RETIREMENT STATISTICS

KAY COLES JAMES
DIRECTOR

I am pleased to present our report on Retirement Statistics. This report provides an in-depth analysis of both historical and projected retirements of Federal civilian employees in the Executive Branch. The data has been analyzed and is presented in a variety of ways that we hope are both informative and useful to you. This report is divided into 5 major parts as noted below:

1. Frequently Asked Questions (FAQs)
2. Highlights and Trends
3. Retirement Projections
4. Agency Demographic Profiles
5. Definitions and Sources

If you would like additional information or have suggestions for our staff, please call 202-606-2704 or email owi@opm.gov. To provide widespread and easy access to this very important information, this report is available electronically at http://www.opm.gov/feddata/retire/index.htm.

Kay Coles James
Director

Contents

We have prepared these retirement statistics to cover Fiscal Year (FY) 2001 retirements and to make demographic comparisons among these retirees, FY 2000 retirees, and a composite retiree population from Fiscal Years 1992-2001.

This document consists of 5 major parts:

1. Frequently Asked Questions (FAQs)

   What are the major types of retirement from the Federal Service? How many Employees retire in a typical year? Which agencies have the most retirees? How many employees are likely to retire in the next few years?

   Our answers to FAQs are very direct. Visit this section for answers to 18 frequently asked questions.

2. Highlights and Trends
   (a) **Overview**
       An in-depth analysis of Executive Branch retirements.

   (b) **Summary Demographic Tables**
       Retirement highlight tables depicting the following types of information:

       - Total, Voluntary, **and**
       - Section 6(c) Retirements (early retirements made to firefighters, law enforcement and selected personnel in other hazardous duty occupations, or in hazardous duty positions)

       Demographics represent characteristics of retirees on separation day and include:
       - Average Age
       - Length of Service
       - Average Salary
       - Gender
       - Race/National Origin
       - Occupation Category
       - Pay Plans
       - General Schedule and Equivalent Grade Intervals
       - Supervisor Status
       - Length of Eligibility (LOE)

       Note: The LOE is explained in Appendix V

       The tables in this section count voluntary, mandatory, and disability retirements separately. The "Other" category mainly counts early-outs, but does include a few In-Lieu-Of-Involuntary-Action (ILIA) retirements.

Source: Central Personnel Data File   **Questions/Comments to:** owi@opm.gov

2. Highlights and Trends

    (c) **Retirement Trends**

    Explanation on the use of the following retirement demographic trend tables:

    - Total retirements depicting yearly demographic percent distributions and deviations from an overall 10-year time period (Fiscal Years 1992-2001)
    - Voluntary retirements depicting yearly demographic percent distributions and deviations from an overall 10-year time period (Fiscal Years 1992-2001)

3. Retirement Projections

    Projecting Federal employee retirements? How big will the "retirement wave" be? Visit this section for information on the following:

    (a) **Underlying principles used in retirement projections**

    (b) **Retirement Projections, Fiscal Years 2002-2006** (tables depicting retirement projections by year)

4. Agency Demographic Profiles

    Fiscal Year 2001 retirement profile tables for 27 major Federal agencies. Tables depict the following information:

    (a) **Demographics**

    - Average Age, Average Length of Service, and Average Salary
    - Gender
    - Race/National Origin
    - Handicap Status
    - Occupation Category
    - Supervisor Status
    - Salary Ranges
    - Pay Plan

    (b) **Retirement types**

    - Total
    - Mandatory
    - Disability
    - Voluntary
    - Early-Out

Source: Central Personnel Data File   **Questions/Comments to:** owi@opm.gov

5. Definitions and Sources

    There are many important issues to consider as you **interpret** the aforementioned retirement statistics. Valuable information can be found throughout this section. We **strongly** suggest visiting the following:

    (a) Appendix I
        Analytical Notes

    (b) Appendix II
        Demographic Definitions (e.g. "minority" vs. "non-minority", "white-collar" vs. "blue-collar")

    (c) Appendix III
        Retirement Eligibility Requirements (e.g. voluntary, disability, mandatory, early-out)

    (d) Appendix IV
        Central Personnel Data File (CPDF) Coverage

    (e) Appendix V
        Length of Eligibility Definition

    (f) Appendix VI
        About the CPDF (important information on the use of CPDF and its data)

Notes:

Nearly all subjects retired under Civil Service Retirement System (CSRS) or Federal Employees Retirement System (FERS) law. To retire under CSRS or FERS, employees need minimum service. Visit Appendix III for length of service and age requirements. Excluded are those who separate and later became eligible for discontinued service retirement benefits.

