

CSRS
Civil Service
Retirement System

FERS
Federal Employees
Retirement System



**An overview of the most important things that Federal employees
need to do when planning for retirement**



**United States
Office of
Personnel
Management**

Retirement and
Insurance
Service

RI 83-11
Revised December 1997
The October 1996 edition is still usable

Additional retirement information and all publications of the U.S. Office of Personnel Management listed in this pamphlet are available on the Internet.

OPM Website -- <http://www.opm.gov/asd>

Thinking About Retirement?

If you are planning to retire within the next 5 years, this pamphlet is for you. It is designed to provide you with a general guide to help you through the retirement process. It also discusses how your application for retirement is processed at your agency and the U.S. Office of Personnel Management (OPM).

Retirement is one of the most important events in your life. A successful retirement takes careful planning on your part — planning that hopefully began early in your working career to help insure that you will have the income you need when you want to retire.

The retirement process itself is very simple for most people. However, if at all possible, there are several things you should do well in advance of your planned retirement so that there are no surprises when you do separate. Understanding your role in the retirement process, and the roles played by your agency and OPM, is an essential part of that planning. By working closely with your agency, you can help assure that your retirement from Federal service will be smooth and worry free.

The information in this pamphlet applies primarily to employees who are retiring voluntarily under the Civil Service Retirement System (CSRS) or the Federal Employees' Retirement System (FERS). It is intended to give a brief overview of the most important things that employees need to do when planning for retirement.

More detailed information on a number of topics is available in other publications of the U.S. Office of Personnel Management. These publications are listed at the end of this pamphlet, along with several publications from the Social Security Administration, the Federal Retirement Thrift Investment Board, and the Internal Revenue Service.

While you are still working, your agency has your records and is responsible for assisting you. If you have questions, you may call the numbers listed below.

Agency Officials: Please fill in the blanks below.

Personnel Office telephone number: _____

Payroll Office telephone number: _____

Table of Contents

	Page
Section I: Preparing to Retire	1
<i>Five or More Years Before Your Planned Retirement Date</i>	<i>1</i>
<i>One Year Before Retirement</i>	<i>3</i>
<i>Six Months Before Retirement</i>	<i>5</i>
<i>Two Months Before Retirement</i>	<i>5</i>
Section II: How Your Agency Processes Your Application for Retirement	6
<i>Your Personnel Office</i>	<i>6</i>
<i>Your Payroll Office</i>	<i>7</i>
Section III: How OPM Processes Your Application For Retirement	8
<i>Other Publications</i>	<i>10</i>

Section I: Preparing to Retire

If at all possible, you should start specific planning for retirement about 5 years before your planned retirement date. If you can't start that early, use the time that is available to do whatever advance planning you can do.

Your most valuable step in planning for retirement is to contact your personnel office for pre-retirement counseling. This will tell you whether you will be eligible to retire on the date you have in mind, whether you will be eligible to keep your health and life insurance coverages as a retiree, if your agency has records of all your service, whether there are deposits or redeposits you may want to pay to maximize your annuity, and how much you can expect to receive as an annuitant.

If your retirement package is not complete when your agency sends it to the U.S. Office of Personnel Management, the final processing of your application for retirement may be delayed until missing information is obtained. However, if you take the steps outlined in this pamphlet, you can help assure that your retirement package is complete and able to be processed without problems.

The steps outlined below will assist you in preparing for retirement.

Five or More Years Before Your Planned Retirement Date

Contact your personnel office and request to attend a pre-retirement counseling seminar, if available at your agency.

Make sure your records are complete. Ask your servicing personnel office for the following:

- **A listing of all periods of civilian and military service that are verified in your Official Personnel Folder (OPF).**

The preferred way to document your service history is for your agency to complete an SF 2801-1, "*Certified Summary of Federal Service*", (or an SF 3107-1 for FERS employees).

Compare this listing to your own records, make sure the list is complete, and ask that a copy be filed in your personnel folder for association with your retirement application when you retire. If your check reveals that service is missing from the agency list, ask your personnel office for assistance in documenting the service. If you have had part-time or intermittent service, the listing should show time worked for this kind of service. If you have service that was not covered by retirement that can be used in computing your annuity, and have not paid a deposit for it, the date and amount of each pay rate and any adjustment to the tour of duty needs to be recorded.

- **Verification that you will meet the age and service requirements (and any other applicable requirement) for retirement on your proposed retirement date.**

- **An annuity estimate so that you can determine whether your annuity, along with any expected income from other sources, will meet your needs at the time you plan to retire.**

The estimate should take into account the survivor elections you plan to make.

