \$2,000 – enrollment is automatic unless waived**
- **Technician pays 2/3 – Government pays 1/3**
- **Extra benefit - if age 35 or younger coverage is double, at age 36 it begins to decrease by 10 % per year until age 45**
- **If originally waived, a physical exam is required at the employee's expense in order to enroll at a later time**
- **If increasing or adding coverage outside of a QLE or open Season, a physical exam is required at the employee's expense.**

Federal Employees Group Life Insurance (FEGLI)



- **Basic**
 - **Current annual pay; round up to nearest \$1000; + \$2000**
- **Option A Standard**
 - **In addition to the Basic; add \$10,000**
- **Option B Additional**
 - **In addition to the Basic; Current annual salary in multiples of 1 - 5**
- **Option C Family**
 - **In addition to the Basic; \$5000 in multiples 1 - 5 for death of spouse
\$2500 in multiples 1 - 5 for death of child**

<http://www.opm.gov/calculator/worksheet.asp>

FEGLI Coverage into Retirement



To be eligible to continue FEGLI coverage:

- **Be insured on the date of retirement.**
- **Be eligible for an immediate annuity.**
- **Have been covered for 5 years immediately preceding retirement, *or* since your first opportunity to enroll.**
- **A coverage change in your last five years may effect what you can continue into retirement.**
- **Insurance elections may be retained at the same level or reduced; but not increased into retirement.**

FERS Survivor Benefits – Death In-Service



Potential Eligible Survivors Include:

- **Your spouse**
- **A former spouse with a court-ordered entitlement**
- **Your children**



Surviving Spouse's Eligibility Requirements:

- **Married to deceased employee at least 9 months, or**
- **Employee's death was accidental, or**
- **There is a child born of the marriage**

FERS Survivor Benefits – Death In-Service



Length of Service:

Benefits Payable:

- 18 mos. up to 10 yrs..... Lump sum payment of \$34,542 (2020), PLUS Lump sum = the *higher* of:**
- 1/2 of annual pay, or
 - 1/2 of high-3 salary
- 10yrs or more All the above, PLUS a survivor annuity = 50% of the earned annuity as of the date of death**

FERS Survivor Benefits – Death In-Service



Lump sum payment of retirement contributions is paid in accordance with the standard order of precedence, in the absence of an eligible spouse, former spouse or child entitled to a survivor annuity.

Termination of Survivor Benefits



- A spouse's **future entitlement** to a survivor benefit is terminated by divorce, unless a court order awards survivor benefits
- Surviving **current** spouses who remarry prior to age 55 will lose entitlement to the survivor benefit, unless the marriage had lasted at least 30 years
- Survivor benefit may be restored if the *new* marriage ends by death, divorce or annulment
- Surviving **former** spouses who remarry prior to age 55 will permanently lose the survivor benefit
- If your spouse pre-deceases you, OPM will restore the annuity to full payments upon notification of the death

Children's Survivor Benefits



A monthly survivor benefit is payable to **eligible** children upon the death of an employee or retiree

Eligible Children Must Be:

- **Unmarried**
- **Dependent of the retiree (or employee) at the time of death**
- **Under age 18, or**
- **Under age 22 if a full-time student, or**
- **A disabled child who is incapable of self-support and whose disability occurred prior to age 18**

Children's Survivor Benefits



Single Orphan Rate: (2020 Rate)

When the child has a living parent who was married to the employee or retiree, the smaller of the 2 following amounts will be paid:

- **\$545 per month per child, or**
- **\$1,637 divided between the number of eligible children**

Children's Survivor Benefits



Double Orphan Rate: (2020 Rate)

When the child does not have a living parent who was married to the employee or retiree, the smaller of the 2 following amounts will be paid:

- \$655 per month per child, or
- \$1,965 divided between the number of eligible children

Designation of Beneficiary



Beneficiary forms you may wish to complete include:

- **SF 2823 - For your FEGLI benefits**
- **SF-1152 - For unpaid compensation if you die while Federally employed**
- **SF-3102 (FERS) for un-recovered contributions to the retirement fund**
- **TSP-3 – For your TSP account balance**

Order of Precedence



- **Designated beneficiary or assignee**
- **Spouse**
- **Child or children equally**
- **Parent or parents**
- **Executor or administrator of estate**
- **Next of kin, per the laws of your state of residence at the time of death**

TYPES OF LEAVE



- Annual Leave
 - Restoration Leave
 - Absent-US (AUS)
 - Military Leave
 - Sick Leave
 - Family Friendly Leave Act (FFLA)
 - Family Medical Leave Act (FMLA)
 - Paid Parental Leave (New)
 - LWOP-Personal (NTE)
 - Funeral Leave
 - VLTP (Donated)
 - Excused Absence
- Leave Regulation: CNGBI 1400.25, Vol. 630 Dated August 06, 2018
 - OPM Fact Sheets: <http://www.opm.gov/oca/leave/HTML/factindx.asp>

Annual Leave



- A “Right” of the employee; subject to supervisor approval
- Annual leave may be used for things such as –
 - Vacations
 - Rest and Relaxation
 - Personal Business
 - Emergencies

Annual Leave Accrual



- Annual leave is earned each pay period based on amount of creditable service
- **Leave Service Computation Date** (SCD) determines leave category
- Prior active service may potentially be included
- *Accrual rates category:* For Permanent, Full-time, Indefinite and Temporary
 - 0-3 years..... 4 hrs/pay period
 - 3-15 years.... 6 hrs/pay period
 - 15+ years..... 8 hrs/pay period
- Part-time and uncommon tour of duty accrual rates are different
- **If initial appointment is less than 90 days, no leave earned.**

Annual Leave



- **Maximum annual carryover – 240 hrs per “Leave Year”**
- **Employees aren’t required to explain how they plan to use annual leave**
- **Supervisors may however ask the reason for requesting annual leave when considering workload needs**
- **It may be denied based on the current mission, workload needs or seniority IAW the collective bargaining agreement (CBA)**
- **May be taken in the pay period earned**
- **Separated employees are eligible for a lump sum payment for unused annual leave**

Advanced Annual Leave



- **May request “Advanced Leave”**
- **Approved first at the supervisory level**
- **Submitted to HRO for final approval and processing**
- **If separated from agency while still indebted it must be repaid by**
 - **Refunding the unearned leave, or**
 - **The agency will deduct the amount owed from any pay due**

****The maximum amount of annual leave that may be advanced is limited to the amount an employee would accrue in the remainder of the current leave year.**

Restoration of Annual Leave



- Public Law 93-181 provides for restoration of forfeited annual leave
- Restoration is for **“scheduled and approved”** leave that is cancelled due to one of the following:
 - Exigencies of public business
 - Sickness of the employee **or**
 - Administrative errors
- Assistant AG (ATAG-respectively) is **approving authority** for exigency determinations
- Restored leave must be used within 2 years from date approved

Restoration of Annual Leave



Annual leave in excess of annual leave ceilings may be restored to a technician's leave account for the following three reasons ONLY:

Administrative Error - Determined by agency

Exigency of the Public Business - an urgent need for the employee to be at work - is of major importance and that excess annual leave cannot be used

Sickness - The employing agency determines that the annual leave was forfeited because of a period of absence due to an employee's sickness or injury that occurred late in the leave year or was of such duration that the excess annual leave could not be rescheduled for use before the end of the leave year.

Sick Leave



General Applicable Usage:

- **Personal Medical Needs**
 - **Medical dental, optical exams/treatments**
- **Personal incapacitation (i.e. illness, injury, pregnancy...)**
- **Health risks (i.e. communicable disease)**
- **Family Care**
 - **SLTCFFM - Sick Leave to Care for Family Member**
 - **FMLA - Family Medical Leave Act (Self and family)**
- **Bereavement / Family funeral (Limited)**
- **Adoption (Unlimited)**

Sick Leave Accrual



Accrual rates

- **All full-time: 4 hrs per bi-weekly pay period**
- **Part-time: 1 hr/every 20 hrs in pay status**
- *Note: Both categories above include temporary employees*
- *Uncommon tour of duty is pro-rated based on number of hours in bi-weekly tour of duty*
- *Unlimited maximum accumulation*
- *Unlimited carryover balance each leave year*

Sick Leave Usage Limitations



- **Unlimited for personal use or adoption purposes**
- **General family care and bereavement: 104 hours per leave year (13 workdays)**
- **Care for a family member with serious health condition: 480 hours (12 weeks) per leave year**
- **480 hours (12 weeks) is the maximum for any combination of family care, bereavement, serious health condition of family member**
- **Up to 104 (13 days) or 240 hours (12 weeks) may be advanced based on the purposes for which it will be used**

Sick Leave for Personal Needs



- **Employee is entitled to use sick leave when:**
 - **Employee is incapacitated for the performance of duties by physical or mental illness, injury, pregnancy, or childbirth**
 - **Receives medical, dental, or optical examination or treatment, or**
 - **Would jeopardize the health of others by his or her presence on the job because of exposure to a communicable disease**
- **There is no limit to the amount of sick leave an employee may use for their own personal needs**



Sick Leave for a Family Member

“Family Member” is: an individual with any of the following relationships to the employee:

- **Spouse, and parents thereof;**
- **Sons and daughters, and parents thereof;**
- **Parents, and spouses thereof;**
- **Brothers and sisters, and spouses thereof;**
- **Grandparents and grandchildren;**
- **step parents; step children, and spouses thereof;**
- **foster parents; foster children;**
- **guardianship relationships;**
- **Domestic partner and parents thereof, including domestic partners of any of the aforementioned;**
- **Any individual related by blood or affinity whose close association with the employee is the equivalent of a family relationship**

Sick Leave for Family Care and Bereavement



- **Entitles employees to use up to 104 hours (13 days) of sick leave each leave year to:**
 - **Provide care for a family member incapacitated as a result of physical or mental illness, injury, pregnancy, or childbirth**
 - **Provide care for a family member receiving medical, dental, or optical examination or treatment**
 - **Provide care for a family member who would jeopardize the health of others because of exposure to a communicable disease**
 - **Arrange or attend a funeral**
- **Ensures that a reasonable amount of sick leave is available for the technician's own injury/illness if needed**