Retirement table entries reflect records with specified coded values for demographics (**i.e.** there are specific codes identifying males and females; other codes are unspecified). Overall retiree population figures count records with specified **and** unspecified values. Therefore, these figures will be greater than the counts using only specified coded values.

For example, the total count of "males" and "females" might be less than the overall count for a particular retiree population because this "count" reflects records with specified and unspecified values for gender.

Previous

A. Methodology

Underlying principles used in retirement projections:
- Introduction
- Projections based on FY 1999 through 2001 retirement patterns
- Retirement eligibility rules

B. Retirement Projections, Fiscal Years 2002-2006

Tables depicting retirement projections by year based on the methodology above.

Introduction

Retirement Projection tables depict estimates of the number, percent, and cumulative percent of retirements by year for the period from Fiscal Year (FY) 2002 through FY 2006, and were based on yearly retirement patterns for the period from FY 1999 through FY 2001.

Full-time permanent employees on-board as of October 1, 1996 were tracked over the next five years to determine probabilities of retirement in each of the five years. Since there were abnormally high rates of early-out retirements in FY 1997 and 1998, data from these years were not used to project future retirements. In order to determine the probability of retirement, we controlled for the following variables: gender, occupation category, retirement system, and length of retirement eligibility. Controlling for these factors creates 468 subcategories each having a unique combination of the four variables. In each subcategory, the three one-year probabilities for FY 1999 through 2001 were averaged to obtain a composite one-year probability estimate.

By assuming that future yearly retirement probabilities within each subcategory would remain the same as for the 1999-2001 period, each employee on-board as of October 1, 2001 was assigned a retirement probability for each of the five future years. These probabilities vary from year to year since an employee's retirement eligibility changes every year.

Retirement projections for each year are determined by summing the yearly retirement probabilities for each employee.

More on methodology

Retirement Eligibility Rules

1. CSRS covered personnel are eligible to retire immediately if they are:

    (a) At least 55 years of age, and have at least 30 years of service

    Or

    (b) At least 60 years of age, and have at least 20 years of service

    Or

    (c) At least 62 years of age, and have at least 5 years of service

2. FERS covered personnel are eligible to retire immediately if they are:

    (a) At least 55 years of age, and have at least 10 years of service

    Or

    (b) At least 62 years of age, and have at least 5 years of service

3. Other employees, primarily firefighters and law enforcement personnel covered under Section 6(c), are eligible to retire immediately if they are:

    (a) At least 50 years of age, and have at least 20 years of service in these occupations

Next

General Methodology for Retirement Projections

1. Determine how many years out retirement projections are to be made.

2. Select a past period of actual retirement activity to use as a basis for these projections.

3. At the beginning of the past period, select employees for whom you want to make projections. Categorize these employees by type of retirement plan (**i.e.** Civil Service Retirement System (CSRS), Federal Employees Retirement System (FERS), or Other (primarily firefighters and law enforcement personnel covered under Section 6(c)) and their retirement eligibility as of that point in time. Also categorize by any other variables to be controlled such as gender or occupation category. This procedure will result in the formation of subcategories each defined by a unique combination of all control factors.

4. In each subcategory, determine the percentage of retirements during either:
   (a) the entire past period; **or**
   (b) every individual year of the past period.

   If option (b) is selected, the retirement eligibility category for each employee must be recomputed at the end of each year. The subcategory for each employee must also be changed to reflect the new eligibility category. Employees who have retired or otherwise separated during a year must be excluded from any subsequent calculations. The individual year percentages (probabilities) must be averaged to obtain a one-year retirement probability.

