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**Subchapter 40A CSRS and FERS**  
**Part 40A1 General Information****Section 40A1.1-1 Overview**

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**A. Introduction**

This Chapter discusses retirement planning for people who are approaching eligibility for regular voluntary retirement. The Chapter delineates the roles of the employee, the agency, and the Office of Personnel Management (OPM) in the retirement process and their shared responsibility to ensure the timely processing of the retirement application. The procedures to be followed to complete, file, and process an application for immediate retirement under CSRS and FERS are detailed in the following pages. For most people, the retirement process is quite simple and straightforward. However, it does deserve some time and attention.

While the process described in this Chapter reflects the optimum situation of employees who are able to begin planning for retirement well in advance, the most important point is that employees are informed and know what to do and do whatever advance planning they can -- whether it is 5 years or 5 weeks before retirement. The more comprehensive the advance planning, and the more the employee knows about entitlement at retirement and what to expect from the agency and OPM, the greater the likelihood that the employee's retirement can go smoothly.

It should also be noted that as part of their ongoing responsibility to provide employees with information about their benefits, agencies should make employees aware early in their careers about such things as deposits for civilian and military service so that those individuals who wish to make payments and avoid interest charges can do so. The extent to which agencies do a good job of publicizing benefits information to employees throughout their careers will also have a direct impact on smoothing the retirement process and avoiding surprises.

In addition, agencies that expect to be downsizing may wish to encourage employees who may become eligible to retire early to do advance planning so that, if they do retire early, retirements can be processed without problems. For example, deposits for post-1956 military service must be paid to the agency before employees separate. Employees normally need to go to their former branch of service to find out how much basic pay they received. If an employee finds out what this amount is in advance, then he or she can make the payment quickly if need be.

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**Section 40A1.1-1 Overview (Cont.)****B. Topics Covered**

This Chapter covers:

- How the agency and employee begin to plan for an employee's retirement, preferably at least 5 years before the anticipated retirement date;
- The responsibilities of the agency -- both the personnel and payroll offices -- in the retirement process;
- The procedures an employee must follow to file an application for retirement; and
- The role of the Office of Personnel Management in processing an application for retirement.

**C. Organization of Subchapter**

This subchapter has five parts.

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Subchapter 40B, Job Aids, begins on page 51.

**D. Statement of Authority**

This Chapter and its contents are based on the laws and regulations cited below.

- United States Code: 5 U.S.C. Chapters 83 and 84
- Code of Federal Regulations: 5 CFR Part 831 and Parts 841-846

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**Part 40A2 Advance Retirement Planning****Section 40A2.1-1 General**

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**A. Employee  
Responsibility**

Employees should begin planning for retirement several years before the date they set for retirement so that they will be aware of what is required to continue certain benefits as an annuitant. In preparing for retirement, employees need to know that health and life insurance coverage normally must be in effect continuously for at least 5 years before the retirement date or they will be ineligible to carry these important benefits into retirement. Employees also need to know how other programs, such as Social Security, will affect their retirement. Knowing about the choices that are available and how those choices will affect their retirement benefits will help them make informed decisions.

When retirement planning is part of career planning, employees will know how to build a solid retirement base to which they can contribute throughout their years in government service. The Thrift Savings Plan will be a major part of most retirement plans for future retirees and careful planning throughout their careers will assure them of a sound retirement base. Participating in the retirement seminars given by the agency will help the employee understand his or her role in the retirement process and the retirement application process, which is the culmination of all the plans made for retirement throughout their careers. When employees plan and begin the application process early, problems are less likely to occur. The employees will understand what their benefits are and what documentation is required for the retirement package.

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**B. Agency  
Responsibility**

It is the agency's responsibility to guide the employee through the retirement process, supplying all of the information the employee may need about retirement and continuing insurance coverage into retirement. The agency is responsible for giving the employee an all-inclusive presentation of the retirement process that the employee needs for successful retirement planning. The agency provides the information an employee needs in planning for retirement, but the agency should not advise or counsel the employee what to do. The purpose of this Chapter is to help agencies assist retiring employees so that they have an uncomplicated transition from their Federal careers to retirement. This Chapter contains a large number of job aids and employee information materials. The job aids are designed to give the agency support and guidance. For example, the Agency Checklists give the agency listings of all the forms and documents that apply or could apply to nondisability retirement cases.

**Section 40A2.1-1 General (Cont.)****B. Agency  
Responsibility  
(Cont.)**

The employee information sheets are helpful handouts for employees approaching retirement. While OPM urges agencies to use these materials, agencies may have their own tailored material they prefer to use.

Each agency headquarters is required by law to have a Retirement Counselor whose job it is to coordinate the agency's retirement counseling program and to help retirement counselors at field installations with the questions presented by their retiring employees.

The Retirement Counselor should provide guidance to those responsible for counseling the agency's retiring employees. They should provide complete information as to the retirement procedures established by that agency and utilization of the aids in this Chapter versus tailored agency materials. It is important to see that each agency representative who does retirement counseling knows specifically who in the agency is responsible for seeing that the Notification Letter to separating employees regarding submission of individual retirement records to OPM is sent to the employee (usually this is the responsibility of the payroll office), who is responsible for sending the agency retirement coverage letter to the employee, and how other information needed by the retiring employee is provided. (See Chapter 1, Administration and General Provisions, section 1C3.1-1, for detailed information about the agency's responsibilities relating to retirement matters.)

Those responsible for retirement counseling should enter the name and telephone number of their agency Retirement Counselor here (in pencil since there are periodic changes in these positions):

\_\_\_\_\_

(Name)

\_\_\_\_\_

(Telephone Number)

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**Section 40A2.1-1 General (Cont.)**

**B. Agency  
Responsibility  
(Cont.)**

Names and telephone numbers of others the individual who is counseling employees may need for quick reference can be noted here.

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There are large areas of white space in this Chapter so that those things that are of particular importance to the one providing information to those retiring may write in references, etc., to facilitate the counseling process. Make this your personal guide for counseling. You have a special trust in that the information you provide affects the future of the individuals whom you counsel.

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**Section 40A2.1-2 Five-Year Period Before Retirement****A. General**

The 5-year period prior to retirement is important because there are certain benefits that require at least 5 years of participation before they can be continued into retirement. In addition, many people need preliminary information so that they can make decisions as to when they can afford to retire, whether to make service credit payments, and when to make such payments, etc. The agency should identify employees who are within 5 years of retirement and encourage them to attend a preretirement seminar and to contact their agency's personnel office to initiate procedures to determine the creditability of periods of civilian and/or military service, and determine if any deposits are owed for civilian and/or military service. Agencies should also encourage employees to request preliminary annuity estimates so that they can do financial planning for retirement, including those estimates needed to make decisions about paying deposits and redeposits and waiving military retired pay.

**B. Continuing Health Benefits Enrollment Into Retirement**

Employees may continue their health benefits enrollment into retirement only if they meet all of the following conditions.

1. The employee must retire on an immediate annuity.

NOTE: An immediate annuity under FERS includes retirement under the MRA + 10 provision, even if receipt of the annuity is postponed to a later date to eliminate or lessen the age reduction. Health benefits and life insurance coverage in such cases are suspended until the annuity commences.

2. The employee must be enrolled in an FEHB plan at the time he or she retires.
3. The employee must have been continuously enrolled (or covered as a family member) in a plan under FEHB, or covered by CHAMPUS (see the operating manual called The Federal Employees Health Benefits Handbook for Personnel and Payroll Offices):
  - For the 5 years of service immediately preceding retirement; or
  - For all service since his or her first opportunity to enroll; or
  - Continuously for the full period(s) of service beginning with the enrollment that became effective December 31, 1964.

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**Section 40A2.1-2 Five-Year Period Before Retirement (Cont.)****B. Continuing Health Benefits Enrollment Into Retirement (Cont.)**

OPM has the authority to waive this 5-year participation requirement when it determines that it would be against equity and good conscience not to allow a person to be enrolled in the FEHB Program as an annuitant. The law specifies that a person's failure to satisfy the 5-year requirement must be "due to exceptional circumstances." OPM almost never grants waivers in cases of voluntary retirement because the employee could continue working until he or she has satisfied the 5-year requirement. When circumstances occur that warrant temporary modification to this policy, OPM notifies agencies of the temporary modifications.