In addition, if there are payments for civilian or military service that you can make that will increase your annuity, you need to know how much these payments are and what your annuity will be with and without the payments.

Since the interest continues to accrue on deposits and redeposits, if you intend to make payment, you may want to complete it as quickly as possible. Also, if you owe a substantial amount, you may need time to acquire the amount needed. Remember that, while payments for civilian service may be made to the U.S. Office of Personnel Management when you retire, military service deposits must be paid to your agency before you separate.

If you are a military retiree who must waive military retired pay to have the service used in your annuity, you also need to decide whether you want to do this if you have not already made a decision.

- **If you are enrolled in the Federal Employees Health Benefits (FEHB) program, ask for verification that your personnel file contains your latest enrollment form that identifies your present plan, type of enrollment (self only or self and family), and option (high or standard).**

Normally, to continue coverage after retirement, an employee must have been continuously enrolled (or covered as a family member) in a plan (not necessarily the same plan) for the 5 years of service immediately preceding retirement. If you want to continue your Federal health benefits coverage after you retire, therefore, you must remain covered in a plan within the program until you retire.

If you are not enrolled (or covered as a family member) in the program, consider acquiring coverage now if you are interested in having the coverage after you retire. Ask your agency benefits officer about opportunities to acquire coverage.

- **If you are in the Federal Employees Group Life Insurance (FEGLI) program, ask for verification that your present coverage is documented in your personnel file.**

You will be able to continue your present coverage as long as you have been covered for the 5 years before you retire. Consider what kind of coverage you will want after you retire and whether your current coverage will meet your needs.

If you are not in the life insurance program, but are interested in having coverage after retirement, ask your agency benefits officer about opportunities to acquire coverage. You must have coverage for the 5-year period before retirement to be able to continue it after retirement. This includes both basic coverage and any optional coverage you want to keep after retirement.

- **Confirm who would be entitled to receive life insurance and other monies that would become payable in the event of your death.**

If you previously completed a life insurance Designation of Beneficiary form that is in your personnel file, be sure that it reflects your current wishes.

Also check other designations of beneficiary that you have on file. Designations for the Federal Employees Retirement System are filed in the personnel folder until an employee separates. Designations for the Civil Service Retirement System are filed with the U.S. Office of Personnel Management. Thrift Savings Plan (TSP) designations are filed with the Thrift Savings Plan Service Office. If you have not filed designations of beneficiary, make sure that the normal order of precedence will meet your needs.

- **Find out if you will be eligible for a Social Security benefit. Call the Social Security Administration on (800) 772-1213 to ask for SSA-7004-PC, *Request for Earnings and Benefit Statement*, to get a record of your earnings under Social Security and, if you will be eligible, an estimate of the payment you may receive.**

This estimate is not adjusted for the Windfall Elimination Provision, which is a provision of the Social Security law that reduces the Social Security-covered benefits of many former Federal employees. You also may be entitled to benefits based on the Social Security-covered earnings of your spouse or former spouse. However, this benefit may be affected by the Government Pension Offset, another provision of Social Security law.

Ask the agency representative who is assisting you if you will be affected by either of these provisions, or visit your local Social Security office for assistance.

One Year Before Retirement

This is the point at which you need to take some of the more detailed necessary actions.

Since this pam

- You may want to attend another pre-retirement seminar, if available. Many agencies encourage employees to invite spouses.
- Request an updated retirement estimate. Since you are now very close to your planned retirement date, this estimate should be very close to your actual annuity amount.

Make an appointment with your servicing personnel office to go through everything and verify that any needed action to verify or document your service and insurance coverage has been done.

- If you have unpaid deposits or redeposits, review the whole topic of paying for service, including post-1956 military service.
- If you want to pay deposits or redeposits, you should already have asked for a billing.
- If you now need a billing, ask your personnel office for assistance.
- Remember that a deposit for post-1956 military service needs to be paid to your agency before separation.

Review your survivor benefit options -- the types of benefits that may be elected, the eligibility requirements for survivor benefits, their cost, and the necessity for your spouse to consent if you want to provide less than full benefits for him or her. Also, remember that if you do not provide any annuity for your spouse, he or she will not be able to continue Federal Employees Health Benefits (FEHB) coverage upon your death.