Sick Leave for Family Member with a Serious Health condition

- **An employee may use up to 480 hours (12 workweeks) of sick leave each leave year to care for a family member with a serious health condition:**
- **Any days the employee has already used for general family care and bereavement in the same leave year must be subtracted from the 12 weeks**
- **Serious health condition as used for sick leave has the same meaning and definition as is also defined under FMLA**

Sick Leave for Family Member with a Serious Health condition



- **A serious health condition under FMLA (also used for sick leave) is defined as, but not limited to, an illness, injury, impairment, or physical or mental condition that involves:**
 - **Inpatient care**
 - **Continuing treatment by a health care provider, which may include:**
 - **A period of incapacity of more than 3 consecutive days**
 - **Any period of incapacity due to pregnancy or childbirth, or for prenatal care**
 - **Any period of incapacity or treatment for such incapacity due to a chronic serious health condition**
 - **A period of incapacity which is permanent or long-term due to a condition for which treatment may not be effective**
 - **Any period of absence to receive multiple treatments for restorative surgery or for a condition that would result in incapacity of 3 calendar days if not treated (e.g., chemotherapy, dialysis, etc.)**

Sick Leave for Adoption



- **An employee may use sick leave for any activity necessary for an adoption to proceed (e.g., court proceedings, appointments with adoption agencies, social workers, and attorneys)**
- **Sick leave may be used if the parent is required by the adoption agency or the court to bond with a healthy child**
- **There is no limit on the amount of sick leave that may used for adoption purposes**
- **Sick leave may not be used by an adoptive parent who voluntarily chooses to be absent from work to bond with or care for a healthy adopted child**

Advanced Sick Leave



Limitations or Maximum Amounts:

- **May request up to 104 hours (13 days):**
 - **To receive medical, dental or optical examinations or treatment**
 - **To provide care for a family member incapacitated by a medical or mental condition, or to attend to a family member receiving medical, dental, or optical examination or treatment**
 - **To provide care for a family member who would jeopardize the health of others because of exposure to a communicable disease**
 - **To make arrangements necessitated by the death of a family member or to attend the funeral of a family member**

Advanced Sick Leave



Limitations or Maximum Amounts:

- **May request up to 240 hours (30 days):**
 - **Employee or family member has serious health condition**
 - **Employee unable to perform duties due to incapacitation by physical or mental illness, injury, pregnancy, or childbirth;**
 - **The employee's presence on the job would jeopardize the health of others by his/her presence on the job because of exposure to a communicable disease**
 - **For purposes related to the adoption of a child**
 - **For the care of a covered service member with a serious injury or illness, provided the employee is exercising his or her entitlement to FMLA leave to care for the covered service member**



Family and Medical Leave Act (FMLA)

FAMILY AND MEDICAL LEAVE ACT OF 1993 (FMLA)

- **Job Protection**
- **Entitles Federal employees a total of up to 12 work weeks of UNPAID leave during any 12 month period for certain medical needs**
- **Paid leave may be substituted for unpaid leave if employee elects to do so, within the allowable limits. i.e. amount of sick leave to care for a family member is limited.**
- **Employee must invoke the entitlement to FMLA**
- **Only the amount of FMLA needed for the specific circumstance may be used**
- **Effective June 26, 2013, the Supreme Court ruled that the Defense of Marriage Act (DOMA) is unconstitutional. As a result the definition of family member now includes same-sex spouses**
- **The definition of a family member does not include unmarried domestic partners unless the requirements of a common law marriage are met**

FMLA - Eligibility



- **All employees are eligible to use leave under the provisions of the Family Medical Leave Act (FMLA) except:**
 - **Intermittent employees and**
 - **Employees serving under a temporary appointment with a time limitation of one year or less.**
- **The employee must have completed at least 12 months of civilian service with the Federal Government (not required to be 12 recent or consecutive months). This includes temporary appointments.**

Family and Medical Leave Act



“Family” is defined as the following:

- **Spouse – Opposite or same sex, includes common-law marriage in states where it is recognized**
- **Parent - a biological parent or an individual who stands or stood in loco parentis to employee when employee was a minor, but does not include parents-in-law**
- **Son or Daughter - a biological, adopted, or foster child; a step child; a legal ward; or a child of a person standing in loco parentis who is**
 - **Under 18 years of age**
 - **18 years of age or older and incapable of self-care because of a mental or physical disability**

FMLA - Purposes



- **FMLA covers both family purposes and medical purposes:**
 - **Family**
 - **Birth**
 - **Adoption**
 - **Qualifying exigencies**
 - **Medical**
 - **Employees serious health condition**
 - **Family member's serious health condition**
- **FMLA for birth and adoption is for both care and bonding purposes, so it can be used for a healthy newborn child**

FMLA - Entitlement



- **Under the Family and Medical Leave Act of 1993 (FMLA), most Federal employees are entitled to a total of up to 12 workweeks of unpaid leave during any 12-month period for the following purposes:**
 - **The birth of a son or daughter of the employee and the care of such son or daughter;**
 - **The placement of a son or daughter with the employee for adoption or foster care;**
 - **The care of spouse, son, daughter, or parent of the employee who has a serious health condition;**
 - **A serious health condition of the employee that makes the employee unable to perform the essential functions of his or her positions;**
 - **Any qualifying exigency arising out of the fact that the spouse, or a son, daughter, or parent of the employee is on covered active duty (or has been notified of an impending call or order to covered active duty) in the Armed Forces**

FMLA - Serious Health Condition



- **A serious health condition does not include things such as:**
 - **Routine physicals, eye, dental exams**
 - **A condition requiring over-the-counter medications, exercise, bed-rest**
 - **Cosmetic treatments (unless in-patient)**
 - **Employee's absence because of use of an illegal substance (unless receiving treatment for substance abuse)**
 - **Common cold, flu (with the exception of pandemic influenza), earaches, upset stomach, minor ulcers, headaches (other than migraines), routine dental problems (unless complications arise)**

Paid Parental Leave



- **A New leave category passed as a provision in the FY 2020 NDAA**
- **Provides federal employees with up to 12 weeks of paid leave per year in the case of:**
 - **Birth**
 - **Adoption**
 - **Foster Placement of a Child**
- **Applies only for an event occurring on or after 1 Oct 2020**
- **Awaiting guidance on the implementation**
- **Appears that it will fall under the FMLA requirements**

Leave Without Pay (LWOP-NTE / Personal)



- **Leave without pay (LWOP) is a temporary unpaid status and absence from duty:**
- **In most instances, granting LWOP is a matter of agency discretion and may be limited by agency internal policy**
- **LWOP is generally not intended for pursuing other employment:**
 - **Examples may include:**
 - **A new primary or second Job**
 - **Collegiate Internships**
 - **Overseas contract positions**

Leave Without Pay (LWOP-NTE / Personal)



- **Employees do have an entitlement to LWOP in certain circumstances:**
 - **When an employee invokes FMLA**
 - **Disabled veterans IAW Executive Order 5396 are entitled to use LWOP for necessary medical treatment of a service connected disability**
 - **Employees may not be in a pay status while receiving workers' compensation payments from the Department of Labor**
 - **Uniformed Services Employment and Reemployment Rights Act of 1994 (USERRA) entitles employees to LWOP when employment with an employer is interrupted by a period of service in the uniformed service**
 - **This is considered military furlough or Absent-US**

Leave Without Pay (LWOP-NTE / Personal)



- **NOTIFICATION is KEY!!!!** Lack of notification to the HRO could result in negative impact on benefits
- **LWOP in excess of 30 days requires a Personnel Action which must be submitted to the HRO via an SF52 (request for personnel action) This [request](#) should be submitted prior to, or within one pay period after the proposed LWOP date.**
- **80 hours accumulated LWOP affect the employee's Annual and Sick Leave accrual within that pay period**
- **Various amounts of LWOP can potentially extend requirements or wait periods for career tenure, probationary periods and step increases**
- **Service Computation Date (SCD) – Leave must be recomputed when an employee returns to duty from an aggregate LWOP of more than six months in a calendar year**
- **LWOP status totaling up to 6 months in a calendar year remains creditable service for retirement. LWOP beyond 6 months is not creditable.**
- **The FMLA entitles an employee to 12 weeks of LWOP but the agency may approve LWOP not to exceed up to one year depending on circumstances**

LWOP and Timecard Coding



- **KA** - Code used for non-paid absence from work which is for personal reasons, or due to lack of leave
 - Accumulation of nonpaid hours coded KA can affect things such as pay (WGI) and leave accrual
- **KG** - Code used for any non-paid absence from work which is covered by a military order. This code IAW USERRA law, allows for SUTA and AT with no adverse effect. All increases and entitlements continue as if an employee were present for duty.

Voluntary Leave Transfer Program (Donated)



- Available to Permanent and Indefinite technicians only
- Enables Permanent and indefinite technicians to donate their annual leave to other technicians who have or will have Zero leave balances for both medical and family medical emergencies
- Recipients must apply on OPM 630 and include supportive documentation
- Leave Donors use
 - OPM 630-A – To donate to someone within the agency
 - OPM 630-B – To donate to someone outside the agency
- Must have a ZERO balance of other leave types before using
- Leave donor is limited to half the amount of hours they would accrue in the remainder of the current leave year (5 CFR 630.908)

Voluntary Leave Transfer Program (VLTP)



- **Used for Medical emergencies**
 - a medical condition of either the employee or the employee's family member that is likely to require the employee to be absent from duty for a prolonged period and to result in a substantial loss of income because of the employee's lack of available paid leave
- **To use donated leave, must have **zero balance in both** Annual and Sick leaves**
- **May be used in conjunction with Advanced Sick and Annual leave, also FMLA**

Excused Absence



- **Also referred to as Administrative Leave**
- **Supervisor may authorize an absence of less than one hour (59 min rule)**
- **TAG may grant up to 3-days per CY**
- **Agency sponsored events**
- **Community activities - if in the interest of the agency**
- **Conferences and Conventions - if in the interest of the agency**
- **Blood donation**
- **Registration and Voting**
- **Tardiness and Brief periods of absence up to one hour - if justified**

Excused Absence



- **Additional Excused Absence:**
 - **Required Medical Examinations**
 - **Continuation of Pay - Workers Compensation**
 - **Bone marrow donor – up to 7 days per calendar year**
 - **Organ donor - up to 30 days**
 - **Employee interviews within the agency**
 - **Honor Guard for Military Funerals**

Management Directed Administrative Leave



Management has the right to require an employee to leave the worksite when...