NOTE: See the operating manual The Federal Employees Health Benefits Handbook for Personnel and Payroll Offices for additional information.

---

**C. Continuing Life Insurance Coverage Into Retirement**

1. An employee may retain **basic** life insurance as a retiree if all of the following conditions are met:
  - The employee retires from a position in which insured;
  - The employee does not convert to an individual policy when the basic insurance as an employee would otherwise cease;
  - The employee retires on an immediate annuity; and
  - The employee has been insured under the FEGLI program for the 5 years of service immediately preceding retirement **or** the full period(s) of service during which basic life insurance was available, if less than 5 years.
  
2. An employee may retain **optional** life insurance as a retiree if:
  - The employee is eligible to continue basic insurance coverage; and
  - The optional insurance was in force for at least 5 years immediately preceding retirement **or** for the full period(s) of service during which optional life insurance was available, if less than 5 years.

NOTE: See the operating manual called The Federal Employees Group Life Insurance Handbook for Personnel and Payroll Offices for additional information.

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**Section 40A2.1-2 Five-Year Period Before Retirement (Cont.)**

- D. Verifying Civilian and Military Service** If a review of the OPF reveals that periods of civilian and/or military service are unverified, or any required documentation is missing, the agency should assist the employee in documenting the unverified service and/or obtaining the missing documentation as early as possible.
- E. Deposits for Civilian and/or Military Service**
1. If the employee has civilian service for which a deposit or redeposit is owed, he or she should be advised about the effect of payment or nonpayment of the deposit/redeposit on his or her annuity. See Chapter 21, Service Credit Payments for Civilian Service, for a thorough discussion of deposit and redeposit service.
  2. If the employee is eligible to make a deposit for post-1956 military service, he or she should be advised that the deposit must be made to the agency prior to separation for retirement. See Chapter 23, Service Credit Payments for Post-1956 Military Service, for instructions on how to make military deposits.
- NOTE: If the employee is a military retiree who must waive military retired pay to credit the service in a civilian annuity, he or she should be informed about the rules governing credit for military service. (See Section 40A2.1-4B and Chapter 22, Creditable Military Service, section 22A4.1-2, for further instructions on how to waive military retired pay.)
- 
- F. Documentation of Social Security Coverage** Employees should ask for Form SSA-7004-PC, Request for Earnings and Benefit Estimate Statement, from their local Social Security office. Employees who submit this form will receive a free statement that provides information on future eligibility for Social Security benefits and estimates of these benefits as of specified dates. These estimates do not reflect any reduction for the Government Pension Offset (PPO) or the Windfall Elimination Provision (WEP). (See paragraph G below.)
- Employees also may obtain forms or other information about their Social Security benefits by calling **1-800-772-1213**.
- 
- G. Effect of Government Pension Offset and/or the Windfall Elimination Provision**
1. **Government Pension Offset (GPO)**  
Some or all of an employee's spousal Social Security benefit may be offset if the employee has a government pension from work not covered by Social Security. The GPO does not apply to the employee's own Social Security benefit, only the benefit derived from a spouse's employment. If the GPO applies, the spousal Social Security benefit will be reduced by two-thirds of any Federal pension derived from employment not covered by Social Security.

**Section 40A2.1-2 Five-Year Period Before Retirement (Cont.)****G. Effect of Government Pension Offset and/or the Windfall Elimination Provision (Cont.)**

Employees automatically covered by FERS, CSRS Offset employees, and employees who elected to transfer to FERS on or before December 31, 1987, or during the belated transfer period ending June 30, 1988, are exempt from the GPO. CSRS employees who elect FERS coverage after June 30, 1988, will need 5 years of Federal employment covered by Social Security to be exempt from the GPO.

**2. Windfall Elimination Provision (WEP)**

For employees who receive a Federal pension and also are eligible for Social Security benefits based on their own employment record, a different formula may be used to compute their Social Security benefit. This formula will result in a lower benefit. The WEP affects workers who reach age 62 or become disabled after 1985 and are first eligible after 1985 for a Federal pension.

The WEP formula does **not** apply if:

- The employee was eligible to retire from Federal service before January 1, 1986; or
- The employee was first employed by the Government after December 31, 1983; or
- The employee has 30 or more years of substantial earnings under Social Security.

NOTE: Employees must contact their local Social Security office to determine the effect of the Government Pension Offset and/or the Windfall Elimination Provision on their Social Security benefits.

**How to Estimate the Reduction in Social Security Benefits Resulting from the WEP**

Upon request by an employee (using form SSA-7004), the Social Security Administration will send a Personal Earnings and Benefits Estimate Statement (PEBES) that will list the employee's earnings in employment covered by Social Security and provide a Social Security retirement benefit estimate assuming retirement at alternative ages -- 62, 65 and 70. The benefit estimate is based on the person's own estimate of his or her future annual earnings in employment covered by Social Security.

The following table shows how the PEBES benefit estimate for a person reaching age 62 in 1996 or later can be adjusted to reflect the WEP in most cases by subtracting a specified amount from the age-62 or age-65 benefit estimate. The amount to be subtracted

**Section 40A2.1-2 Five-Year Period Before Retirement (Cont.)****G. Effect of  
Government  
Pension Offset  
and/or the  
Windfall  
Elimination  
Provision (Cont.)**

depends on the number of years of "substantial" Social Security earnings the employee will have acquired by the time he or she begins to receive Social Security benefits.

Years of Substantial Earnings	Retirement at Age 62	Retirement at Age 65
30 or more	\$ 0	\$ 0
29	18	22
28	36	45
27	54	67
26	71	89
25	89	112
24	107	134
23	125	156

These amounts apply only to PEBES generated in 1996. To use PEBES generated in subsequent years, these amounts need to be adjusted by the increase in average wages in the economy - currently estimated to be about 5 percent per year. Thus, to use with PEBES generated in 1997 and later, increase the amounts shown by about 5 percent and for each subsequent year after.

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**Section 40A2.1-3 One-Year Period Before Retirement**

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**A. General**

Agencies should contact employees within 1 year of retirement eligibility and offer counseling.

The paragraphs that follow outline the steps the employee and agency should take at least 1 year before the employee applies for retirement.

NOTE: Provide employees with copies of "Checklist for Employees Preparing to Retire" (Employee Information Sheet #1) and "Checklist for Health and Life Insurance Coverage" (Employee Information Sheet #2), that are included in subchapter 40B.

---

**B. Initial Actions**

Important employee actions are:

1. Confirm when he or she will be eligible to retire;
  2. Decide when he or she wishes to retire;
  3. Obtain information about other benefits to which the employee may be entitled, such as Thrift Savings Plan payout options, any other entitlements based on other employment (for example, Foreign Service, Social Security, pensions from private industry, IRA's, etc.); in other words, the employee should have a fairly comprehensive picture of all sources of retirement income and when each becomes payable;
  4. Inform the supervisor of his or her anticipated retirement date. It may be impractical for the employee to tell his or her supervisor the anticipated retirement date this early, however, the employee should be encouraged to give notice as early as feasible to give time for succession planning by the supervisor;
  5. Attend a preretirement counseling seminar if he or she has not already done so; and
  6. Make an advance appointment with the personnel office to review his or her Official Personnel Folder (OPF) or its equivalent to ensure that records are complete and accurate, that all service has been verified, and that insurance coverage has been documented.
-

**Section 40A2.1-3 One-Year Period Before Retirement (Cont.)****C. Review OPF to  
Ensure  
Completeness/  
Accuracy of  
Records**

The employee, together with the agency's retirement counselor, should:

1. Set up a folder for the employee, beginning with the SF 2801. Take the SF 2801-1, Certified Summary of Federal Service, review the Standard Form 144, Statement of Prior Federal Service (if previously completed), and complete the SF 2801-1. This will confirm that the employee's work history is correct and that all service has been properly documented;

Make sure that the OPF includes official documentation of the following:

- The beginning and ending dates of each period of creditable civilian service;
- The effective dates for each promotion or within-grade increase during service that might fall into the high-3 average salary;
- Dates of pay changes or earnings, and the pay rate, during nondeduction service for correct computation of the deposit due;
- The tour of duty during any part-time appointment (for example, tour of duty -- 60 hours per pay period);

NOTE: If the employee worked more hours than the official tour of duty, document the hours actually worked.