   Note: To accomplish this step, employment histories for each employee will be required.

5. Categorize the current population (that on which the projection is to be based) by retirement system, eligibility, and any other control factors.

6. In each subcategory, apply the retirement rates/probabilities computed in step 4 to project future retirements. The subcategory retirement projections are then aggregated to obtain overall projections. If option 4(b) is selected, retirement probabilities for each individual must be recomputed after each year. Conditional probability must then be used to calculate the probability of retirement in each future year. For a given year, employee probabilities for that year are aggregated to obtain yearly projections.

Source: Central Personnel Data File   **Questions/Comments to:** owi@opm.gov

Projected Full-Time Permanent Retirement Rates
Fiscal Years 2002-2006
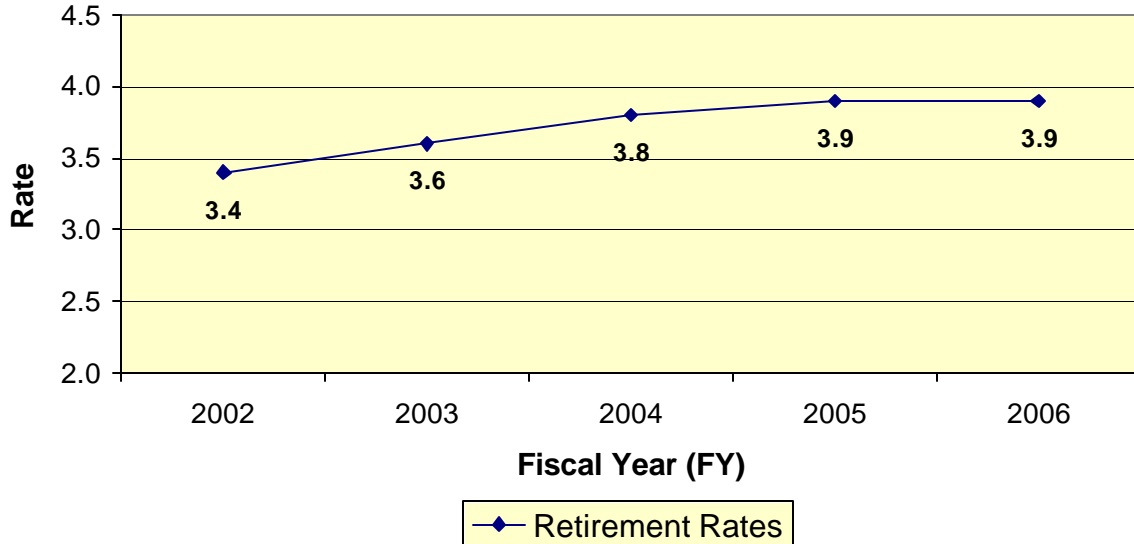
Retirement	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006
Rate	3.4	3.6	3.8	3.9	3.9
Number	50,429	53,673	56,151	57,687	58,889

Projection Notes:

- Projection rates are based on Full-Time Permanent (FTP) base of 1.49 million.

- Office of Personnel Management (OPM) projects 3.4 percent of the FTP workforce (approximately 50,000) will retire in Fiscal Year 2002.

- OPM projects 18.5 percent of the FTP workforce will retire through Fiscal Year 2006 (approximately 277,000)