- Employee is not ready, willing and able to perform assigned duties
- Their continued presence is undesirable or poses an immediate threat to government property or the well-being of the employee, co-workers, or the public

A Temporary status to document absences for up to one duty day

Presidential Leave



- **5 days (one work week) of paid leave for Federal Civilian Employees who return from active service in support of the Global War On Terrorism (GWOT)**
 - **Both CONUS and OCONUS duty**
- **Intended to aid in the readjustment to civilian life.**
- **Qualifications: Must be on active duty for a minimum of 42 consecutive days in support of GWOT**
- **MAY NOT BE STOCKPILED. The employee must notify the supervisor of their intent to return to work. Supervisor must then grant Presidential Leave the first work week (40 hours/ 5 days (excluding weekends and holidays) that the employee returns to work.**
- **Can be granted after each activation provided that a 12 month break exists between uses (as modified by CPM-2008-12)**

Other “Excused Absence”



Court Leave

5 USC 6322(a)

Covers an employee who is summoned due to a judicial proceeding as a...

- Juror or,
- Witness on behalf of a state or local government

Compensatory Time Earned



- **Time off with pay, in lieu of overtime pay**
- **Earned at a rate of 1 hour for 1 hour and used in increments determined by local policy**
- **Advance approval is required**
- **Should be used within 26 pay periods of earning or it may be forfeited**
- **Compensatory time should be taken before annual leave, except in those instances where forfeiture of annual leave will occur.**

Compensatory Time For Travel



- **Compensation time off for travel is earned by an employee for time spent in a travel status away from the employee's official duty station when such time is not otherwise compensable.**
- **Travel must be officially authorized and for work purposes and must be approved by an authorized agency official.**



Pay or Forfeiture of Compensatory Time

Earned Comp Time:

- **T32 Dual Status Technicians are not entitled to receive payment for accumulated compensatory time. It will be forfeited upon separation from Federal employment or at the end of 26 pay periods.**
- **T5 Exempt and Non-Exempt employees (GS and FWS) that is unused will be paid out at the employee's overtime rate upon separation from Federal employment or at the end of 26 pay periods.**

Comp Time for Travel – T32 Technicians and T5 employees

- **After 26 pay periods any unused comp time from travel will be forfeited.**

Military Leave - (15 days)



- Paid leave during AD, IDT or ADT
- 120 hours (15 days) each FY – appointments **for more than 1** year
- Pro-rated for part-time employees
- Annual Carryover 120 hrs – NTE 240 hrs yearly
- Charged **in hourly** increments
- No same-day dual scheduling on Title 32 orders and as technicians
- Temporary employees NTE – not eligible

Military Leave - (22 days)



- **Paid leave for emergency aid in support of civil authorities in the protection of life & property, or military duty in support of contingency operations**
- **176 hours (22 days) per calendar year**
- **Charged **in hourly** increments**
- **Non-Workdays and Holidays aren't charged**
- **Member is entitled to the greater pay of civilian or military – Not both**
- **Temporary employees NTE – not eligible**

State Active Duty (SAD)



Military technicians who are required to perform State Active Duty (SAD) may elect any of the following types of leave to cover their absence:

- **annual leave**
- **LWOP Personal**
- **compensatory time**
- **22 days leave (LEL) provided under 5 USC 6323 (b)**

***Under no circumstances will a technician use the 120 hours of military leave under 5 USC 6323(a), sick leave, or excused absence (administrative leave) to perform SAD. Reference: AGOR 37-3 (Army) AGOR 177-6 (Air)**

****There is no charge for leave when SAD is performed on non-workdays or holidays.**

State Active Duty (SAD)



Dual compensation rules dictate that any technician who performs SAD be required to take a full day of leave for each day of such service, even if the SAD functions are performed after the normal technician working hours.

***The only exception to this requirement occurs when the technician first learns of the necessity to perform SAD during a workday. In this circumstance, the technician will be required to take leave only for the hours absent from work for the remainder of that day. The technician will be required to take a full day of leave for each subsequent day of SAD.**

Military Leave - (44 days)



- **Must be on active duty orders without pay**
- **352 hours (44 days) per calendar year**
- **Must be outside the U.S., territories and possessions**
- **Orders must identify the period of leave**
- **Charged **in hourly** increments**
- **Non-Workdays and Holidays aren't charged**
- **Will receive technician pay for weekdays and military pay for weekends**
- **Temporary employees NTE – not eligible**



Technician Absent for Uniform Service (AUS) and Return to Duty (RTD)

- **USERRA**
- **Benefits Elections**
- **Required Personnel Actions**

Absent- US (AUS)



- **Unpaid absence for military duty**
 - **Submit a RPA (SF-52) effective the first day the technician is going AUS**
 - **Submit an Absent-US (AUS) elections form with or through the supervisor**
- **Paid leave may be used intermittently but is discouraged**
 - **May complicate things, such as Mil Dep and TSP contributions**
 - **Leave is prorated**
- **Pay actions and personnel actions are different**

****Report any and all changes in your orders****

Absent- US (AUS)



Reservist Differential

- **Pays the difference between civilian pay and military pay and allowances to avoid a loss in normal pay**
- **Must be called to active duty in a title 10 status under specific authorities in support of a contingency**
- **Must be entitled to reemployment rights under USERRA**
- **Must provide:**
 - **copies of all military and civilian LES's**
 - **Time cards showing “KG” status**
 - **All orders and DD 214**



Uniformed Services Employment & Reemployment Rights Act - (USERRA)

- **USERRA - PL 103-353 effective 12 Dec 94**
- **Effective 2 May 2015 Statutory Tours are no longer exempt**
- **Established right to civilian reemployment for up to five cumulative years of non-exempt military service**
- **Advance written or verbal notification to employer required.**
- **State Active Duty does not qualify**

USERRA - Cont'd



Types of Military service exempted from the 5-year limit:

- **Regular Scheduled IDT and Annual Training**
- **Involuntary Active Duty for National Emergency up to 24 mos**
- **War or Declared National Emergency as defined by 10 USC 101(a)(13), (Voluntary / Involuntary)**
- **Authorities for this exemption must be specified on the orders**



TECHNICIAN

Election of Employment Status

ABSENT – US

- **Expects to return to technician status**
- **Eligible to keep ongoing benefits**
- **Retains USERRA job restoration rights**

Separation – US

- **Doesn't expect to return to technician status**
- **No ongoing benefits, FEHB stops coverage 31 days after cancelled & FEGLI stops at 12 months**
- **Retains USERRA job restoration rights**



TECHNICIAN ABSENT-US Elections

Before leaving for Military Service: Technician and Supervisor must complete an [Absent-US Election form](#) for HRO

Election form consists of : “From and To” dates of absence

Insurances - FEHB, FEGLI, FEDVIP, NGAUS

TSP - Loan notification, TSP make-up

Use of Leave types

EOB - Explanation of Benefits sheet

Must attach copy of orders and SF52 Request for Personnel Action

Reminders:

Review beneficiary forms

Allotments – non-pay status will STOP allotments - make arrangements if necessary

Leave Options



- **Paid Status (Annual, Mil Leave, Comp Time)**
 - All deductions will be taken out
 - All premiums, TSP contributions, retirement contributions continue
- **May use paid leave intermittently with leave without pay**
 - May complicate things such as military deposits and TSP (not recommended)
 - All normal deductions will be taken out each time entering a paid status
- **Unpaid leave**
 - Leave balances remain in your account

TECHNICIAN

Return to Duty (RTD) Elections



Upon returning to Technician employment: Technician is responsible to complete RTD Election form with or through the supervisor for HRO

Election form consists of :

RTD (Return to Duty) date AND a RTW (Return to Work) date

Insurances - FEHB, FEGLI, FEDVIP, NGAUS

TSP - Loan notification, TSP make-up

Use of Leave types

EOB - Explanation of Benefits sheet

Must attach copy of orders/DD214 and SF52 Request for Personnel Action

Thrift Savings Plan – (TSP)



TSP Makeup upon RTD from Military Service

- **60 day suspense** to submit TSP Makeup contribution requests to HRO
- Based on employee's most current TSP 1 form on file
- FERS - retroactive Agency 1% contributions for period of absence.
- FERS - retroactive Agency Matching Contributions as your makeup contributions are made payroll deduct.
- Repayment period: up to 2x the # of pay periods in which contributions were missed (example: 1 year is 26 pays = 52 pays to makeup)
- Uniformed TSP (TSP-1-U) – will offset or ILO amount of retroactive contributions into Civ TSP – **Submit ALL Military and Civilian LESs** showing TSP contributions

Military Deposits



Post-56 Military Service is **not** creditable
for FERS retirement purposes,

unless

the Military Service Deposit is **paid**

Military Deposits



A deposit is **required** for military service to be creditable toward civilian retirement

- Military Deposits **CANNOT** be paid after retirement. They **must** be completed before separating the agency!
- When Military service is prior to Appointment as a Federal Employee.
 - Interest Accrual Date (IAD) begins 2 years after your initial appointment date.
 - Interest begins to be applied at the end of the third year from your initial appointment date.

Military Deposits under USERRA rules



Deposits are also based on the FERS contribution percentage of your Federal salary at the time of your Absent-US

- **Deposit amount owed will be the lesser of the military calculation or the FERS contribution amount you would have paid**
- **Interest Accrual date (IAD) begins 2 years after your RTD**
- **Interest will start being applied if the deposit is not paid in full within 2-3 years from your RTD**

Military Deposit Amount



Deposit Calculations:

- **Service prior to 1999 equals 3% of base pay earned plus interest**
- **Service during 1999 equals 3.25% of base pay earned plus interest**
- **Service during 2000 equals 3.4% of base pay earned plus interest**
- **Service after 2000 equals 3% of base pay earned plus interest**
- **Interest rates charged are variable and are determined each year**

- **If service falls under provisions of USERRA the deposit is the lesser of the applicable base pay percentage or the amount of FERS contributions you would have paid**

Military Deposits Payments



What are my options to pay for the deposit?