- A record of the time actually worked during any intermittent or WAE ("when actually employed") service; and
- Documentation of the dates of any creditable military service.

NOTE: If any civilian or military service is unverified, or any required documentation is missing, the employee should request the agency's assistance in documenting unverified service and/or obtaining the missing documentation.

**Section 40A2.1-3 One-Year Period Before Retirement (Cont.)**

- C. Review OPF to Ensure Completeness/Accuracy of Records (Cont.)**
2. Review the Designation of Beneficiary (SF 2808 for CSRS and SF 3102 for FERS) for the lump-sum distribution of retirement contributions when there is no one eligible for a survivor benefit to make sure the form shows the person(s) the employee **currently** wants designated. If the individual does not have a copy available for review, he or she may want to file a new designation.
- NOTE 1: When an employee **transfers** to FERS, any prior CSRS Designation of Beneficiary (SF 2808) is canceled. The employee may submit a new designation on SF 3102 if he or she wishes payment to be made to a person who would not otherwise be entitled under the order of precedence. The Designation of Beneficiary, SF 2808, on file for employees who were **automatically** covered by FERS is not canceled and remains in effect.
- NOTE 2: SF 2808's are filed at OPM; SF 3102's are filed with the agency.
- 
- D. Completeness/Accuracy of Health and Life Insurance Records**
- The employee and agency retirement counselor should make sure the OPF includes official documentation of the following:
1. A record of all Federal health benefits enrollments on SF 2809, Health Benefits Registration Form, and, if appropriate, SF 2810, Notice of Change in Health Benefits. Be meticulous in making certain that OPM is given a complete history of health benefits enrollment for the 5 years preceding retirement.
  2. A record of the current Federal life insurance coverage on SF 2817, Life Insurance Election, and if appropriate, the current Life Insurance Designation of Beneficiary, SF 2823.
- 
- E. Status of Health Benefits During Adjudication**
- Advise employees whose health benefits will continue into retirement that coverage does not stop, even though premiums are not collected until the case has been adjudicated. Premiums for the period from retirement to case completion will be deducted from the first payment after adjudication has been completed.
- 
- F. Eligibility to Elect Temporary Continuation of Health Benefits Coverage**
- The agency must advise individuals who are not eligible to continue health benefits coverage into retirement of their right to temporarily continue coverage (Temporary Continuation of FEHB Coverage, TCC) that would otherwise terminate. This election must be made within 60 days of separation. (See 5 CFR Part 890, Subpart K.)
-

**Section 40A2.1-3 One-Year Period Before Retirement (Cont.)**

- G. Direct Payment of FEHB Premiums to OPM** The agency must advise employees that they may make direct payment of their health benefit premiums to OPM if their annuity is not sufficient to cover the cost of the premium. OPM will bill them for their premium payments if this is the case. Employees should not send payments before receiving instructions.
- 
- H. Post-1956 Military Deposit** If the employee has not paid a deposit for post-1956 military service, he or she should be advised that if the deposit is going to be paid, it **must be made to the agency prior to separation for retirement.** (See Chapter 23.)
- 
- I. Questions on Effect of Deposits and Redeposits on Service Credit** If the employee has civilian service for which a deposit or redeposit is owed, he or she should be advised of the effect of payment or nonpayment of the deposit/redeposit on his or her annuity. (See Chapter 21.)
- The effect on retirement benefits of a deposit for nondeduction service depends on whether the nondeduction service was performed before October 1, 1982, or after September 30, 1982 under CSRS (see Chapter 21 for a full explanation). Nondeduction service credited under FERS performed before January 1, 1989, does not count for eligibility or computation purposes unless the employee makes the service credit payment prior to the final adjudication of his or her retirement claim, or, when eligible, elects an alternative annuity and has the deposit deemed paid. (See Chapter 53, Alternative Annuity Elections.) With certain minor exceptions, **a FERS employee cannot make a deposit for nondeduction service performed on or after January 1, 1989.** The deductions must be made on a current basis during the time that the service is being performed.
- The effect of making a redeposit for refunded retirement contributions on the CSRS annuity depends on whether the refunded service ended before October 1, 1990, and whether the employee's nondisability annuity commences after December 1, 1990. With certain exceptions, the employee does not have to make a redeposit to receive credit for the refunded service that ended before October 1, 1990, but the annuity will be actuarially reduced. (See Chapter 21, section 21A3 for technicalities.) **A refund of FERS retirement contributions terminates all credit for service for both eligibility and computation purposes.** A FERS employee may make a redeposit for refunded CSRS service that becomes FERS service if the refund was received based on an application filed **before** FERS coverage began.

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**Section 40A2.1-3 One-Year Period Before Retirement (Cont.)****I. Questions on  
Effect of Deposits  
and Redeposits  
on Service Credit  
(Cont.)**

If an employee who wishes to make a deposit or redeposit is within 6 months of retiring, he or she should not submit an SF 2803 or SF 3108 prior to the retirement process. Submission of an application for deposit/redeposit followed by submission later of an application for retirement benefits within the 6-month period often delays the process. The employing agency should forward the employee's request to make a deposit or redeposit **with** the retirement application. The request can be in the form of an SF 2803/SF 3108 or a letter stating intent to make a deposit or redeposit. The employee will be notified of any amounts due during the adjudication of the retirement claim so that he/she can decide whether to make the payment.

Should an employing agency require deposit/redeposit information for annuity estimates, they should submit the form as shown in Job Aid #4 or download the form from OPM ONLINE at (202) 606-4800. The Retirement Operations Center staff at Boyers will provide the information so that the retiring employee can make an informed decision whether or not to pay deposits and/or redeposits.

Mail the form to: U.S. Office of Personnel Management  
Retirement Operations Center  
Post Office Box 45  
Boyers, PA 16017

fax # 724-794-4668.

NOTE: See Chapter 21 for complete information on when to file applications to pay deposits and redeposits and the correct forms to use.

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**Section 40A2.1-3 One-Year Period Before Retirement (Cont.)****J. Meeting Age and Service Requirements**

Verify that the employee meets the age and service requirements for retirement on the proposed retirement date. Demonstrate to the employee how the voluntary retirement date affects the beginning date of the annuity.

For example, under CSRS, a 9/3 retirement date will ensure a beginning annuity date of 9/4; a 9/4 retirement date means the annuity will not begin until 10/1.

Under FERS, since there is no 3-day opportunity, any date during the month means the annuity beginning date will be the first of the next month.

Agencies should emphasize the actual commencing annuity date, especially to FERS employees.

See Chapter 50, Computation of Annuity Under the General Formula, for examples.

NOTE: It also is necessary to verify that CSRS employees meet the "1-out-of-2" requirement. (See Chapter 41, Voluntary Retirement Based on Age and Service, section 41A1.1-2, paragraph E.) FERS has no "1-out-of-2" requirement.

**K. Review Survivor Benefit Considerations**

The agency must review the applicable survivor benefit considerations noted below.

- The types of survivor elections that may be made, such as for a current spouse, for a former spouse, or for an individual with an insurable interest in the retiree (the retiree needs to know that an insurable interest election requires that the retiree have a physical examination at his or her own expense); see Chapter 52, Survivor Benefit Elections, sections 52A2.1-1 and 52B2.1-1;
- The requirements the current and/or the former spouse must meet to be eligible for survivor benefits (see Chapter 52);
- The necessity of spousal consent if the employee wants to provide less than full survivor benefits (see Chapter 52, sections 52A2.1-2 and 52B2.1-2);

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**Section 40A2.1-3 One-Year Period Before Retirement (Cont.)****K. Review Survivor Benefit Considerations (Cont.)**

- The cost of survivor benefits and the amount of survivor benefits payable (see Chapter 50, sections 50A3.1-3 and 50B3.1-3);
  - The effect of the termination of survivor benefits (see Chapter 50, section 50A3.1-3 paragraph H and section 50B3.1-3 paragraph E);
  - The effect of court awarded benefits to former spouses (see Chapter 74, Former Spouse Survivor Benefits);
  - The ability to increase or decrease the amount of the survivor annuity without penalty for up to 30 days after the first regular monthly annuity payment (see Chapter 52, section 52A4.1-1);
  - The ability to increase the amount of survivor benefits within the 18-month period following retirement and the effect of such an increase (see Chapter 52, section 52A4.1-2);
  - The requirements that a retiree must elect **some** survivor annuity or else the surviving spouse cannot continue FEHB coverage. (See Chapter 71, Spouse Benefits - Death of an Annuitant, section 71A3.1-2, for information);
  - Provision for survivor benefits to a former spouse may be voluntary or pursuant to a court order (see Chapter 74 for conditions);
  - Survivor elections available if the individual marries (or remarries) after retirement (see Chapter 52, section 52A4.1-3); and
  - When payment of the lump-sum retirement contributions will be made (see Chapter 75, Lump Sum Benefits).
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**Section 40A2.1-3 One-Year Period Before Retirement (Cont.)****L. MRA + 10  
Retirees Who  
Elect Immediate  
Annuity**

When the employee retires under the FERS provision that allows an employee who has at least 10 years of service and who is at the minimum retirement age (at least 55) to retire on an immediate annuity, the annuity must be reduced for each month that the retiree is under age 62. The reduction is five-twelfths of 1 percent per month (5 percent per year).