- In the past 5 years the actual retirement rate was 14.2 percent of the FTP workforce (approximately 230,000)
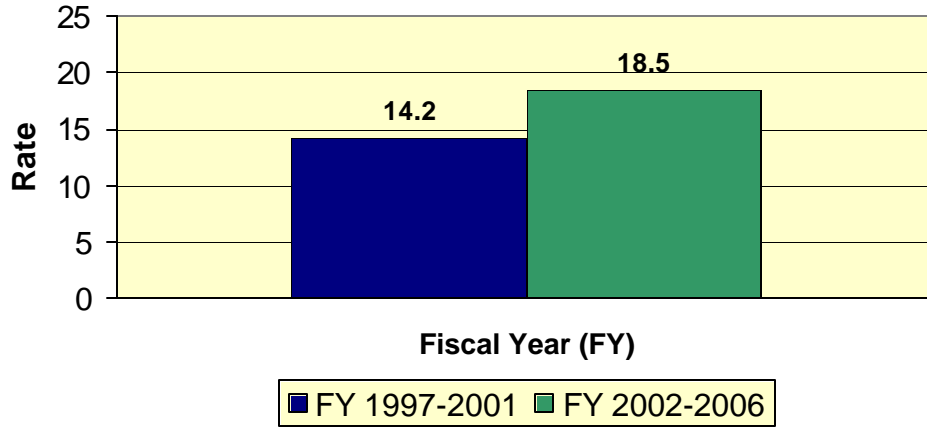
Next

Source: Central Personnel Data File   Questions/Comments to: owi@opm.gov

Cumulative Full-Time Permanent Retirement Rates

Fiscal Year 1997-2006

Retirement	FY 1997-2001	FY 2002-2006
Rate	14.2%	18.5%

Retirement Rates by Selected Occupations		
Occupation	Fiscal Year 1997-2001 Actual	Fiscal Year 2002-2006 Projection
Information Technology	12.6%	16.7%
Scientist/Engineer	11.3%	14.9%
Financial Management	13.5%	17.7%
Acquisition	13.5%	17.5%
Law Enforcement	11.6%	11.9%

Previous

Contents

A. The data source for all retirement statistics is the Office of Personnel Management's **C**entral **P**ersonnel **D**ata **F**ile (CPDF). CPDF **does not** contain all Federal employees. If you are not familiar with this file, please read the following information:

1. Appendix IV
    CPDF Coverage

2. Appendix VI
    About the CPDF (important information on the use of CPDF and its data)

B. There are 4 different ways to retire from Federal service:

1. Mandatory
    Retirement must be taken because of a statute-driven maximum age.

2. Disability
    Retirement made because of some kind of disability.

3. Voluntary
    Minimum age/service combination as prescribed by law such that a person can retire at any point based on that age/service.

4. Other Retirements
    Primarily "early-out". Like voluntary retirements, these have minimum, but less stringent age/service requirements. Unlike voluntary retirements, these are granted only for a specific time period. When this period passes, so does the opportunity to retire.

C. We hope that these materials help with work force planning.

    Note:
    We provide no statistics on potential retirement eligibility into the future. We believe that projections of likely retirements based on past attrition patterns are preferable and have devoted a section of this report to retirement projections and the methodology to make them. Projections indicate a gradual increase in retirements over the next five years. We limited these projections to five years to mitigate the risk of error.

D. There are many important issues to consider as you **interpret** these retirement statistics. We **strongly** suggest visiting the following:

1. Appendix II
    Demographic Definitions (e.g. "minority" vs "non-minority", "white-collar" vs "blue-collar")

D. There are many important issues to consider as you **interpret** these retirement statistics. We **strongly** suggest visiting the following:

2. Appendix III
    Retirement Eligibility Requirements (e.g. voluntary, disability, mandatory, early-out)

3. Appendix IV
    Central Personnel Data File (CPDF) Coverage

4. Appendix V
    Length of Eligibility Definition

5. Appendix VI
    About the CPDF (important information on the use of CPDF and its data)

Appendix II
Demographic Definitions

A. Race/National Origin

1. Hispanic

A person of Mexican, Puerto Rican, Cuban, Central or South American, or other Spanish cultures or origins. Does not include persons of Portuguese culture or origin.

2. Black

A person having origins in any of the Black racial groups of Africa except persons of Mexican, Puerto Rican, Cuban, Central/South American, or other Spanish cultures or origins.

3. White

A person having origins in any of the origin peoples of Europe, North Africa or the Middle East, except persons of Mexican, Puerto Rican, Cuban, Central or South American, or other Spanish cultures or origins.

4. Other

Persons who are American Indians or Alaskan natives, Asians or Pacific Islanders, persons of non-Hispanic origins in Puerto Rico, and persons whose official duty stations are in Guam or Hawaii.