- **A lump sum payment can be made by check directly to DFAS**
- **Payroll deductions may be initiated. Must be at least \$25 per deduction**
- **Payment can be made online through: <https://www.pay.gov>**

Military Deposit Process



- **Complete Form RI 20-97 *Estimated Earnings During Military Service*; send to the appropriate branch of service (addresses are on the ABC-C website). Include supporting documents (i.e.. DD 214s or orders)**
- **Upon receipt of estimated earnings from DFAS, complete SF 3108 page 1 and SF 3108A attach DD 214 and RI-2097**
 - **Forward to the ABC-C for Pre-Technician service.**
 - **Forward to HRO benefits section for USERRA service**
- **The ABC-C or HRO will calculate an estimate of the deposit owed and forward to DFAS.**
- **DFAS will finalize the amount owed and advise you of payment options. Payments are made by payroll deduction , lump sum payment by check directly to DFAS-Cleveland or online through the new pay.gov option.**
- **Ensure “Payment In Full” notice is filed in OPF.**

More information is available on the ABC-C website at: <https://www.abc.army.mil/retirements/retire.htm>

NON-Deduction Service (Temporary)



Any period of Federal civilian service during which retirement deductions were **not taken from base pay**

- **Temporary Service**
- **FICA Only Service**

FERS Credit For NON-Deduction Service (Con't)



Civilian Service Performed prior to 1/1/89:

- If deposit is not paid, service is not creditable for retirement eligibility or computation of annuity
- If deposit is paid, service is creditable for retirement eligibility and computation of annuity

FERS Credit For NON-Deduction Service (Con't)



Deposit Calculation:

- Amount due will be equal to 1.3% of the basic pay earned in non-deduction employment, plus interest
- Interest rate charged is determined by when the non-deduction service was performed

FERS- credit for NON-Deduction Service



Civilian Service performed on/or after 1/1/89:

- **No** retirement credit is allowed for non-deduction service performed on or after this date
- There is **no** deposit option under the current retirement rules or laws

FERS Refunded Service



Any period of creditable civilian service for which retirement deductions were withheld from base pay, and then later refunded to the employee upon separation from Federal employment

FERS Redeposit Service



- **As of October 28, 2009, FERS employees that had received a REFUND of retirement contributions may now redeposit their earlier contributions, plus interest, upon reemployment with the federal government.**
- **This will make the time once again creditable for eligibility and retirement annuity calculations**
- **The amount owed is 1.3% of basic pay, plus applied interest**

FERS RETIREMENT SYSTEM



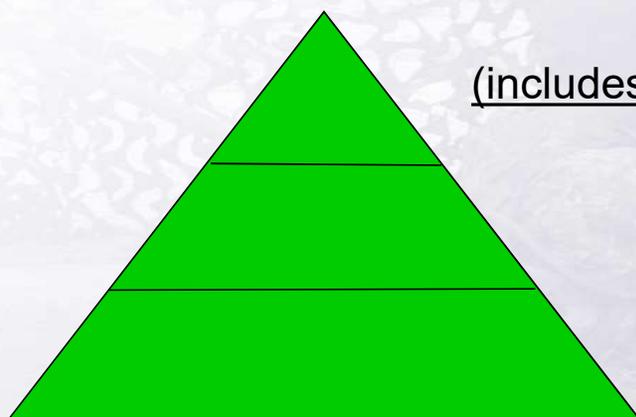
**The Federal Employee Retirement System (FERS) is a multi-tiered retirement system composed of three basic parts:
(sometimes referred to as a three legged stool)**

- **FERS Basic Annuity – A defined benefit plan**
- **Thrift Savings Plan – A defined contribution plan**
- **Social Security benefits at age 62 (OASDI)**
- **A FERS Special Annuity Supplement may be paid until age 62 (If applicable)**

FERS RETIREMENT SYSTEM



3-tiers of the FERS retirement system
FERS annuity is the smallest component
TSP is intended to make up the largest portion of your total retirement with proper planning



FERS Annuity
(includes FERS-RAE & FERS-FRAE)

Social Security

Thrift Savings Plan

Federal Employees Retirement System (FERS)



FERS Contribution Rates (Generally - If under FERS on or before 12/31/2012)

Category	FERS Contribution Rates (%)		
	Normal Cost %	Employee %	Agency %
Regular (Non Dual Status)	12.7	.8	11.9
Military Reserve Tech	15.7	.8	14.9

(.8% = \$8.00 per thousand earned)

Federal Employees Retirement System (FERS)



Revised Annuitant Employee

FERS-RAE Contribution Rates

(Generally - If first hired under FERS 1/1/2013 – 12/31/2013)

Category	FERS RAE Contribution Rates (%)		
	Normal Cost %	Employee %	Agency %
Regular (Non Dual Status)	12.7	3.1	9.6
Military Reserve Tech	15.7	3.1	12.6

(3.1% = \$31.00 per thousand earned)

(An increase over FERS of 2.3% = \$23.00 per thousand earned)

Federal Employees Retirement System (FERS)



Further Revised Annuitant Employee

FERS-FRAE Contribution Rates

(Generally - If first hired under FERS on or after 1/1/2014)

Category	FERS FRAE Contribution Rates (%)		
	Normal Cost %	Employee %	Agency %
Regular (Non Dual Status)	12.7	4.4	9.6
Military Reserve Tech	15.7	4.4	12.6

(4.4% = \$44.00 per thousand earned)

(An increase over FERS of 3.6% = \$36.00 per thousand earned)

(An increase over FERS RAE of 1.3% = \$13.00 per thousand earned)

FERS Retirement Eligibility



Minimum Requirements:

- **5 years of creditable civilian service**
- **Retire from a FERS-covered position**

Types:

- **Voluntary / Optional Retirement (Immediate)**
- **Early Optional / Voluntary (Immediate)**
- **Discontinued Service Retirement (Immediate)**
- **Deferred Retirement (Not immediate)**
- **Disability Retirement (Immediate)**
- **Special Provision for Military Reserve Technicians**

Minimum Retirement Age (MRA)



If you were born:	Your MRA is:
Before 1948	55
1948	55 and 2 months
1949	55 and 4 months
1950	55 and 6 months
1951	55 and 8 months
1952	55 and 10 months
From 1953 to 1964	56
1965	56 and 2 months
1966	56 and 4 months
1967	56 and 6 months
1968	56 and 8 months
1969	56 and 10 months
1970 or later	57

FERS Voluntary / Optional Retirement



Minimum
Age:

Minimum Years
of Service:

MRA

30

60

20

62

5

FERS Voluntary / Optional Retirement

MRA +10



Minimum

Age:

MRA

Minimum Years

of Service:

**At least 10 years
of service, but
fewer than 30**

FERS Voluntary / Optional Retirement MRA +10



- The reduction for taking an MRA +10 annuity is 5% per year for each full year you are under age 62 at the time the annuity begins (.42% for each full month).
- The age reduction in the annuity is permanent **unless** the annuity is postponed to age 60 w/20+ years.
- You may also be eligible to have FEHB and FEGLI reinstated if you **postpone** collecting annuity.

FERS

Voluntary Early Optional Retirement



Minimum Age:

50
Any

Minimum Years of Service:

20
25

- Early optional eligibility rules are the same as the DSR
- No reduction in the annuity for being under age 55
- This retirement is **NOT** an option proposed by the employee, your employing Agency makes an offer for Early retirement
 - (example; RIF, Reorganization or Restructuring)

FERS Discontinued Service Retirement (DSR)



Minimum Age:

50
Any

Minimum Years of Service:

20
25

- **Involuntary Separation from Civilian Service**
- **Eligible for Special Annuity Supplement at MRA**
- **No reduction in the FERS annuity for being under age 55, unless you have a CSRS Component. In such an instance the CSRS component will be reduced by 2% per year for each year under age 55**

Deferred Retirement



- **Employee separates before reaching eligibility for an immediate annuity**
- **Retirement contributions remain in the retirement fund**
- **Loses entitlement to benefits permanently (FEHB/FEGLI)**
- **May apply for annuity when eligible**
- **Deferred retirements NEVER qualify for the special annuity supplement**

Deferred Retirement



Minimum Age:

MRA

Minimum Years of Service (YOS):

10- 29 yrs.

- **Reduction is 5% for each full year under age 62**
- **If over 20 YOS you may draw at age 60 w/o reduction for age**
- **No provision to allow reinstatement of FEHB or FEGLI**
- **Survivor Benefit is available.**

Deferred Retirement (Unreduced)



Minimum

Age:

60

62

Minimum Years

of Service:

20

5

OPM's Definition of Disability



- **You must have a physical or mental impairment that renders you incapable of performing the duties of your last-held position,**
AND
- **Your agency must certify they are unable to make a reasonable accommodation (a job at the same pay or grade level, within the same commuting area, and one in which you can be expected to perform useful and efficient service),**
AND
- **Your disabling condition should be medically expected to last for at least one year.**

Disability Retirement



Minimum Age:

Any

Minimum Service:

18 months

FERS employees must apply for Social Security disability benefits at the time they apply for the OPM disability benefits

Special Provision for Military Reserve Technicians (MRT)



(Dual Status)

- **Special Provision for Involuntary Separation from Military membership**
 - **Not due to misconduct, delinquency or failure to maintain standards**
- **Age and service requirements are based on the date when first hired in a covered position (if hired on or before 10 FEB 1996, or after; see handout)**
- **The Special Annuity Supplement is payable up to age 62**
 - **Earnings test will apply from MRA until age 62**
 - **Earnings amount mirrors social security rules**
- **Unique to FERS**
- **No age reduction**

Special Provision for Military Reserve Technicians (MRT)



(Dual Status)