Tell the employee that application to receive an MRA + 10 annuity can be postponed. They can apply for this benefit later by writing to OPM or filing an "Application for Deferred or Postponed Retirement" (RI 92-19) within 60 days before they want this benefit to begin.

Agencies should make certain that employees are aware of the following important considerations about delaying the annuity commencing date:

- This benefit is reduced if it begins before age 62. The reduction is five-twelfths of 1 percent for each month (5 percent per year) by which the benefit commencing date precedes the 62nd birthday. However, the reduction for age is not made if the benefit commences the month after reaching age 60 and the retiree has 20 years of service or has reached the MRA and has 30 years of service.
- Delay of the benefit avoids the reduction for being under age 62 that would have been applied at the date of separation had the retiree filed at that time. The benefit can be initiated at any time, avoiding all or any part of the reduction.
- Life insurance enrollment will terminate until the annuity begins, then the life insurance coverage the employee had when he/she separated from employment will resume if otherwise eligible to retain coverage as a retiree.
- Health insurance can be temporarily continued under the Temporary Continuation of Coverage (TCC option) for 18 months from the date of separation from the employing agency; however, the retiree must pay both the employee and the government shares of the monthly premium, plus a 2 percent administrative charge. The former employing agency is responsible for collecting premiums and maintaining the enrollment during the temporary continuation of coverage.

**Section 40A2.1-3 One-Year Period Before Retirement (Cont.)****L. MRA + 10  
Retirees Who  
Elect Immediate  
Annuity (Cont.)**

- When the annuity payments begin, if otherwise eligible to continue coverage, the retiree will have the opportunity to enroll in a health benefits plan under the regular Federal Employees Health Benefits Program and OPM will pay the government share of the premium. If the retiree dies before filing an application for retirement, he or she is deemed to have filed that application and, therefore, is considered to have died as an annuitant, thereby ensuring the rights of survivors. See Chapter 42, MRA + 10 Retirement.

**M. Voluntary  
Contributions**

Employees who have made voluntary contributions while under CSRS may, at time of retirement, use those contributions to purchase additional annuity or withdraw the contributions in a lump sum.

The employee is entitled to an additional annuity of \$7 a year for each \$100 in his or her voluntary contribution account, plus 20 cents for each full year he or she is over age 55 at time of retirement. The employee may also elect a reduction in his or her additional annuity to purchase a survivor annuity. The voluntary contributions account is converted to an additional annuity at retirement unless the retiree requests a refund of the voluntary contributions by filing SF 2802, Application for Refund of Retirement Deductions, or RI 38-124, Voluntary Contributions Election, before final adjudication of the basic annuity.

Most employees will elect to receive a refund of the voluntary contributions rather than use the contributions to purchase additional annuity. If the interest on the account is at least \$200, the employee can elect to have OPM roll over all or part of the interest to an Individual Retirement Account (IRA) or other qualified retirement plan to defer income tax. An employee who wants to withdraw all of his or her voluntary contributions with or without a rollover of interest should obtain RI 38-124 from the employing agency or obtain SF 2802 and state in item 7: "I want only my voluntary contributions to be refunded to me." Employees, including employees who are retiring, should submit their refund/rollover elections directly to OPM. Since interest stops at separation, retiring employees should submit their refund requests to OPM at least 60 days before retirement. If the refund/rollover election is received with the employee's retirement package, the refund will be processed separately from the retirement application. (Spousal notification is not required for a voluntary contributions refund.)

**Section 40A2.1-3 One-Year Period Before Retirement (Cont.)****M. Voluntary  
Contributions  
(Cont.)**

NOTE 1: Chapter 31, Voluntary Contributions, contains detailed guidance regarding voluntary contributions. See Chapter 50, section 50C1.1-2, for an example of an employee who retires and elects additional annuity provided by voluntary contributions.

NOTE 2: Employees should read both the Voluntary Contributions Notice (Form RI 38-125) and the Special Tax Notice Regarding Rollovers (Form RI 37-22) for information on refunds, rollovers, taxes and voluntary contributions annuities. Interest on voluntary contributions that are refunded is eligible under "rollover" provisions of Public Law 102-318. (See section 40A4.1-3 paragraph C for a full explanation of the law.)

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**N. Annuity  
Estimates**

When applicable, the agency is responsible for providing any of the following annuity estimates upon request. (See Employee Information Sheet #3, CSRS and FERS Annuity Estimates You May Need.)

1. For employees receiving military retired pay, annuity estimates with and without credit for the military service.
2. For employees considering a deposit for post-1956 military service, annuity estimates with and without the military service on or after January 1, 1957.
3. For employees considering making a CSRS deposit for civilian service performed before October 1, 1982, estimates of the amount of the deposit and the amount of the annuity with and without the reduction for unpaid deposit.
4. For employees considering making a CSRS deposit for civilian service performed on or after October 1, 1982, estimates of the amount of the deposit and the amount of annuity with and without the deposit service.
5. For employees considering making a CSRS redeposit for service ending before October 1, 1990, estimates of the amount of the redeposit and the amount of the annuity with and without the actuarial reduction for the unpaid redeposit.

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**Section 40A2.1-3 One-Year Period Before Retirement (Cont.)****N. Annuity  
Estimates (Cont.)**

6. For employees considering making a CSRS redeposit for service ending on or after October 1, 1990, estimates of the amount of the redeposit and the amount of annuity with and without credit for the refunded service.
7. For employees considering making a FERS deposit for civilian service performed before 1989, estimates are needed of the amount of deposit and the amount of the annuity with and without credit for the pre-1989 service.
8. For employees considering electing no survivor benefits for his or her spouse (or electing less than full survivor benefits or benefits for a former spouse), estimates of the amount of the survivor annuity and the amount of the retiree's annuity with and without the full survivor benefit.
9. For employees who are electing an insurable interest annuity, estimates of the annuity with and without the insurable interest election.
10. For employees who have made voluntary contributions and are eligible to elect additional annuity provided for by voluntary contributions, estimates with and without credit for the voluntary contributions.
11. For employees who are eligible to elect the alternative annuity (AFA) at retirement, estimates of the annuity with and without the lump-sum payment of retirement contributions. (See section 40A4.1-3 paragraph C.)
12. For FERS employees eligible to receive an annuity supplement, estimate the monthly amount payable to age 62.

**IMPORTANT:** While the agency is expected to provide a reasonable estimate of an individual's retirement benefits, it is OPM's responsibility to determine the actual amount of the annuity based on the laws and regulations in effect at time of retirement and on certified service history data.

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**Section 40A2.1-3 One-Year Period Before Retirement (Cont.)****O. Cost-of-Living Adjustments (COLA's)**

1. Explain how COLA adjustments apply to retiring CSRS, or FERS employees with a CSRS component:
  - COLA's for CSRS service take effect December 1 of each year and are reflected in the annuity check dated the first day of January; and
  - The initial CSRS-service COLA is effective on the December 1 after the annuity begins, and will be prorated based on the number of months the individual was on the annuity rolls prior to the effective date of the increase.
2. Explain to retiring FERS employees:
  - COLA's take effect December 1 of each year and are reflected in the annuity check dated the first business day of January; and
  - The initial COLA generally is effective on the December 1 **after attaining age 62** or after the annuity begins, whichever is later. In addition, the initial COLA is prorated based on the number of months the individual was on the annuity rolls prior to the effective date of the increase.