B. Occupation Category

White-Collar refers to retirees in one of the following occupation categories:

1. Professional

Requires knowledge in a field of science or learning characteristically acquired through education or training pertinent to the specialized field as distinguished from general education. The work of a professional occupation requires the exercise of discretion, judgment, and personal responsibility for the application of an organized body of knowledge that is constantly studied to make new discoveries and interpretations, and to improve the data, materials, and methods.

2. Administrative

Involves the exercise of analytical ability judgment, discretion, and personal responsibility, and application of a substantial body of knowledge, principles, concepts, and practices applicable to one or more fields of administration or management. While these positions do not require specialized education majors, they do involve the types of skills (analytical, research, writing, judgment) typically gained through a college level general education or through progressively responsible experience.

3. Technical

Involves work that is non-routine in nature and is typically associated with, and in support of, a professional or administrative field. Such occupations involve extensive practical knowledge gained through on-the-job experience or specific training less than represented by college graduation. Work in these occupations may involve substantial elements of the professional or administrative field but require less competence in the field involved.

B. Occupation Category

4. Clerical

Involves structured work in support of office, business, field, or fiscal operations; duties are performed in accordance with established policies, experience, or working knowledge related to the tasks to be performed.

5. Other White-Collar

Includes those miscellaneous occupations that do not fall into the above professional, administrative, technical, or clerical categories.

Blue-Collar occupations comprise the trades, crafts, and manual labor (unskilled, semi-skilled, or skilled), including foreman and supervisory positions entailing trade, craft, or laboring experience and knowledge as the paramount requirement.

C. Supervisor Status

1. Supervisors

Requires the exercise of supervisory responsibilities that, at least meet the minimum requirements for the application of the "Supervisory Grade Evaluation Guide" (SGEG) or similar standards of supervisory responsibilities. The position of manager must have the full range of managerial functions as delineated in the introductory section of the SGEG. All managerial positions as defined in the SGEG are supervisory in nature, but not all supervisory positions are managerial.

2. Non-Supervisors

These positions are non-supervisory and non-managerial in nature. However, positions may meet the definition of supervisor under 5 U.S.C. 7103(a)(10) but may not meet the minimum requirements for the application of the SGEG. Positions are also included which meet the minimum requirements for application of the "Work Leader Evaluation Guide" (WLEG) or meet similar requirements for leader responsibilities.

D. Pay Plans

1. General Schedule and Equivalent

Many pay plans that are used to compensate white-collar employees lack the General Schedule's 15-grade structure, but have grades made equivalent to GS grades based on evaluations of duties and responsibilities – for reporting purposes only. This equivalency is established for most Foreign Service, and VA physicians and dentists pay plans, and has been extended to GS-type graded positions in the Excepted Service. This particular demographic counts of personnel compensated under the General Schedule as well.

Retirement Eligibility Requirements

A. Voluntary

   1. Under both the Civil Service Retirement System (CSRS) **and** the Federal Employees
       Retirement System (FERS), Federal personnel can retire if they:

       (a) Are 55-59 years of age **and**
       (b) Have 30 or more years of creditable service.

       Or

       (a) Are 60-61 years of age **and**
       (b) Have 20 or more years of creditable service.

       Or

       (a) Are 62 years of age or older **and**
       (b) Have 5 or more years of creditable service.

   2. Under the Federal Employees Retirement System Law only, Federal personnel can retire
       if they:

       (a) Are 55-61 years of age **and**
       (b) Have 10 or more years of creditable service.

   3. Hazardous duty employees (law enforcers, firefighters) can retire voluntarily at age 50
       with 20 years of creditable FERS or CSRS service.

B. Disability

   1. Employees who have completed 5 years of creditable service under CSRS or FERS and
       who the Office of Personnel Management finds to have become disabled can retire
       based on that disability.

       Note: For this retirement, there is no minimum age requirement.