If first hired on or before 10 Feb 1996

- **Age 50 with 25 years of creditable federal service allows for immediate supplement payment**
- **Federal service includes all other service deemed creditable under FERS to include prior Title 10 military service with completed deposits**

Special Provision for Military Reserve Technicians (MRT)



(Dual Status)

If first hired after 10 Feb 1996

- Age 50 with 20 years of creditable **“military technician”** service, ***or*** any age with 25 years of creditable **“military technician”** service
- Other service creditable under FERS and prior Title 10 military deposit service **cannot** be used to achieve the **“minimum” military technician** years of service for **eligibility** purposes



Military Reserve Technicians

- **Public Law 97-253 for Military Reserve Technicians**
- **May be eligible for disability retirement without meeting eligibility requirements for regular disability retirement when the technician has at least 18 months of service,**
- **AND**
- **Suffers from a disabling condition that medically disqualifies them for military membership**



Annuity Computations



Elements of the Annuity



- **Length or Amount of Creditable Service for Retirement Purposes**
- **High Three Average Salary**

Length of Creditable Service



- **Total years of service that is deemed creditable for retirement calculation purposes**
- **May include civilian service, active duty military service, and unused sick leave**
- **Annuity is calculated using only whole years and months of service; fractional parts of a month or individual days are not used**

Creditable Service



EXAMPLE:

Civilian	28 years,	1 mos.,	03 days
<u>Military</u>	<u>04 years</u>	<u>2 mos.,</u>	<u>06 days</u>
Equals	32 years,	3 mos.,	09 days
Or	32 years,	3 mos.	XXXXX

Types of Potentially Creditable Service



- **LWOP - personal** (up to 6 months per year)
- **Worker's Compensation time**
- **Part-time Service** (not temporary service)
- **Intermittent Service**
- **Breaks in service of up to 3 days**
- **Temporary service, if performed before 1 Jan 1989**
(with deposit)
- **Title 10 Active Duty / "Qualified" title 32** (with deposit)

HIGH-3 AVERAGE SALARY



- **Highest rate of basic pay in effect over any 3 consecutive years of service**
- **Usually the last three years of salary, but may be from a prior period of service where salary was higher OR lower than last 3 years worked**

HIGH-3 AVERAGE SALARY



Included in Basic Pay:

- **Locality pay**
- **Special pay rates**
- **Temporary promotions**
- **Night differential for WG employees**

HIGH-3 AVERAGE SALARY



Not included in Basic Pay:

- **Overtime**
- **Cash Awards and Bonuses**
- **Military Pay**
- **Holiday Pay**

FERS ANNUITY FORMULA



1.0% X High-3 X Years & Months of service

**20 years of Service
\$60,000 High-three
Retiring before age 62**

(1% X 20 years) X \$60,000 = \$12,000

(If retiring after age 62 with at least 20 years of service the multiplier changes from 1% to 1.1%)

FERS Special Annuity Supplement



- Payable up to age 62 when you retire on an immediate, unreduced annuity (MRA with 30 or 60 with 20)
- Payable **at** MRA if you take early retirement (Early-out, DSR)
- Payable **immediately** if qualified under the special provision for military reserve technicians
- Not eligible for the supplement if retiring on a deferred or reduced annuity such as an “MRA +10” or disability

FERS Special Annuity Supplement



- Supplement stops at age 62
- Fully taxed and is not increased for cost of living
- The Supplement is subject to an earnings test in any year your earned wages exceed the annual exempt amount (**\$18,240 for 2020**)
- Earnings test does NOT apply to MRT rule until reaching your MRA

FERS Special Retirement Supplement



General Formula used to calculate the retirement supplement:

(Example with 22 years of service)

**Age 62 SS benefit x (# Years of FERS Service
Divided by 40)**

**Example: \$1,200 x (22/40) = \$660 per month
(\$660 x 12 = \$7,920 Annually)**

FERS Cost of Living Adjustments



COLAS

FERS annuities are generally not indexed for cost of living until age 62

The Exceptions:

Disability Annuitants

Survivor Beneficiaries

FERS Cost of Living Adjustments (COLA)



Based on Consumer Price index

**If increase
in CPI is:**

2% or less

2 to 3%

Above 3%

**The amount
of COLA is:**

Equal to increase

2%

CPI minus 1%

Commencement Date of Annuity



FERS Voluntary / Early Voluntary (Optional):

Annuities commence the 1st day of month *following* the month of separation

Discontinued Service / MRT Retirements:

Begins on the day after separation

Disability Retirements:

Begin the day after the last day of pay

FERS Disability Benefits



During the first year :

You will receive **60%** of your high-3 average salary, **minus 100%** of any Social Security disability benefit that is payable

The second year until age 62 :

You will receive **40%** of your high-3 average salary, **minus 60%** of any Social Security disability benefit that is payable

FERS Disability Benefits



At age 62:

- **The annuity is recomputed using the FERS formula (1% X High-3 average salary times X years of service)**
- **Your original high-three average salary will be adjusted by all COLAs received up to age 62**
- **You will receive service credit for the time you have been on the disability rolls**

FERS Creditable Service



- **Civilian Civil Service**
- **Honorable Military Service (If Deposits are Paid)**
- **Unused Sick Leave**
 - **100% service credit will be given to FERS retirees that retire on or after 1/1/2014 for unused sick leave**
 - **Does not qualify towards minimum service requirements or eligibility requirements**
 - **Added on top of creditable time for calculation purposes**

Chart 2. -- Sick Leave Chart 2087 Hours

Chart for Converting Hours of Unused Sick Leave to Months and Days (See section 50A2.1-3G).

DAYS	1 Day	1 Month	2 Months	3 Months	4 Months	5 Months	6 Months	7 Months	8 Months	9 Months	10 Months	11 Months
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	93	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	146	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



Payment For Unused Annual Leave



- You will receive a lump-sum payment for any unused annual leave
- Payment is made at your current hourly rate upon separation
- Payment is taxable in the year in which it is received
- If you retire before a new leave year begins, you'll receive payment for your maximum carry-over and any “use or lose” leave
- Annual leave **may not** be used as “terminal leave” upon retirement except under special circumstances if required to meet retirement or FEHB eligibility due to an involuntary separation, such as a RIF
 - Ref: P.L. 78-525

Other Leave Types Upon Separation



- **Generally, any leave type other than Annual or Sick will be forfeited upon separation**
- **This includes:**
 - **Military Leave**
 - **Compensatory Time for Travel**
 - **Compensatory Time Earned for T32 Technicians**
 - **Time off award**



Thrift Savings Plan

TSP



Thrift Savings Plan



- **TSP Basic Highlights**
- **TSP Tax Benefit**
- **Contribution Elections**
 - **Uniformed / Civilian (FERS)**
 - **Catch up / Make up**
 - **Allocation / inter-fund transfers**
 - **Loan Program**
- **Investment Options**
 - **Types of funds available**
- **Death Benefits**
- **Court Ordered Payments**
- **Transfers / Rollovers and Withdrawals**
- **Roth TSP**



**THRIFT
SAVINGS
PLAN**

Thrift Savings Plan Highlights



- **RETIREMENT savings & investment program that provides a choice for the tax treatment of contributions**
 - Temporary employees are not eligible but may still contribute to the Uniform TSP
- Traditional (pre-tax) contributions and investment earnings are tax deferred
- Roth (after tax) contributions – investment earnings are tax exempt
- Provides an opportunity for you to increase your retirement savings and income
- Return is based on type of investment
- Start, change, or stop contributions at any time
 - Civilian Federal Employees (Technicians) - through Employee Benefits Information System (EBIS)
 - Traditional Guardsmen through “MyPay”

TSP Tax Benefits



- **Traditional TSP participant contributions are Tax Deferred**
- **Contributions are payroll deducted from the gross bi-weekly salary directly deposited into your TSP account**
- **Federal taxes are then computed and withheld based against the reduced gross amount**
- **Taxes are deferred until a withdrawal of the account is made**

TSP Tax Benefit



Example of Deferred Tax Benefit

Bi-weekly Basic Pay (gross)	\$1,470.00
TSP Election: (% or \$)	X 10%
TSP contribution :	\$147.00
Basis for Federal Tax Withholding	\$1,470.00
TSP payroll deducted	- \$147.00
Taxable Income:	\$1,323.00
Annual Income Earned:	\$38,220.00
TSP Contributions (26 X \$147.00):	- \$3,822.00
Taxable Annual Income :	\$34,398.00

TSP Contribution Elections



- **Form TSP-1 civilian or TSP-U-1 for uniformed accounts**
- **Participants may elect to start, stop, change, or resume contributions at any time**
- **Self Service – *Government Retirement and Benefits Platform (GRB) - (Formerly known as Employee Benefits Information System - EBIS)***
 - **Elections must be expressed in whole dollars or a whole percentage**
- **The election is effective the first full pay period after it's input**
- **50 years of age or older are eligible for Catch-up contributions in addition to the annual elective deferral limit**

Contribution Elections



- **Agency Contribution - 1% of the “gross amount” of bi-weekly pay**
 - **NOT** based on employee contribution
 - Subject to **3 year vesting**
- **Employee Contribution - Eligible to contribute at hire date**
 - Contribution amount may not exceed the total annual elective deferral limit
- **Newly hired technicians are automatically enrolled at 3%**
 - Automatic enrollment will increase to 5% beginning 1 Oct 2020
 - You may opt out or discontinue contributions
- **Employee Contributions and Agency matching contributions are NOT subject to vesting requirement**

TSP Contributions and matching capabilities



Employee Contributes:	Agency Automatic Contribution:	Agency Matching:	Total Contributions:
0%	1%	0%	1%
1%	1%	1%	3%
2%	1%	2%	5%
3%	1%	3%	7%
4%	1%	3.5%	8.5%
5%	1%	4%	10%
More than 5%	1%	4%	Employee's + 5%

TSP Employee Contribution Example



Bi-weekly Basic Pay (gross)	\$2302.00
5% Personal TSP Election (LES = TSP Savings/Roth)	<u>\$115.10</u>
*1% Agency (LES =TSP Basic)	23.02
*4 % Agency Match (LES = TSP Matching)	<u>92.08</u>
*FREE MONEY!	115.10