EXCEPTION 1: For FERS annuitants who are not eligible to receive a COLA during their first year (or more) on the annuity roll, the initial COLA they receive (after becoming eligible) is the full COLA without proration.

EXCEPTION 2: **Special Entitlement:** The initial COLA for FERS employees retiring under the special group provisions (special provisions for air traffic controllers, law enforcement personnel, or firefighters) is effective on the December 1 after the annuity begins.

EXCEPTION 3: The FERS retiree annuity supplement is not subject to cost-of-living increases. (See Chapter 51, Retiree Annuity Supplement.)

EXCEPTION 4: FERS retirees with a CSRS component in their annuities receive COLA's on the CSRS component according to the CSRS rules described in paragraph 1 above. The FERS portion of the benefit is governed by the FERS rules.

**Section 40A2.1-3 One-Year Period Before Retirement (Cont.)****O. Cost-of-Living Adjustments (COLA's) (Cont.)**

EXCEPTION 5: Public Law 103-66 will delay cost-of-living increases for FY's 1994, 1995, and 1996, as follows:

- Anyone who would have been eligible for a January 1, 1994, 1995, or 1996, COLA will have their annuity increased instead on April 1, 1994, 1995, or 1996, by exactly the same amount that would have been added in January. If someone would not have been eligible for a COLA on January 1, they will not get one on April 1.
- The COLA delays are not cumulative, that is, each COLA that would have been effective on January 1 will instead take effect on April 1.
- The COLA delays apply to all annuitants under the Federal Employees Retirement System, the Civil Service Retirement System, and the Foreign Service and Central Intelligence Agency retirement systems.

NOTE: For additional information on COLA's, see Chapter 2, Cost-of-Living Adjustments.

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**P. Consider TSP Withdrawal Options**

At least 6 months prior to retirement, an employee with a vested TSP account balance should consider the various TSP withdrawal options, estimate the relative monetary advantages of different ways of withdrawing TSP funds, and consider the tax effects of each option. The employee will also need to decide when to receive the TSP benefits. See Employee Information Sheet #1, paragraph 13, for the Thrift Investment Board's address.

NOTE: Give the employee copies of the Thrift Investment Board's informational booklets (namely, "Withdrawing Your TSP Account Balance" and "Thrift Savings Plan Annuities") that contain information employees need in determining what to do with their TSP accounts.

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**Section 40A2.1-3 One-Year Period Before Retirement (Cont.)****Q. Effect of Social Security Benefits on CSRS Offset Employees**

The annuities for CSRS Offset employees are computed in the same manner as if they were covered under CSRS only. However, the annuity is reduced (offset) when the employee becomes eligible for Social Security retirement benefits. The offset is applied when the basic requirements for Social Security are met (usually at age 62) **even if the employee does not apply for Social Security benefits**. If the employee is not entitled to Social Security at age 62, there is no offset until or unless he or she later becomes entitled to Social Security.

NOTE: See Chapter 50, section 50A3.1-4, for additional information.

**R. Lump-Sum Payment of Annual Leave**

The employee may be paid for any annual leave balance (not limited to 240 hours carried over past the end of the leave year) held to credit at retirement. However, if employee retires after the end of the leave year, the annual leave balance will be reduced to 240 hours at the end of the leave year (except for SES and other excluded groups). At the beginning of the next leave year, the employee will again begin to accrue annual leave that will be added, as accrued, to the leave year balance and can be included in the lump sum payment for annual leave at retirement.

**S. Federal Tax Information**

Agencies should refer employees to their local Internal Revenue Service (IRS) office for information about the taxation of annuity and other retirement benefits. Agencies should not and are not expected to contact the IRS on behalf of the employee.

Employees may obtain IRS Publication 721, "Tax Guide to U.S. Civil Service Retirement Benefits," or other tax information by calling **1-800-829-1040**. In addition, IRS has issued a new Publication 1798, *Retiring Q's and A's*. This publication has been developed to help inform, educate and assist Federal retirees with their tax obligations. It addresses 10 tax questions most commonly asked by Federal retirees and provides telephone numbers and addresses for additional information.

The retiree will receive a letter explaining how to make tax withholding elections using the > Annuitant Express toll-free number, 1-800-409-6528< . If the retiree wants to use a W-4P-A (Federal Tax Election Form), it can be requested by calling > toll-free on 1-88 US OPM RET (1-888-767-6738)< .

**Section 40A2.1-3 One-Year Period Before Retirement (Cont.)****S. Federal Tax Information (Cont.)**

NOTE: The taxes are withheld from annuity checks at the "married + 3" withholding rate unless the employee instructs OPM to do something different.

After the retirement package has been received by OPM and the retiree has received his or her CSA number, OPM is able to accept tax withholding changes by W-4P-A, by letter from the retiree, or by calling OPM. The retiree's signature is required on any written request (see Employee Information Sheet #6 for address and telephone numbers). Specific taxable lump sum payments are eligible to be rolled over into an IRA under provisions of Public Law 102-318. These benefits are:

Taxable portion of AFA lump sum; and

Interest on excess contributions and voluntary contributions.

If the benefits are not rolled over by OPM into an IRA, 20 percent is withheld for Federal income tax. The withholding rate for these benefits cannot be changed. (See Employee Information Sheet #10 for information about rollovers.) General tax information is provided in this Handbook in Chapter 31, and Chapter 53. (Also, see Employee Information Sheet #7 on taxes.)

**T. State Income Tax Withholdings From Annuity Checks**

If the employee wants OPM to withhold State income taxes from the annuity as well, he or she must contact OPM directly. OPM can now process requests to initiate tax withholdings, or cancel withholdings. (See Employee Information Sheet #7, Information About State Income Tax Withholding, in subchapter 40B for more information.)

**U. OWCP Benefits**

An individual who is eligible for an annuity under CSRS or FERS and compensation benefits (OWCP, Department of Labor) under FECA may not receive both benefits concurrently. The bar includes nonscheduled compensation that has been commuted to a lump-sum payment under 5 U.S.C. 8135 as well. Documentation requirements are found in Schedule C of the CSRS and FERS retirement application forms. Read Chapter 102, Relationship Between Retirement Annuity and Compensation for Work-Related Injuries and Diseases, to determine how workers' compensation affects the elections a retiree would make and how these elections would affect a survivor's benefit. Chapter 102 covers time spent in receipt of workers' compensation benefits and when it is creditable for retirement purposes.

**Section 40A2.1-3 One-Year Period Before Retirement (Cont.)****U. OWCP Benefits  
(Cont.)**

If there is a current involvement with workers' compensation, the retiree should be given the information contained in Chapter 102 regarding retirement and workers' compensation. Schedule C of both the CSRS and FERS retirement application forms requires documentation of compensation and/or awards received or being received by the employee. Disability retirement is covered in Chapter 60, Disability Retirement.

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**Section 40A2.1-4 Six-Month Period Before Retirement**

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**A. Clear up  
Indebtedness to  
Agency**

The employee should resolve any financial indebtedness to his or her agency. Examples of indebtedness include:

- Outstanding travel advances;
- Overpayments of salary;
- Indebtedness for failure to return government property or damage to government property; or
- Advanced leave.

**B. File Waiver of  
Military Retired  
Pay**

If the employee wants to waive his or her military retired pay in order to receive credit for the military service, the employee should notify the Retired Pay Operations Center in writing at least 90 days but no later than 60 days before the planned retirement date. Waivers for military retired pay should be sent to DFAS, Cleveland Center, Retired Pay Operations, P.O. Box 99191, Cleveland, Ohio 44199-1126. Fax requests for waivers to FAX number (216) 522-5237. Wording of request for waiver: "I (full name and military serial number) hereby waive my military retired pay for Civil Service Retirement purposes effective (the day before annuity commences). I hereby authorize the Office of Personnel Management to withhold from my Civil Service Retirement annuity any amount of military retired pay granted beyond the effective date of this waiver due to any delay in receiving or processing this election." (See Chapter 22, section 22A4.1-2 for further instructions on how to waive military retired pay.)

Attach to the employee's retirement application a copy of the waiver request and any response from the Retired Pay Operations Center. The employee should retain copies of these documents for his or her personal records.