Obtain current information about expected income from other sources. Consider your thrift plan withdrawal options, estimate the relative monetary advantages of different ways of withdrawing thrift plan funds, and consider the tax effects of each. Also, if you have not already done so, obtain information about Federal and, if applicable, State taxation of your annuity and other income. See the list of publications at the end of this pamphlet for items that may be helpful to you.

If you are enrolled in the Federal Employee Health Benefits program, verify that you are eligible to continue your coverage as a retiree. Ask whether your personnel folder contains documentation that you have been enrolled in a plan under the program for the 5-year period before your retirement. If you will not meet the 5-year requirement as of your planned retirement date, you may want to delay retirement until you meet it. If your health insurance coverage will not continue into retirement, ask about the 31-day extension of coverage and Temporary Continuation of Coverage.

Note: If you are a military retiree, your Civilian Health and Medical Program of the Uniformed Services (CHAMPUS) coverage counts toward the 5-year requirement. However, you must be enrolled in the health insurance program when you retire in order to have health insurance coverage after retirement.

If you are in the Federal Employees Group Life Insurance (FEGLI) program, verify that you will be able to continue your coverage into retirement, and ask how much the amount of insurance you want to keep as a retiree will cost you. If you were not enrolled in the program for the 5 years of service immediately preceding retirement or for all service since your first opportunity to enroll, you cannot continue your life insurance into retirement. This rule applies to all optional life insurance coverage, too. If you will not meet the 5-year requirement for some or all of your coverage as of your planned retirement date, you may want to delay your retirement. You are entitled to convert your life insurance coverage to a private policy whether or not you are eligible to continue it into retirement.

Check any designations of beneficiary you have on file to be sure that they reflect your current needs. If you have not filed designations of beneficiary, make sure that the normal order of precedence for payments will meet your needs.

If you have not already done so, inform your supervisor of your intended retirement date.

Six Months Before Retirement

Clear up any indebtedness to your agency — for example, for an outstanding travel advance or advanced leave.

If you are a military retiree who wants to waive your military retired pay, you should notify the Retired Pay Operations Center from your branch of service in writing at least 90 days, but no later than 60 days, before your planned retirement date.

Two Months Before Retirement

Choose your exact retirement date, if you have not already done so. Remember that for voluntary retirements, Civil Service Retirement System annuities can begin on the first, second, or third day of the month. However, in the Federal Employees Retirement System, voluntary retirements begin only on the first of a month.

Obtain all the necessary forms and complete them. Pay particular attention to the information in the application regarding Workers Compensation and payments from the U.S. Office of Personnel Management (OPM). Ask your servicing personnel office for assistance if you have any questions. Failure to complete any form or item of information that may be required in your case may cause your personnel office or OPM to delay the final processing of your application for retirement.

Submit all your forms to your supervisor or servicing personnel office. Keep a copy for your own records.

Notes:

1. If you have a Thrift Savings Plan (TSP) account, your agency will provide you with a TSP withdrawal package after you retire. The package contains information and forms you will need to withdraw your account. When you are ready to make a withdrawal election — but not before you separate from service — submit the Withdrawal Request (Form TSP-70) to the TSP Service Office in New Orleans, Louisiana.
2. If you are within 3 months of age 62 or older, you must contact the Social Security Administration directly to apply for any Social Security retirement benefit you are eligible for. You can apply for benefits by going to any Social Security office or by calling (800) 772-1213.
3. If you are within 3 months of age 65 or older, you should contact the Social Security Administration to apply for Medicare, in addition to the Social Security retirement benefit.
4. If you have a voluntary contributions (VC) account, you should be aware that interest stops accruing when you separate for retirement. If you plan to request a refund of your account, you should complete form RI 38-124, *Voluntary Contributions Election*, and send it to OPM now so that you avoid having a gap between the date interest stops accruing and the date you receive a refund of the money in the account.

Section II: How Your Agency Processes Your Application for Retirement***Your Personnel Office***

The processing of your retirement application begins at your personnel office. The appropriate official in your personnel office will check your personnel folder to ensure that you meet the age and service requirements for retirement and for continuing any insurance coverages you may have. He or she will also prepare a *Certified Summary of Federal Service* which lists your verified Federal civilian and military service. You will then be given an opportunity to review and sign the Certified Summary for completeness and accuracy. Your personnel office will also take the following actions, if applicable in your case:

- Certify your Federal Employees' Group Life Insurance coverage to OPM, if you appear eligible to continue this coverage into retirement.
- Forward any current designations of beneficiary that are in your personnel folder.
- Process the Personnel Action necessary to separate you from the Federal service for retirement.
- Complete and certify the personnel office portion of your retirement application and the *Agency Checklist of Immediate Retirement Procedures*.