Each pay total contribution: \$ 230.20

***Agency contribution and match is calculated against bi-weekly gross pay.**

Maximum Annual Contributions



- **You can Contribute:**
 - **Up to 100% of basic pay – may meet limits too fast and cost matching contributions!**
 - **subject to the IRS Code annual limits**
 - **Sec 402(g), elective deferral limit (\$19,500 for 2020)**
 - **Sec 415(c), annual additions limit (\$57,000 for 2020)**
- **Combat Zone Tax Exempt (CZTE) contributions**
 - **Maximum Combat Zone tax exemption for enlisted and WO is up to 100% of pay**
 - **Maximum Combat Zone Tax Exemption for officers is limited to the highest rate of enlisted pay. (plus imminent danger/hostile fire pay received)**
 - **\$8,803.50 per month (\$8,578.50 + \$225 imminent danger pay) for 2019**

(IRS Publication 3, page 15, dated 20 Feb 2020)

Maximum Annual Contributions



ELECTIVE DEFERRAL LIMIT:

Year:

Annual Limit:

2020

\$19,500

- Approximately \$750 per pay period for 26 pay periods

Sample Projections of Possible TSP Contributions and Growth

Number of Years	Individual Contributions To TSP				
	Annual Individual Contribution	Total Individual Contribution	Annual Interest Earned	Total Interest Earned	Year End Balance
1	\$2,000	\$2,000	\$100	\$100	\$2,100
2	\$2,000	\$4,000	\$205	\$305	\$4,305
3	\$2,000	\$6,000	\$315	\$620	\$6,620
4	\$2,000	\$8,000	\$431	\$1,051	\$9,051
5	\$2,000	\$10,000	\$553	\$1,604	\$11,604
6	\$2,000	\$12,000	\$680	\$2,284	\$14,284
7	\$2,000	\$14,000	\$814	\$3,098	\$17,098
8	\$2,000	\$16,000	\$955	\$4,053	\$20,053
9	\$2,000	\$18,000	\$1,103	\$5,156	\$23,156
10	\$2,000	\$20,000	\$1,258	\$6,414	\$26,414
11	\$2,000	\$22,000	\$1,421	\$7,834	\$29,834
12	\$2,000	\$24,000	\$1,592	\$9,426	\$33,426
13	\$2,000	\$26,000	\$1,771	\$11,197	\$37,197
14	\$2,000	\$28,000	\$1,960	\$13,157	\$41,157
15	\$2,000	\$30,000	\$2,158	\$15,315	\$45,315
16	\$2,000	\$32,000	\$2,366	\$17,681	\$49,681
17	\$2,000	\$34,000	\$2,584	\$20,265	\$54,265
18	\$2,000	\$36,000	\$2,813	\$23,078	\$59,078
19	\$2,000	\$38,000	\$3,054	\$26,132	\$64,132
20	\$2,000	\$40,000	\$3,307	\$29,439	\$69,439
21	\$2,000	\$42,000	\$3,572	\$33,010	\$75,010
22	\$2,000	\$44,000	\$3,851	\$36,861	\$80,861
23	\$2,000	\$46,000	\$4,143	\$41,004	\$87,004
24	\$2,000	\$48,000	\$4,450	\$45,454	\$93,454
25	\$2,000	\$50,000	\$4,773	\$50,227	\$100,227
26	\$2,000	\$52,000	\$5,111	\$55,338	\$107,338
27	\$2,000	\$54,000	\$5,467	\$60,805	\$114,805
28	\$2,000	\$56,000	\$5,840	\$66,645	\$122,645
29	\$2,000	\$58,000	\$6,232	\$72,878	\$130,878
30	\$2,000	\$60,000	\$6,644	\$79,522	\$139,522

Basic assumptions:

Annual income of \$40,000

Individual is contributing 5% into their TSP

Agency automatic and matching contributions total 5%

Annual rate of return on investment at 5%

Does not take into consideration any future pay raises or increases in contributions

Sample Projections of Possible TSP Contributions and Growth

Number of Years	If Combined With Additional Agency Contributions To TSP				
	Annual Agency Contribution	Total Combined Contribution	Combined Annual Interest Earned	Total Combined Interest Earned	Combined Year End Balance
1	\$2,000	\$4,000	\$200	\$200	\$4,200
2	\$2,000	\$8,000	\$410	\$610	\$8,610
3	\$2,000	\$12,000	\$631	\$1,241	\$13,241
4	\$2,000	\$16,000	\$862	\$2,103	\$18,103
5	\$2,000	\$20,000	\$1,105	\$3,208	\$23,208
6	\$2,000	\$24,000	\$1,360	\$4,568	\$28,568
7	\$2,000	\$28,000	\$1,628	\$6,196	\$34,196
8	\$2,000	\$32,000	\$1,910	\$8,106	\$40,106
9	\$2,000	\$36,000	\$2,205	\$10,312	\$46,312
10	\$2,000	\$40,000	\$2,516	\$12,827	\$52,827
11	\$2,000	\$44,000	\$2,841	\$15,669	\$59,669
12	\$2,000	\$48,000	\$3,183	\$18,852	\$66,852
13	\$2,000	\$52,000	\$3,543	\$22,395	\$74,395
14	\$2,000	\$56,000	\$3,920	\$26,314	\$82,314
15	\$2,000	\$60,000	\$4,316	\$30,630	\$90,630
16	\$2,000	\$64,000	\$4,731	\$35,361	\$99,361
17	\$2,000	\$68,000	\$5,168	\$40,530	\$108,530
18	\$2,000	\$72,000	\$5,626	\$46,156	\$118,156
19	\$2,000	\$76,000	\$6,108	\$52,264	\$128,264
20	\$2,000	\$80,000	\$6,613	\$58,877	\$138,877
21	\$2,000	\$84,000	\$7,144	\$66,021	\$150,021
22	\$2,000	\$88,000	\$7,701	\$73,722	\$161,722
23	\$2,000	\$92,000	\$8,286	\$82,008	\$174,008
24	\$2,000	\$96,000	\$8,900	\$90,908	\$186,908
25	\$2,000	\$100,000	\$9,545	\$100,454	\$200,454
26	\$2,000	\$104,000	\$10,223	\$110,677	\$214,677
27	\$2,000	\$108,000	\$10,934	\$121,610	\$229,610
28	\$2,000	\$112,000	\$11,681	\$133,291	\$245,291
29	\$2,000	\$116,000	\$12,465	\$145,755	\$261,755
30	\$2,000	\$120,000	\$13,288	\$159,043	\$279,043

Exceeds individual annual contribution

Exceeds individual total contribution

Exceeds individual contribution to date

Exceeds individual total contribution

Basic assumptions:
 Annual income of \$40,000
 Individual is contributing 5% into their TSP
 Agency automatic and matching contributions total 5%
 Annual rate of return on investment at 5%
 Does not take into consideration any future pay raises or increases in contributions

TSP Catch-up Contributions



- Available to TSP participants in January of the year they reach **age 50**
- Additional contributions are a **supplement** to regular employee contributions and are in addition to the annual elective deferral limits
- Must be in a pay status and contributing the maximum in regular elective contributions to your TSP account
- Catch-up contributions are **NOT** matched
- Contributions elections are made using Form TSP-1-C or submitting a transaction in GRB
- Must be initiated every year in a whole dollar amount - doesn't carry over to next year
 - TSP plans to switch to the “Spillover Method” beginning in the first pay period of 2021
 - Individuals will no longer have to reenroll. It will automatically carry forward once they have reached the elective deferral limit for that year
 - Will help to prevent loss of agency matching caused by trying to time contributions

Catch-up Contributions Limits



May begin contributions in the YEAR you turn 50

Annual Contribution Limit

2020* = \$6,500

Possible Total Annual Deferred Contribution

\$19,500 + \$6,500 = \$26,000

(Regular + catch-up)

(Note: uniform services in a combat zone: \$57,000 + \$6,000 = \$63,000)

***subject to increases to reflect inflation**

Employees in a Non-Pay Status



- **Employees in a non-pay status may not contribute to TSP; agency automatic and matching contributions will also stop (If on Absent-US employee may enroll or contribute in uniformed service TSP)**
- **Employees cannot obtain a loan while in a non-pay status**
 - **Potential exceptions during a lapse in appropriations**
- **Employees MAY change contribution election, make inter-fund transfer or make an in-service withdrawal**
- **Employees who return to pay status cannot make up contributions for periods of non-pay (Exception for USERRA)**

Deployments and Military Duty



- **USERRA**
 - **Uniformed Services Employment Reemployment Rights Act**
- **Entitles Fed employees during ABSENT-US:**
 - **Make-up missed Contributions**
 - **Request the Agency Contribution (1%)**
 - **Request the Agency Matching Contribution (up to 4%)**
- **Make up Payments**
 - **Installments or Lump sum**
 - **Uniformed TSP contributions**
 - **Must be requested through HRO within 60 days of the return to duty**



***Must have all active duty Military and Civilian LESs**

Make-Up Contributions



- **Make-up contributions are subject to the limit for the year they should have been made-they do not count against the current year's limit**
- **In the event a person exceeds the IRS maximum contribution TSP will refund the excess contributions.**
- **When an overage occurs from a combined Uniform and Federal TSP account the refund will come from the uniform TSP first**

TSP Loan Program



- **Must be a current employee in a paid status; retirees may not obtain a loan**
- **Must have at least \$1,000 of own contributions and earnings**
- **Loan Amounts:**
 - **Minimum \$1,000** - **Maximum \$50,000 (IRS Limit)**
- **Payments made by payroll deduction. Additional payments or loan pay off may be made at any time (Coupons are available online)**
- **Loan fee: \$50.00 for admin cost**
- **Two types of loans available**

TSP Loan Program



General Purpose Loans:

- May be used for any purpose
- Repayment is from 1 to 5 years
- No loan documentation is required

Residential Loans:

- Used for purchase of primary residence
- Repayment period is from 1 to 15 years
- Documentation is required to support the loan



*** The Spouse of a married FERS employee must consent to the loan agreement**

Allocation and Inter-fund Transfer (IFT)



Allocation

vs.