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**C. Maximum  
Annuity:  
80 Percent  
Limitation**

When applicable, explain that the **basic** CSRS annuity cannot exceed 80 percent of the high-3 average salary, except for unused sick leave credit. The 80 percent limitation is reached under the general formula by performing 41 years and 11 months of CSRS service. Credit for sick leave is not included in the 80 percent limitation.

OPM automatically applies excess retirement deductions that result from exceeding the 80 percent limitation to any deposits the employee may owe. If the employee does not owe a deposit, the excess contributions are

**Section 40A2.1-4 Six-Month Period Before Retirement (Cont.)****C. Maximum  
Annuity:  
80 Percent  
Limitation (Cont.)**

refunded to the retiree with his or her initial annuity payment along with a letter advising the retiree of the amount of additional annuity the excess deductions and interest would purchase. If the retiree returns the excess deductions and interest to OPM, this amount is treated as voluntary contributions and the annuity is recomputed accordingly. Excess deductions are treated the same as voluntary contributions. (See Chapter 50, sections 50A3.1-2 and 50A3.1-5B.)

NOTE: Interest on excess retirement deductions and voluntary contributions refunded are eligible under "rollover" provisions of Public Law 102-318. (See section 40A4.1-3 paragraph D for a full explanation of the law.)

**D. Document  
Medicare  
Eligibility and  
Filing for  
Medicare**

The Social Security Administration (SSA) will have records of most retiring employees' eligibility for Medicare. However, if SSA does not and neither the employing agency nor the former employee has the material required by SSA to determine Medicare eligibility, agencies or former employees may obtain documentation of earnings by writing to:

National Personnel Records Center  
(Civilian Personnel Records)  
111 Winnebago Street  
St. Louis, MO 63118

When requesting documentation of earnings from the National Personnel Records Center, provide the following information:

- Name of employee (as carried on payroll records);
- Date of birth;
- Social Security number;
- Mailing address;
- Year(s) for which you need documentation of earnings;
- Name and location of employing agency for each year;
- Reason for request: Certification of Earnings for Medicare Eligibility;
- Written signature (printed or typed names will not be accepted); and
- Statement that all other sources of this information have been exhausted.

Contact SSA 3 months before your 65th birthday to apply.

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**Section 40A2.1-5 Two-Month Period Before Retirement**

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**A. General**

The paragraphs that follow outline the steps that should be taken by the agency and the employee at least 2 months before the employee applies for retirement and information to facilitate those steps in the retirement planning process.

**B. Choose Exact Date of Retirement**

The employee should choose his or her exact retirement date, if this decision has not already been made. The agency should advise the employee when his or her annuity will commence and how the date chosen affects credit for length of service, sick leave, the high-3 average salary, and the beginning date of his or her annuity. Once the exact date of retirement is determined, a final agency computation can be made.

NOTE 1: A copy of the computation should be submitted to OPM with the retirement application.

NOTE 2: Remind the employee of the commencing date and COLA proration rules and delay rules.

NOTE 3: COLA proration rules (and delay rules) are covered in section 40A2.1-3 O.

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**C. Give Retirement Package to Employee**

Once the agency personnel office gives the employee all of the necessary retirement and insurance forms, it should advise the employee to take the following steps.

1. **Complete the retirement application and related forms.** (See part 40A3 for the retirement application process.)

The agency must advise the employee that the retirement application has important information with it and that this information should be read carefully before filling out the forms.

2. **Submit the forms.**

The agency must tell the employee where, when, and to whom the forms should be submitted, and remind the employee to keep a copy of all submissions for his or her personal records. A retiring employee does not need to submit a separate resignation. Submission of the completed and signed retirement application is the same as a letter of resignation. An employee who is eligible for a retirement benefit should be counseled against simply resigning and submitting a retirement application later, because, if the employee

**Section 40A2.1-5 Two-Month Period Before Retirement (Cont.)****C. Give Retirement Package to Employee (Cont.)**

dies in the interim, no FEGLI or survivor annuity would be payable and the survivor would not be eligible to continue FEHB coverage.

3. **Review and sign SF 2801-1 (CSRS) or SF 3107-1 (FERS), Certified Summary of Federal Service, if this was not done during the time period presented in section 40A2.1-3C.**

The agency should see that this form is completed as described in section 40A2.1-3C without delay.

4. **Complete all other customary agency exit procedures.**

The agency must explain exit procedures to the employee.

**D. Prepare the SF 52**

When the exact retirement date has been decided, the responsible office should prepare an SF 52, Request for Personnel Action, have it signed by the appropriate authority, and send it to the agency personnel office.

**E. Verify Completion of Post-1956 Military Deposit With Payroll Office**

Ask the payroll office to verify that the deposit for post-1956 military service has been completed or that an arrangement has been made with the employee for the deposit to be completed before the employee leaves the agency's rolls.

**F. Direct Deposit of Annuity Check**

Public Law 104-134 strengthened the requirements that Federal payment recipients receive their payments by direct deposit through Electronic Funds Transfer (EFT) into a checking or savings account. The prior law, Public Law 103-356, required all Federal retirees with annuity commencing dates on or after January 1, 1995, to be paid by direct deposit through Electronic Funds Transfer (EFT), unless they requested a waiver. Under P. L. 104-134, beginning with individuals who become eligible for payment on or after July 26, 1996, all new Federal payment recipients are to receive their payments by EFT if possible. The only exception is for those individuals who **certify in writing** that they have no checking or savings account into which their payments could be directly deposited, and that no accounts have been established on their behalf by authorized payment agents. They may elect direct deposit either by obtaining a Standard Form 1199A, Direct Deposit Sign-Up Form, from their financial institution, and submitting it with the retirement application, **or** by completing the appropriate election letter.

**Section 40A2.1-5 Two-Month Period Before Retirement (Cont.)****F. Direct Deposit of Annuity Check (Cont.)**

NOTE 1: Generally, retirees whose permanent address for receiving annuity payments is outside the United States cannot be paid by EFT. > However, EFT is now available to retirees residing in Canada. In addition, retirees residing outside the United States and Canada can arrange to have their annuity payments electronically deposited in a U.S. bank if they wish< .

NOTE 2: Retirees whose agency is participating in the Automated Interim Pay Project will need no further election because their current EFT account data will be transmitted via magnetic tape from payroll records.

**G. Contacts After Retirement**

Provide retiring employees with a copy of "Where and How to Direct Questions to OPM During Retirement Process and After Retirement (including types of requests OPM can handle over the telephone)" (Employee Information Sheet #6) from subchapter 40B.

**H. TSP Withdrawal Package**

The agency must provide a TSP Withdrawal Package to each retiring employee who has a vested TSP account balance. This package contains the booklet "Withdrawing Your TSP Account." The agency TSP representative should be familiar with the information contained in this booklet in order to explain to the employee his or her TSP withdrawal options, including the option to keep his or her money in the TSP.

Employees should be aware that processing a withdrawal may take up to 8 weeks after all properly completed withdrawal forms and separation data have been received by the TSP Service Office from the employee and from the agency. The TSP Service Office cannot process a withdrawal election until the Service Office receives an Employee Data Record from the agency payroll office indicating that the employee has separated.

NOTE 1: An unpaid TSP loan may delay disbursement of the TSP account balance. If possible, employees should pay off any TSP loans before retirement to avoid delaying receipt of TSP distributions.

NOTE 2: It is necessary to designate a beneficiary only if the employee wants payment to be made in a way other than the order of precedence shown below. A designation should be kept current. If an employee's family status changes (for example, marriage, divorce, death), the employee may want to change his or her designation.