After your personnel office completes all of its actions, your application and related records are sent to your payroll office.

If you need to contact your servicing personnel office concerning retirement matters, the telephone number can be found on the front cover of this pamphlet.

Your Payroll Office

Your payroll office will authorize your final salary payment after you separate for retirement and a lump sum payment for any unused annual leave you may have. The payroll office will then certify and close out your Individual Retirement Record, which is the official record of your Federal service history. It reflects your retirement deductions for your current service, pay rates, unused sick leave credit for retirement purposes, last day of pay, date and type of separation, and other data that is necessary for the U.S. Office of Personnel Management (OPM) to determine your retirement benefits. Because this record reflects your total retirement deductions for your last period of service, it cannot be closed out until your final salary check has been issued.

Your payroll office will also:

- Complete its portion of the *Agency Checklist of Immediate Retirement Procedures*, and
- Certify your annual basic pay for life insurance purposes, if applicable.

After completing

Under OPM's current standards, your agency is expected to complete its personnel office and payroll office processing actions and forward your retirement package to OPM so that it is received within 30 days after you separate. However, this processing standard is not met in all cases.

Note: Applications for disability retirement are not processed as described above. If you are applying to retire on disability, your agency will normally send your retirement application, evidence supporting your disability claims and preliminary retirement records to OPM. OPM will review the records and determine if you qualify for disability retirement. If you are eligible, OPM will notify your agency to separate you from their rolls. The final records showing your separation for disability retirement will then be sent to OPM.

Section III: How OPM Processes Your Application For Retirement

Shortly after it receives your application for retirement, the U.S. Office of Personnel Management's (OPM) Retirement Operations Center, Office of Retirement Programs, will send you an acknowledgment and your retirement claim number. Your claim number will begin with the letters "CSA" (Civil Service Annuity). This number is very important because you will need to refer to it any time you call or write OPM about your claim. **[Note:** If you are retiring on disability, the fact that OPM sends you a CSA claim number does not mean that you have been found eligible for disability retirement.]

If you need to contact OPM before you receive your CSA number, be sure to provide them with the following information about the Register on which your retirement package was sent: the Register number, its transmittal and mailing dates, and the payroll office number. This information is available at your payroll office as discussed in Section II.

The Retirement Operations Center will review your application package (and any retirement records OPM has on file from service at a previous agency) and assemble them into a retirement file. If your entitlement to annuity is clear, OPM will authorize recurring interim annuity payments to provide you with an income until your claim is completed. If necessary, OPM will request additional information to develop any incomplete service history or insurance documentation that was not provided by your agency which may be needed to process your claim.

Interim annuity payments are usually between 85% and 95% of your regular monthly payment after deductions — such as for health insurance. The OPM goal is to authorize the Department of the Treasury to make payment within 5 work days after receiving your retirement records. The time frame within which you can expect to receive your first interim payment can vary from about 5 days to 2 to 3 weeks.

The length of time it takes for your payment to come depends on whether your agency transfers retirement information via electronic medium or only on paper. If your retirement information comes to OPM electronically, OPM would usually deposit your first payment to your account in your financial organization within 5 work days after receiving your retirement information. Please note that by law OPM must deposit your payment directly, unless you qualify for an exception to this requirement.

If your agency is submitting only paper records and you qualify for payment by check, it may take as long as 3 weeks for the first check to come. This amount of time is needed for someone at OPM to review your information and compute the amount of the interim payment, for the Department of the Treasury to print and mail a check, and for the Postal Service to deliver the check to you.

OPM will send you a notice informing you of the amount of your interim payments. If Federal income tax is withheld, the notice will show the amount. If you are enrolled in the health benefits or life insurance programs, the notice will not show the cost of your enrollment. Instead, the gross interim payment amount will be reduced to cover the insurance cost.

Annuity benefits accrue through the end of the month and are payable on the first business day of the following month. Once interim payments are authorized, they continue until final adjudication of your application for retirement is complete.

After the Retirement Operations Center completes initial actions, it forwards your retirement file to a claims adjudication office. Your case will then be assigned to a retirement benefits specialist for the final adjudication of your application for retirement. The benefits specialist will review your entitlement to benefits and will follow up to obtain any outstanding documentation needed to process the application for retirement.

When your retirement file is determined to be complete and accurate, the benefits specialist will determine the amount of your monthly annuity benefit and will authorize payment of your regular annuity benefit.