Inter-fund Transfer

- Identify which funds you want your contribution deposited
- Allocate future contributions
- Changes of an allocation is generally effective as of close of business each day based on 12 noon ET cutoff
- Change thru Thrift line or web
- Confirmation via email

- Move a portion or all of a balance between Funds
- Two IFT per month- after that you can move ONLY to the “G” fund.
- Changes for IFT are generally effective as of close of business each day based on 12 noon ET cutoff
- Thrift Line, or Web site
- Confirmation via email

Allocation and Inter-fund Transfer request are submitted by the individual through the TSP Thrift line at 1-877-968-3778 or on the TSP website at www.tsp.gov

TSP INVESTMENT OPTIONS



The TSP offers participants two approaches to investing money:

**Individual
Funds**

and

**Lifecycle
Funds**

- **Individual Funds:**
 - **(G, F, C, S & I Funds)**
- **Lifecycle Funds:**
 - **Invested automatically in a mixture of the above funds based on a time horizon or target retirement date**
- **TSP Funds are trust funds regulated by the office of the Comptroller of the Currency and not the Security and Exchange Commission (SEC), they do not have ticker symbols**

Investment Considerations



Time Horizon



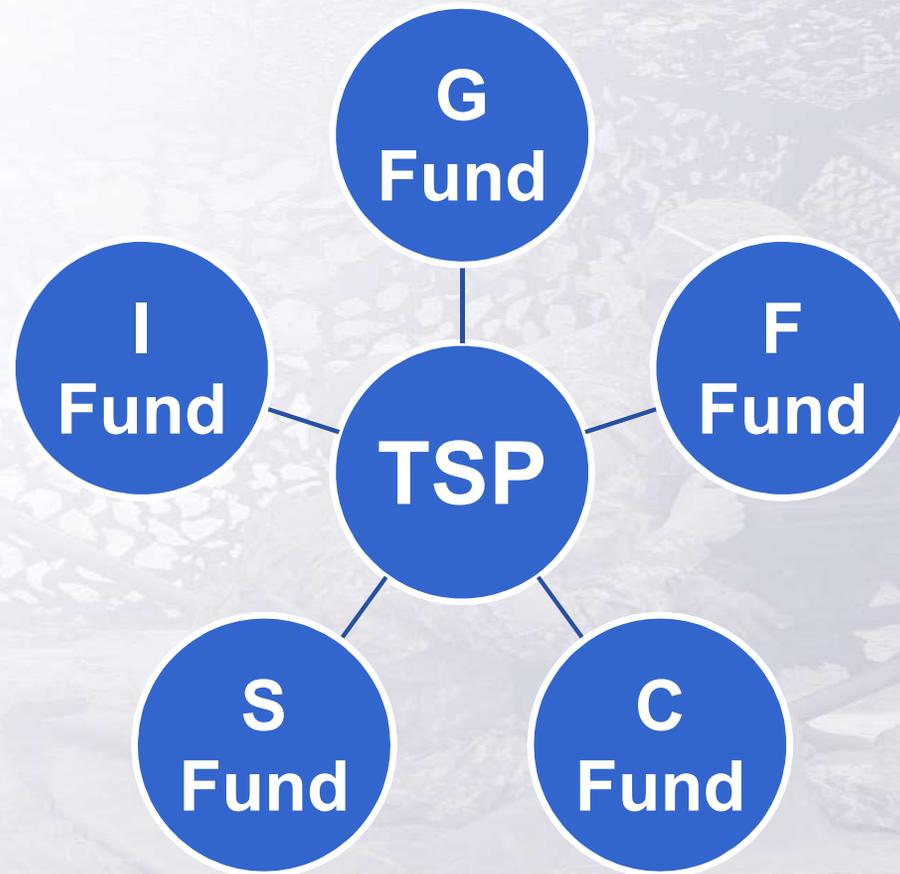
Risk Tolerance



Diversification



Diversification Within TSP



TSP G FUND



Government Securities Investment Fund

- Invested in short-term non-marketable Treasury securities
- Investments are **not** subject to Credit Risk or Market Risk
- Rates of return may be lower than those of other TSP funds over the long term
- Low Risk

TSP F FUND



Fixed Income Index Investment Fund

- **Government, corporate and mortgage backed bonds**
- **Invested in bond index fund that tracks Bloomberg Barclays U.S. Aggregate bond index**
- **Offers opportunity for increased rates of return relative to the G Fund over the long term**
- **This fund carries credit and market risk, and has potential for negative rates of return**
- **Low to moderate risk**

TSP C FUND



Common Stock Index Investment Fund

- **Contains common stocks of large and medium sized companies that represent the U.S. stock markets**
- **Tracks the performance of the Standard and Poor's 500 (S&P) stock index**
- **Offers opportunity to diversify investments and to earn the relatively high return stocks can provide over the long term**
- **The total dollar value of the stocks in the S&P 500 makes up approximately 75% of the value of the U.S. stock markets**
- **Effect of poor performance of individual stock or industry is lessened**
- **Total C Fund return could be negative, resulting in a loss**
- **Moderate Risk**

TSP S FUND



Small Capitalization Stock Index Fund

- **Small to Medium Sized U.S. Companies, not included in the S&P 500 index (C Fund)**
- **Tracks the performance of the Dow Jones U.S. Completion Total Stock Index**
- **S Fund investments are expected to be more volatile in the short run than C Fund investments and may have potentially higher returns**
- **Moderate to High Risk**

TSP I FUND



International Stock Index Investment Fund

- **International Stocks of more than 20 developed countries**
- **Invested in stock index fund that tracks the Morgan Stanley Capital International EAFE (Europe, Australia and Far East) index**
- **Returns tend to fluctuate more than S&P 500 or Dow Jones TSM Index returns**
- **Investment are subject to both market and exchange rates**
- **I Fund investments are expected to be more volatile in the short run than C or S Fund investments**
- **Moderate to High Risk**

Lifecycle Funds



- **The Lifecycle Funds are a series of funds that use all of the individual TSP funds to create a portfolio based on the expected date for withdrawing the money**
- **Funds will automatically “rebalance” investments based on returns of the individual funds and your time horizon**
- **Subject to the risks of the individual funds but the total risk is reduced through diversification**
- **Lifecycle Funds became available in 2005**

Lifecycle Funds



- **Only the five existing TSP Funds are used**
- **Funds with longer time horizons will be invested primarily in equities (C, S and I Funds)**
- **Income Fund will largely, but not entirely be invested in fixed income (G and F Funds)**
- **Over time, as target date nears, fund allocations will move toward fixed income to reduce “risk”**

Lifecycle Funds



There are 5 Lifecycle Funds

FUND	TIME HORIZON	GROWTH	RISK	Preservation of Assets
L Income	Today and the near future	Low	Low	High
L 2020	2015 through 2024	Moderate	Moderate	Moderate
L 2030	2025 through 2034	Moderate to High	High	Low
L 2040	2035 through 2044	High	High	Low
L 2050	2045 or Later	High	High	Very Low

Lifecycle Funds



Percentage Allocations (as of Jan 2020)

FUND	G	F	C	S	I
L Income	72.61%	5.89%	11.17%	2.80%	7.53%
L 2020	69.58%	5.99%	12.66%	3.22%	8.55%
L 2030	32.92%	6.96%	30.51%	8.57%	21.04%
L 2040	20.57%	7.68%	35.88%	10.76%	25.11%
L 2050	10.37%	7.88%	40.11%	13.03%	28.61%

TSP Transfers and Rollovers



- Active or separated participants may transfer or rollover into their TSP using money from:
 - Eligible employer plans under the Internal Revenue Code (IRC)
 - e.g. 401(k), 403(a), 403(b) or 457(b) governmental plans
 - Traditional and SEP individual retirement accounts or annuities (IRAs) under section 408(a) or 408(b) of the IRC
 - **Does not include Roth, SIMPLE, education, or inherited IRAs**
- Submit Form TSP-60/TSP-U-60 available from the TSP website
- The amount transferred or rolled over into the TSP account is allocated according to the current contribution allocation on file
- Separated participants can transfer and rollover TSP accounts into other eligible employer plans under the IRC.



Types of In-Service Withdrawal Options

Age-Based in-service withdrawal

- Available to employees who are age 59 ½ or older
- May take up to four age-based in service withdrawals per calendar year
- Minimum amount of withdrawal is \$1,000 or entire vested account balance, whichever is less
- Taking in-service withdrawals does not prevent you from taking post-separation partial withdrawals
- Permanently reduces account balance

Types of In-Service Withdrawal Options



Financial Hardship in-service withdrawal

- **Available to employed participants (regardless of age/ may have tax consequences) who demonstrate financial hardship**
- **May withdraw only your own contributions and attributable earnings**
- **Minimum withdrawal cannot be less than \$1,000**
- **No limit on the # of withdrawals, but there is a 6-month waiting period between applications**
- **During the 6-month waiting period your regular contributions will continue. The rule that stopped contributions changed in 2019**

In-Service Withdrawals



Tax Consequences

- **Taxable for Federal income tax purposes in the year in which received**
- **Subject to mandatory 20% Federal income tax withholding, which cannot be waived**
- **Financial hardship withdrawals taken under age 59 ½ are subject to an early withdrawal penalty tax (10%)**

In-Service Withdrawals



Spousal Consent

- **Married FERS employee must receive spousal consent prior to making an in-service withdrawal**
- **If a spouse's whereabouts are unknown, you may request a waiver using Form TSP-16**

TSP Post Service Options



Leaving Your Money In The TSP Account

As long as your vested balance is over \$200, you may leave your money in the plan until one of the **later** of two dates:

Either:

- The year you attain age 72

OR

- The year following the year you separate from Federal service
- Account continues to grow
- Interfund transfer options

Post Service Withdrawal Options



- **Take unlimited partial withdrawals from account**
 - **Limited to no more than one every 30 calendar days**
- **You now have the option to take your withdrawal from Roth, Traditional or a combination of each**
- **Receive account balance in a single payment**
- **Transfer account balance to an IRA or other qualified pension plan**
- **Receive account balance in a series of monthly payments**
- **Purchase an annuity**
- **Elect any combination of the above to affect entire account balance**

TSP Annuities



Single Life Annuities – 6 Options

Level Payments:

- With no additional features
- With Cash Refund feature
- With 10-year Certain feature

Increasing Payments:

- With no additional features
- With Cash Refund feature
- With 10-year Certain feature

TSP Annuities



Joint Life Annuity With Spouse – 8 Options

Level Payments:

- **100% survivor annuity**
- **50% survivor annuity**
- **100% survivor annuity with Cash Refund feature**
- **50% survivor annuity with Cash Refund feature**

Increasing Payments:

- **100% survivor annuity**
- **50% survivor annuity**
- **100% survivor annuity with Cash Refund feature**
- **50% survivor annuity with Cash Refund feature**

TSP Annuities



Joint Life Annuity With Other Survivor – 4 Options

Level Payments:

- 100% survivor annuity
- 50% survivor annuity
- 100% survivor annuity with Cash Refund feature
- 50% survivor annuity with Cash Refund feature

* The joint annuitant must have an “insurable interest” in you (be financially dependent on you and able to reasonably expect to derive financial benefit from your continued life).