**Section 40A2.1-5 Two-Month Period Before Retirement (Cont.)****H. TSP Withdrawal  
Package (Cont.)**

Order of Precedence:

1. To widow or widower.
  2. If none of the above, to child or children and descendants of deceased children, by representation.
  3. If none of the above, to retiree's parents or the surviving parent.
  4. If none of the above, to the duly appointed executor or administrator of retiree's estate.
  5. If none of the above, to any other of retiree's next of kin who is entitled under the laws of retiree's domicile on the date of his or her death.
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**Part 40A3 Retirement Application Process****Section 40A3.1-1 Procedures**

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**A. CSRS Forms and Documents To Be Submitted by Employee**

An employee retiring under CSRS is required to complete and submit the following forms and documents (except for those documents that are identified as when applicable or if available):

- SF 2801, Application for Immediate Retirement (and Schedules A, B, and C when necessary).
- SF 2801-2, Spouse's Consent to Survivor Election, if applicable.
- SF 2801-3, Election of Former Spouse Survivor Annuity or Combination Current/Former Spouse Annuity, if applicable.
- If excess deductions have been made or the employee wants a refund of voluntary contributions, the employee should complete an SF 2802 noting that it is for a refund of "excess deductions only" or for "a refund of "voluntary contributions only." RI 38-124, Voluntary Contributions Election, may be substituted for the SF 2802. (See Chapter 50, section 50A3.1-2, for additional information.)
- If employee is eligible to elect the alternative annuity, give the employee information on making a pre-retirement election through RI 38-123, Alternative Annuity Election Information For Employees, and the Special Tax Notice Regarding Rollovers (RI 37-22). To make the election, give the employee RI 38-122, Alternative Annuity and Rollover Election. Instruct the employee to attach a doctor's certification of life threatening affliction or other critical medical condition to the back of the election.
- SF 2818, Continuation of Life Insurance Coverage (for basic life insurance; includes election regarding amount of post-retirement Basic life insurance).
- SF 1199A, Direct Deposit Sign-Up Form or appropriate election letter (see section 40A2.1-5 paragraph F for guidance).
- Copy of military discharge certificate or equivalent documentation, if available.

**Section 40A3.1-1 Procedures (Cont.)****A. CSRS Forms and Documents To Be Submitted by Employee (Cont.)**

- Copy of request for military retired pay waiver and Retired Pay Operations Center's acknowledgement or approval, if available and applicable.
- Letter requesting deposit for nondeduction service when applicable.
- Retiring employees may submit a W-4 Federal Tax Withholding form to OPM with their retirement application.

**B. CSRS Forms To Be Completed by Agency**

The personnel office must:

- Prepare a Certified Summary of Federal Service (SF 2801-1) that lists the employee's verified Federal civilian and military service.
- NOTE: The employee should review and sign the Certified Summary of Federal Service. However, if the employee is unable to sign the Certified Summary, the agency may submit the form to OPM without the employee's signature.
- Complete Agency Checklist of Immediate Retirement Procedures and submit to OPM with the retirement package (SF 2801-Schedule D).
  - It is important that in completing forms agencies include not only a telephone number but also a fax number to facilitate any development that might be needed.
  - Complete Agency Certification of Insurance Status (SF 2821) to certify FEGLI coverage to OPM if the employee appears eligible to continue this coverage into retirement.
  - Give all retiring employees an SF 2819, Notice of Conversion Privilege. The notice advises the employee that he/she is eligible to convert to a private policy, although most employees who are eligible to continue FEGLI into retirement do so. However, if the employee has assigned his/her insurance, give all assignees a copy of the SF 2819 together with a copy of the assignment form showing each assignee's share of the life insurance coverage. Do not give the employee a copy of the SF 2819 unless he/she has family optional insurance. (See The Federal Employees Group Life Insurance Handbook for Personnel and Payroll Offices for complete information.)
  - When needed, prepare a memorandum, to include with the FEHB documentation, giving information that would have been in the "Remarks" section of the SF 2810, such as, eligibility to continue

**Section 40A3.1-1 Procedures (Cont.)****B. CSRS Forms To Be Completed by Agency (Cont.)**

coverage into retirement based on prior coverage under the spouse's enrollment, providing information about an open season change when retirement occurs before the effective date, etc. Also read the year-end (open season) health benefit form instructions in Job Aids #1 and #2.

- Provide information on the health benefits Temporary Continuation of Coverage (TCC) if the employee is not eligible to continue FEHB under retirement provisions, but is eligible for TCC. (See The Federal Employees Health Benefits Handbook for Personnel and Payroll Offices.)
- Process the personnel action necessary to separate the employee from the Federal service for retirement.

NOTE: To identify the forms used in CSRS retirement cases, see the Agency Checklist -- Forms for a CSRS Retirement Case (Job Aid #1) provided in subchapter 40B.

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**C. FERS Forms and Documents To Be Submitted by Employee**

An employee retiring under FERS is required to complete and submit the following forms and documents except for those documents that are identified as when applicable or if available:

- Standard Form 3107, Application for Retirement (and Schedules A, B, and C when necessary).
- Standard Form 3107-2, Spouse's Consent to Survivor Election, if applicable.
- If employee is eligible to elect the alternative annuity, give the employee information on making a pre-retirement election through RI 38-123, Alternative Annuity Election Information For Employees, and the Special Tax Notice Regarding Rollovers (RI 37-22). To make the election, give the employee RI 38-122, Alternative Annuity and Rollover Election. Instruct the employee to attach a doctor's certification of life threatening affliction or other critical medical condition to the back of the election.
- SF 2818, Continuation of Life Insurance Coverage (for basic life insurance; includes election regarding amount of post-retirement Basic life insurance).

**Section 40A3.1-1 Procedures (Cont.)****C. FERS Forms and Documents To Be Submitted by Employee (Cont.)**

- Copy of military discharge certificate or equivalent documentation, if available.
- Copy of request for military retired pay waiver and retired pay operations office's acknowledgement or approval, if available and applicable.
- SF 1199A, Direct Deposit Sign-Up Form or appropriate election letter (see section 40A2.1-5 paragraph F for guidance).
- Letter requesting deposit for nondeduction service when applicable.
- Retiring employees may submit a W-4 Federal Tax Withholding form to OPM with their retirement application.

**D. FERS Forms To Be Completed by Agency**

The forms to be completed by the personnel office in the case of a FERS employee are the same as those used for a CSRS employee (see paragraph B), with the following exceptions:

- The Certified Summary of Federal Service is SF 3107-1; and
- Complete Agency Checklist of Immediate Retirement Procedures and submit to OPM with the retirement package (SF 3107-Schedule D).
- It is important that in completing forms agencies include not only a telephone number but also a fax number to facilitate any development that might be needed.

NOTE: To identify the required forms in FERS retirement cases, use the Agency Checklist -- Forms for a FERS Retirement Case (Job Aid #2) provided in subchapter 40B.

**E. Filing Instructions**

The instructions for filing an application for immediate retirement for CSRS and FERS employees are as follows:

1. If the employee is not yet separated or has been separated 30 days or less before the application is filed, the application and other forms must be filed with the agency.
2. If the employee has been separated more than 30 days, the application must be filed directly with OPM at Boyers, PA.

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**Section 40A3.1-1 Procedures (Cont.)****F. Reference**

The retirement forms and instructions vary depending on the type of retirement benefits to which the employee may be entitled.

The following Chapters discuss in detail the procedures to be followed in filing for various benefits:

- Chapter 41, Voluntary Retirement Based on Age and Service
  - Chapter 42, MRA + 10 Retirement
  - Chapter 43, Early Voluntary Retirement
  - Chapter 44, Discontinued Service Retirement
  - Chapter 45, Deferred Retirement
  - Chapter 60, Disability Retirement
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**Section 40A3.1-2 Personnel Office Responsibilities**

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**A. General**

Processing retirement applications begins in an agency's personnel office. The personnel assistant or other appropriate person must check the retiring employee's OPF, or its equivalent, to ensure that the employee meets the age and service requirements for retirement. In addition, the personnelist receives and reviews all forms to ensure the retirement forms are properly completed and that the elections reflect the employee's choices. See Chapter 1 for agency responsibilities.

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**B. Explain Processing Procedures to Employee**

The local retirement counselor or other appropriate personnel assistant should:

- Caution the employee to carefully read the instructions attached to the retirement application.
- Review the completed retirement application with the employee to ensure that all blocks are properly marked and that it has been signed.
- Explain to the employee how the retirement application will be processed by your agency and OPM. If your agency follows the recommended procedures of notifying employees when their retirement packages are transmitted to OPM, explain the process. Make sure the employee understands that OPM cannot begin to process a retirement annuity until after receiving the application and supporting documentation from the last employing agency. Until OPM receives the application and supporting documents, OPM does not know the employee has retired.

Agencies should audit and organize the retirement package, then send the package to OPM after payroll certification of deductions. The agency is responsible for making payment of any lump sum annual leave due to the employee.