The processing time to complete the final adjudication of claims will vary, of course, according to whether the retirement package your agency submits is fully documented and accurate. You can help with this process by actively participating in the documentation of your retirement package. The volume of work on hand at OPM also affects the length of time it takes to complete final adjudication.

OPM's goal is to complete the final adjudication of fully documented claims within 45 days from the date of receipt from the payroll offices. Incomplete retirement claims can take much longer because OPM will have to write or call the agency that has the needed information and then wait for a response.

OPM will send you an Annuity Statement and other informational material concerning your retirement benefits when your regular annuity payments are authorized.

If you have questions concerning the status of your application for retirement, you may call OPM's Retirement Information Office at (202) 606-0500. (However, you should not use this telephone number unless your agency has sent your retirement package to OPM.) The TDD number is (202) 606-0551.

If your agency has not given you information about the register on which your retirement package was sent to OPM, contact your payroll office for this information before you contact OPM. (See page 7 for a complete discussion of the information OPM must have to find your records before you have your retirement claim number.)

This pamphlet provides highlights of the retirement process for the Civil Service Retirement System and the Federal Employees' Retirement System. For more information, contact your personnel office.

Publications

Available from your servicing personnel office or by calling the Social Security Administration at (800) 772-1213:

- ***"A Pension From Work Not Covered By Social Security"*** (SSA Publication No. 05-10045)
- ***"Government Pension Offset"*** (SSA Publication No. 05-10007)

You may obtain copies of the pampW8Tw(c)Tj 0-12

- **Retirement Facts #4** - Disability Retirement Under the Civil Service Retirement System (RI 83-4)
- **Retirement Facts #5** - Survivor Benefits Under the Civil Service Retirement System (RI 83-5)
- **Retirement Facts #6** - Early Retirement Under the Civil Service Retirement System (RI 83-6)
- **Retirement Facts #7** - Computing Retirement Benefits Under the Civil Service Retirement System (RI 83-7)
- **Retirement Facts #8** - Credit for Unused Sick Leave Under the Civil Service Retirement System (RI 83-8)
- **Retirement Facts #9** - Refunds Under the Civil Service Retirement System (RI 83-9)
- **Retirement Facts #10** - Voluntary Contributions Under the Civil Service Retirement System (RI 83-10)
- **Retirement Facts #11** - Information for Separating CSRS Employees Who Are Not Eligible for an Immediate Annuity (RI 83-11)
- **Retirement Facts #12** - Information About Reemployment for CSRS Annuitants (RI 83-18)
- **Retirement Facts #13** - CSRS Offset Retirement (RI 83-19)
- **Retirement Facts #14** - Law Enforcement and Firefighter CSRS Retirement (RI 83-20)

Pamphlets applicable to employees in either the Civil Service Retirement System or the Federal Employees Retirement System are:

- Court-Ordered Benefits for Former Spouses (RI 84-1)
- Work-Related Injuries and Fatalities — What You and Your Family Need to Know About Your Benefits (RI 84-2)
- Life Events and Your Retirement and Insurance Benefits (*For Employees*) (RI 84-3)
- Thinking About Retirement? (RI 83-11)

Publications for employees who are under the Federal Employees Retirement System (FERS) are:

- **FERS Brochure** (An Overview of Your Benefits) (RI 90-1)
- **FERS Facts #1** - Information for Separating FERS Employees Who Are Not Eligible for an Immediate Annuity (RI 90-11)

- **FERS Facts #2** - Information About Reemployment for FERS Annuitants (RI 90-18)

For employees who are eligible to transfer to the FERS:

- FERS Transfer Handbook (A Guide to Making Your Decision) (RI 90-3)

Pamphlets on the Federal Employees Health Benefits and Life Insurance Programs are:

- Federal Employees Health Benefits Guide (RI 70-1)
- Temporary Continuation of Coverage (TCC) under the Federal Employees Health Benefits Program (RI 79-27)
- Federal Employees Group Life Insurance Program (FEGLI) Booklet (RI 76-21)

Available from the Internal Revenue Service by calling (800) 829-1040

- "Tax Guide to U.S. Civil Service Retirement Benefits" IRS Publication 721

Note:

Most of the publications listed above can be downloaded from OPM ONLINE (OPM's electronic bulletin board) at (202) 606-4800. To access OPM ONLINE, your communications software should be set to the following:

Baud:	Up to 28,800	Parity:	None
Data bits:	8	Stop bit:	1