Thrift Savings Plan



Eligible Roll Over Distributions:

- **Single payment**
- **Age-based in-service withdrawals**
- **Automatic cash-outs**
- **Equal monthly payments to be paid out in less than 10 years (not using Life Expectancy Tables)**
- **Death benefits paid to the spouse of a deceased participant**

***These payments may be subject to a mandatory 20% tax withholding, which may be avoided on all or any portion of an eligible rollover distribution by having TSP make a direct transfer to an IRA or other eligible retirement plan.**

(see www.tsp.gov for roll over rules on ROTH)

Thrift Savings Plan



PERIODIC PAYMENTS:*

- **Equal payments to be paid out in 10 years or more**
- **Equal payments computed by TSP using IRS Life Expectancy Tables**
- **Annuity payments**

*** Withholding is based on the assumption you are married claiming 3 allowances, unless you submit Form W-4P directing otherwise.**

Thrift Savings Plan



NON-PERIODIC PAYMENTS: *

- **Financial hardship withdrawals**
- **Required minimum distribution payments beginning in the year you reach age 72**
- **Death benefits paid to a non-spouse beneficiary**
- **Court-ordered payments made to someone other than the spouse or former spouse, including child support**

*** TSP will withhold 10% from these payments, unless you submit Form W-4P directing otherwise.**

Thrift Savings Plan



EARLY WITHDRAWAL PENALTY TAX

- This tax is an additional 10% of the total amount directly received from TSP, unless payments are transferred or rolled over
- If you separate or retire **before** the year you turn **age 55**, the 10% penalty tax is applicable until you reach age **59 ½**
- If you separate or retire **during** the year in which **you reach age 55**, the 10% penalty no longer applies

*(IRS Code 72(t)(2)(A)(v))

Thrift Savings Plan



Early Withdrawal Penalty Tax

Exceptions to the penalty include:

- Annuity payments
- Payments made because of death
- Payments to disability retirees (as defined by social security)
- Payments computed by TSP using Life Expectancy Tables
- Distributions used for payment of medical expenses that would be deductible under the Internal Revenue Code
- **NOTE for ROTH TSP: Becomes qualified or tax free upon meeting both of the following conditions:**
 - 5 years have passed since 1 January of the year you began contributions
 - You have reached age 59 ½ or have a permanent disability

Thrift Savings Plan



Death Benefits

- **Paid To Whom:**
 - **Based on TSP-3, Designation of Beneficiary**
 - **If there is no TSP-3 on file benefits will be paid in Statutory Order of Precedence**
- **How:**
 - **Use TSP-17, Information Regarding Deceased Participant**
 - **Paid as a Single Payment-subject to 20% Federal Tax**
 - **Spouse may establish a TSP account in his/her own name or transfer to an IRA or other eligible employer account (no taxes withheld)**

Court Ordered Payments



- **Amounts in the account are held in trust for the participant. TSP accounts are not subject to execution, levy, attachment, or other legal process (5 U.S.C. 8347(e)(2))**
- **Court ordered payments for divorce, alimony, child support, and child abuse are honored by the TSP (5 U.S.C. 8347(e)(3))**

Court Ordered Payments



- **The TSP will honor the following court orders:**
 - **Payment of child support**
 - **Matrimonial Settlement Agreement**
 - **Alimony**
 - **Civil cases involving child abuse**
 - **Victim Restoration Act**



Court Ordered Payments



- **Method of payment:**
 - **Cash payment to spouse/former spouse or attorney/child support authority**
 - **Spouse/former spouse payment subject to 20% Federal tax withholding**
- **All or any portion may be transferred to:**
 - **IRA**
 - **Equivalent employer plan (401(k), 403(a) or 403(b))**
 - **If a TSP participant, his/her account**

Court Ordered Payments



- **Process:**
 - **Attorney reads TSP Booklet “Information about Court Orders”**
 - **A valid, complete court order is submitted to the TSP Service Office**
 - **Paralegal section reviews the order to ensure it is valid and TSP is able to pay**
 - **Invalid court orders are returned to submitter with copy of the booklet**

Court Ordered Payments



The process (continued)

- **If a complete, valid court order is received:**
 - **The account is placed on hold until the order is paid**
 - **The participant may not apply for or receive a loan or withdrawal until the payment is made**
 - **Court order notices are mailed to participant and payee**
 - **Spouse/former spouse given the opportunity to transfer payment to qualifying IRA**
 - **Participant given opportunity to waive tax with-holding on child support payment**

Court Ordered Payments



The process (continued):

- **Payment is made within 60 days of TSP mailing notice**
- **Payee can request a payment within 31 days of TSP mailing the notice**
- **Spouse/former spouse responsible for reporting amount paid as alimony or a matrimonial settlement**
- **Participant responsible for reporting amount paid for child support (Amount may be subject to IRS early withdrawal penalty)**



**To Roth, Or Not To Roth-
That Is The Question**

???

Things To Consider

Roth TSP - Implementation



- **Allows participant to designate all or a portion of their contributions through payroll deduction to be contributed as post-tax Roth or pre-tax deferred**
 - **Roth contributions may accrue federally tax-free earnings**
 - **Tax deferred contributions continue to accrue tax deferred earnings**
 - **Agency contributions will continue to be part of your traditional (non-Roth) balance**
- **Roth designation is made at agency payroll level prior to the contributions being deposited into the TSP**

Traditional TSP vs. Roth TSP



The Treatment of:	Traditional TSP	Roth TSP
Contribution	Pre-Tax	After Tax
Your Paycheck	<i>Taxes are deferred</i> , so less money is taken out of your paycheck	<i>Taxes are paid up front</i> , so more money comes out of your paycheck
Transfers In	<i>Transfers</i> allowed from eligible employer plans and traditional IRAs	<i>Transfers</i> allowed from Roth 401(k)s, Roth 403(b)s, and Roth 457(b)s
Transfers Out	<i>Transfers</i> allowed to eligible employer plans, traditional IRAs, and Roth IRAs	<i>Transfers</i> allowed to Roth 401(k)s, Roth 403(b)s, Roth 457(b)s, and Roth IRAs
Withdrawals	<i>Taxable</i> when withdrawn	<i>Tax-free</i> earnings if five years have passed since January 1 of the year you made your first Roth contribution, AND you are age 59½ or older, permanently disabled, or deceased

Roth IRA vs. Roth TSP



	Roth IRA	Roth TSP
Income limits*	Not available to taxpayers with Adjusted Gross Income above certain limits. Reduced levels are: Married Filing Jointly - \$196,000 to \$206,000 Married Filing Separate - \$0 to \$10,000 All others - \$124,000 to \$139,000	Available to all participants regardless of income
Contribution Limits*	\$6,000 (\$7,000 if at least 50 years of age)	\$19,500 (plus an additional \$6,500 if at least 50 years of age)
Minimum distributions	Not subject to RMDs until the IRA owner dies	Roth contributions are treated the same as other elective deferrals with respect to RMDs
Rollover rules	May NOT be rolled into a Roth 401(k); a Roth IRA can only be rolled into another Roth IRA	Can be rolled into another Roth 401(k) OR a Roth IRA

*Based on 2020 IRS limits

Tax-Advantaged Savings



Do you need the benefit now . . . ?

- Mike makes tax-deferred contributions

Gross Income	\$40,000
Minus TSP contributions	<u>-\$2,000</u>
Adjusted income	\$38,000
Minus estimated federal Income tax	<u>\$5,245*</u>
 Spendable income	 <u>\$32,755</u>



- Ike makes after tax Roth contributions

Gross Income	\$40,000
Minus estimated federal Income tax	<u>-\$5,733*</u>
After tax income	\$34,267
Minus savings	<u>-\$2,000</u>
 Spendable income	 <u>\$32,267</u>

By contributing before-tax money to the TSP, Mike reduces his taxes and has about \$488 more to cover everyday Expenses

*IRS Publication 2017 Inst 1040; filing as single

As of Sep 28, 2017



Or Do you need the benefit later . . . ?

When Mike and Ike withdraw their balance:

- Mike's tax-deferred contributions and earnings will be subject to income tax

Future value of \$2,000*	\$8,077
Minus estimated federal	<u>\$808</u>
Income tax**	
Spendable income	<u>\$7,269</u>

- Ike's Roth contributions and earnings may be withdrawn tax-free

Future value of \$2,000*	\$8,077
Minus estimated federal	<u>-\$0</u>
Income tax	
Spendable income	<u>\$8,077</u>

In exchange for paying taxes up front and adhering to the Roth qualified distribution rules, Ike has about \$808 more to spend in retirement

*assumes 20 years of compound growth and 7% annual rate of return

**assumes same effective tax rate as previous slide

As of January 26, 2015

TSP Contacts and References



- **THRIFT LINE (TOLL FREE) – 1-877-968-3778**
- **THRIFT INVESTMENT BOARD – 202-942-1460**
- **FAX – 1-866-817-5023**



Closing

Q & A

After Action Review

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