C. Mandatory

   1. Under retirement law, air traffic controllers must retire at age 55 unless exempted by the
       Secretary of Transportation. These exempted employees must ultimately retire at age
       62. Additionally, retirement law stipulates that hazardous duty employees must retire at
       age 55 or must complete 20 years of creditable service if over that age. Again, an
       agency may exempt these employees from that provision if the public interest so requires
       until the age of 60 when they must retire.

D. Early-Out

1. If the Office of Personnel Management determines that an agency is undergoing:

   (a) Major reduction-in-force (RIF)
   (b) Major reorganization, **or**
   (c) Transfer of function

   Then agency employees can retire under the "Early-Out" authority. Under this authority, employees can retire under either Civil Service Retirement System (CSRS) or the Federal Employees Retirement System (FERS) if they:

   (a) Are 50-54 years of age **and**
   (b) Have at least 20 years of creditable service.

   Or

   (a) Are 55-59 years of age **and**
   (b) Have between 20 and 29 years of creditable service.

   Or

   (a) 49 years of age or less **and**
   (b) Have at least 25 years of creditable service to CSRS or to FERS.

E. In-Lieu-Of-Involuntary-Action (ILIA)

1. The in-lieu-of-adverse-action retirements can be granted to employees involuntary separated. To be eligible, employees must be at least 50 years old and have at least 20 years of service credited under CSRS or FERS.

A. Status File Coverage

   1. Executive Branch – includes all agencies **except** the following:

       • Board of Governors of the Federal Reserve
       • Central Intelligence Agency
       • Defense Intelligence Agency
       • National Imagery and Mapping Agency
       • National Security Agencies
       • Office of the Vice President
       • Postal Rate Commission
       • Tennessee Valley Authority
       • United States Postal Service
       • White House

       Note: District of Columbia Government is not covered.

   2. Legislative Branch – includes:

       • Government Printing Office
       • United States Tax Courts

       Note: CPDF covers some smaller Legislative Branch agencies and commissions that are not
              listed.

   3. Judicial Branch – entirely **excluded**.

Length of Eligibility Definition

A. Under the Civil Service Retirement System Law, employees become eligible to retire when they meet specific age and length of service (LOS) requirements (e.g. Age 55+, LOS 30+). Based on these specific requirements, length of eligibility (LOE) can be determined.

The "LOE" is the length of service performed between the time a person first becomes eligible to retire and when that person actually does retire.

A. Purpose

1. CPDF is an information system to support statistical analyses of Federal personnel management programs. It is not intended to be a Governmentwide personnel accounting system.

B. Composition

1. CPDF is composed of two primary data files:

    (a) **Status File**

    Documents the characteristics of employees at a specific point in time.

    (b) **Dynamics File**

    Documents personnel actions (**e.g.**, appointments, promotions, separations, etc.) over a period of time.

2. Primary data files above are processed to create other files. For example:

    (a) **High Utility Extract (HUE) Files**

    Subsets of the most often used data from the status and dynamics files.

    (b) **Longitudinal History File (LHF)**

    Dynamics data sorted by social security number and effective date to create employment histories.

3. CPDF also contains a number of auxiliary files. For example:

    (a) **Name File**

    Provides a link from social security number to name.

    (b) **Personnel Office Identifier (POI) File**

    Provides a link from POI code to information about that specific personnel office (**i.e.**, mailing address, contact names, phone numbers, etc.)

C. Coverage

1. CPDF coverage is limited to Federal civilian employees.

2. **Executive Branch** includes all agencies **except** the following:

    • Board of Governors of the Federal Reserve
    • Central Intelligence Agency
    • Defense Intelligence Agency

C. Coverage

    2. **Executive Branch** includes all agencies **except** the following:

- National Imagery and Mapping Agency
- National Security Agencies
- Office of the Vice President
- Postal Rate Commission
- Tennessee Valley Authority
- United States Postal Service
- White House

    (a) Other **exclusions** include:

- Public Health Services's Commissioned Officer Corps
- Nonappropriated fund employees and foreign nationals overseas

    (b) Federal Bureau of Investigations (FBI) coverage is **limited**:

- FBI does not provide dynamics data.
- FBI provides status data but does not report duty location for employees outside the District of Columbia.

    3. **Legislative Branch** coverage is limited to:

- Government Printing Office
- U.S. Tax Court, **and**
- Selected commissions.

    4. **Judicial Branch** is entirely excluded.

    5. CPDF coverage has changed over time. Coverage in older files may differ slightly from coverage in more current files.

    6. CPDF coverage can differ from that of other Office of Personnel Management (OPM) data sources.

D. Collection, Editing, and Production of CPDF Status and Dynamics Data

    1. With the exception of "generated" data elements, all status and dynamics data are submitted by the agencies from their own separate personnel systems. Generated data elements are created from one or more submitted data elements (**e.g.**, Metropolitan Statistical Area is generated from Duty Location, a submitted data element).

D. Collection, Editing, and Production of CPDF Status and Dynamics Data

2. Agency submissions are subjected to validity and relationship edits to ensure codes are valid and consistent with other related data elements (**e.g.**, if pay plan is GS then grade must be 01-15). These edits can detect invalid data but not miscoded data (**e.g.**, record shows grade of 11 but employee is actually grade 12).

- Submissions that fail minimum acceptability requirements are rejected and must be resubmitted.
- Values of individual data elements that fail the edits are replaced with asterisks to prevent invalid data from entering CPDF.
- Agencies are kept informed of their edit failures and may submit corrections.
- The Office of Personnel Management (OPM) may change data element values that are missing or invalid by matching to older files or making the values consistent with statistical assumptions. Alteration of agency submitted values are limited to situations where agency correction is not possible or feasible and failure to act would seriously undermine the usability of the data.

3. Submissions and their corrections are processed to produce **quarterly** (**i.e.**, March, June, September and December) **status** and **dynamics** files.

(a) **Status files**

Reflects employment at the end of a quarter but, for many agencies, may actually reflect employment at the end of the pay period just prior to the end of the quarter.

(b) **Dynamics files**

Reflects all personnel actions occurring within a quarter but may be missing actions that appear in subsequent quarters because of late submission by the agencies.

4. Once a quarterly CPDF status or dynamics file is released for use it is no longer subject to correction.

E. Accuracy

1. CPDF accuracy is affected by:

(a) Omissions (**e.g.**, personnel action missing from dynamics file).
(b) Duplications (**e.g**., employee with multiple records in status file).
- CPDF has some safeguards against true duplication. What appears to be duplication may be valid as in the case of employees with multiple appointments.
(c) Invalid data, which get re-coded to asterisks by the CPDF edits.
(d) Miscoded data (**e.g.**, record shows grade of 11 but employee is actually grade 12).

E. Accuracy

    2. Accuracy varies from quarterly file to quarterly file, agency to agency, and data element to data element.

    3. The Office of Personnel Management (OPM) performs periodic surveys to examine CPDF accuracy by data element.

F. Data Element Information

    1. Changes in organizations and personnel classifications over time require corresponding changes in the CPDF codes. These changes, which involve additions, deletions and/or re-definitions, can make tracking a consistent set of information over time difficult.

    2. Some CPDF data are collected at the time of appointment and not routinely updated (**e.g.**, education level may reflect a bachelor's degree at the time of the employee's appointment but not the master's degree the employee subsequently earned.)

    3. **Pay**

        (a) All pay fields, except those for fee basis and piecework
        Reflect **annualized** rates of pay. They do not reflect earnings which may include other forms of pay (**e.g.**, overtime, shift differentials) or may be less than the annualized rate because of the employee's work schedule (**i.e.**, less than full time non-seasonal) or individual circumstances (**e.g.**, leave without pay).

        (b) Adjusted basic pay
        May be "capped" to reflect payable rather than scheduled rate of pay.

        (c) Basic pay and total pay
        Not "capped" and may exceed amount actually paid.

    4. While most CPDF data elements have specific formatting requirements, some do not. This is particularly true for data elements in the auxiliary files which frequently reflect uncoded or agency defined values (**e.g.**, although most names conform to a last name, first name format, there is no mandatory format).