- Explain interim payments. Interim payments are adjusted to reflect the cost of health benefits, life insurance and survivor elections.
- Explain to the employee the deductions that can be withheld from the annuity checks. OPM currently provides deductions for Federal income tax, State income tax (where applicable), health benefits and life insurance premiums, medicare, union dues and savings bond allotments. Other withholdings may be permitted in the future.
- Provide the employee with addresses and/or phone numbers he or she may need to check the status of his or her retirement package. OPM

**Section 40A3.1-2 Personnel Office Responsibilities (Cont.)**

- B. Explain Processing Procedures to Employee (Cont.)** will now accept and change information over the telephone from retirees who have their CSA number. OPM's general phone number for retirement inquiries is 202-606-0500 (if local) or toll-free, 1-888-767-6738. (See Employee Information Sheet #6 in subchapter 40B for specific addresses and telephone numbers for use after retirement and for the type of information that is available.)
- 
- C. Retirement Coverage Letter for Employee** The agency personnel office should provide a retirement coverage letter to each employee covering all benefits, OPM processing, and how OPM will deduct taxes and health and life insurance premiums. (See the example of an agency retirement coverage letter to the employee in subchapter 40B, Employee Instruction Sheet #9.)
- 
- D. Magnetic Tape Data Transfer Program** OPM accepts retirement application data from a number of agencies via computer magnetic tape, in addition to the hard copy retirement application. The Retirement Operations Center in Boyers, PA, receives all hard copy applications along with a magnetic tape that contains similar information. The magnetic tape data will be loaded into OPM's computer electronically rather than by the time-consuming manual data entry process. For those applications that are loaded electronically and meet initial retirement criteria, the annuity will be computed and an interim payment will be authorized the same day OPM reads the magnetic tape. Final adjudication processing will continue on from this point.
- Overall, the magnetic tape data transfer program will reduce the time needed by OPM to process interim payments, thus providing retirees with annuity payments as close as possible to their first day of eligibility. In addition, Federal income tax withholding elections and EFT information can be included on the tape to allow for that processing as well. The headquarters level Retirement Counselor of any agency that wants further information about transferring retirement data via magnetic tape should contact the Office of Retirement Programs, Operations Support Division, Office of Personnel Management, 1900 E Street NW., Washington, DC 20415.
- Agencies that participate in the magnetic tape data transfer program will need to change the language in some of the employee information sheets that are found in Subchapter 40B, Job Aids and Employee Information Sheets, to reflect the electronic governing of procedures and timeframes of retirement applications.
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**Section 40A3.1-3 Payroll Office Responsibilities**

- A. General** After the personnel office completes all of its actions, the retirement application and related records are sent to the agency's payroll office.
- B. Issue Last Paycheck and Lump-Sum Annual Leave Payment** After the employee separates for retirement, the payroll office authorizes the employee's final salary payment and a lump-sum payment for any unused annual leave. The prompt issuance of the final salary check is essential so that the retirement package can be sent to OPM thus facilitating the timely processing of the retirement package by OPM.
- C. Close Out Individual Retirement Record (SF 2806 or SF 3100)** 

The payroll office certifies and closes out the employee's Individual Retirement Record (SF 2806 or SF 3100).

The Individual Retirement Record reflects the employee's retirement contributions for his or her current service, pay rates, unused sick leave credit for civil service retirement purposes (both CSRS and FERS), last day of pay, and date and type of separation, and other data that is necessary for OPM to determine retirement benefits.

Because this record reflects the employee's total retirement contributions (made to the last agency of employment), it cannot be closed out until the employee's final salary check has been issued.

NOTE: See Chapter 81, Individual Retirement Records and Registers of Separations and Transfers, for guidance in preparing the SF 2806 and the SF 3100, Individual Retirement Record cards.
- D. Close Out SF 2806/SF 3100 for Post-1956 Military Deposit** The payroll office provides documentation of the military deposit and closes out the special military deposit record on the SF 2806 or the SF 3100 that documents the payments made by the employee to the agency. In general, follow the procedures in Chapter 81 for closing out the SF 2806 or the SF 3100; however, see Chapter 23, section 23A3.1-9, for additional procedures in closing out an SF 2806 or an SF 3100 for a military service credit deposit.
- E. Other Responsibilities** 

The payroll office also will:

  1. Complete the payroll office portion of SF 2801-Schedule D or SF 3107-Schedule D; and
  2. Certify the employee's annual basic pay for life insurance purposes, if applicable.

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**Section 40A3.1-3 Payroll Office Responsibilities (Cont.)****F. Forward  
Retirement  
Package to OPM**

1. Once the actions described above are completed, the payroll office will forward the hard copy retirement package on a Register of Separations and Transfers (SF 2807 and/or SF 3103) to OPM at the following address:

**Office of Personnel Management  
Retirement Operations Center  
Boyers, PA 16017**

For those agencies that participate in the magnetic tape data transfer program, the tapes must be sent with the hard copy paper retirement applications to the Retirement Operations Center at Boyers.

2. The payroll office should send a notification letter to the retiree giving the exact date the retirement package went to OPM. The letter should provide information about the Register on which the retirement package was sent to OPM. This information includes the Register number, the transmittal and mailing dates, and the payroll office number. The retiree will then be able to track the progress of his or her claim. (See sample notification letter in subchapter 40B, Employee Information Sheet #8.)
  3. Under OPM's current standards, the agency is expected to complete its personnel office and payroll office processing actions and forward the retirement package to OPM so that it is received by OPM within 30 days after separation.
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**Part 40A4 OPM Processing of Applications****Section 40A4.1-1 Issue Individual Retirement Claim Number**

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**A. Acknowledge  
Application and  
Provide Civil  
Service Annuity  
(CSA) Number**

Once OPM's Retirement Operations Center in Boyers, Pennsylvania, receives the retirement application from the agency, OPM will send an acknowledgement letter that provides the employee with a retirement claim number. The claim number will begin with the letters "CSA."

Retirees must refer to their CSA number when they call or write OPM about their claim.

NOTE: The individual should not contact OPM unless the retirement package has already been sent to OPM. OPM cannot provide assistance until it has received the retirement package.

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**B. If CSA Number  
Not Yet Issued**

If the retiree needs to contact OPM before he or she receives a CSA number, the retiree must provide OPM with the following information about the Register on which the retirement application was sent:

- The Register number;
- The Register's transmittal and mailing dates; and
- The payroll office number.

If the retiree has not received a written notification that provides this information, he or she must obtain the information from the agency's payroll office. (See Employee Instruction Sheet #8 in subchapter 40B for example of notification letter to be provided by the payroll office.)

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**Section 40A4.1-2 Place Individual in Interim Payment Status**

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**A. General**

The Retirement Operations Center at Boyers, PA, reviews the application package, and any retirement records OPM has on file from service at a previous agency, as well as court orders and designation of beneficiary forms, and assembles the information into a retirement file. If the individual's entitlement to an annuity is clear, OPM will normally authorize recurring interim annuity payments ("special payments") to provide the retiree with income until his or her claim is completed. However, interim payments are authorized only in cases in which entitlement is clearly verified by the available records. Accordingly, it is incumbent upon the agency to see that the application package contains verification of all creditable service.

NOTE: If necessary, OPM will request additional information to develop any incomplete service history or to obtain insurance documentation not provided by the agency that may be needed to process the claim. In some cases that are complete and straightforward, OPM proceeds directly to adjudication of the case without placing the retiree in interim pay status.

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**B. Interim Pay via Magnetic Tape Data Transfer**

OPM is equipped to process interim pay via magnetic tape data transfer. By adhering to a specific format, agencies can send retirement application related information needed to authorize interim pay on tape with the retirement application. The magnetic tape data can then be read by OPM to place the employee directly into interim pay status.

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**C. Amount of Interim Annuity Benefits**

Interim annuity payments are usually about 90 percent of the regular monthly payment (or about 95 percent, if the retiree is eligible for and elects the alternative annuity option).

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**Section 40A4.1-2 Place Individual in Interim Payment Status (Cont.)****D. Payment of  
Interim Annuity  
Benefits**

Interim payments generally are authorized within 8 to 10 days after OPM receives the retirement package from the individual's payroll office. The Department of the Treasury check processing and U.S. Postal Service delivery require an additional 8 to 10 days. Therefore, the retiree should receive his or her first payment within 2 to 3 weeks after OPM has received the retirement package from the agency payroll office.

The submission of an SF 1199A or appropriate election letter along with the retirement package will allow OPM to send the interim checks by Electronic Funds Transfer (EFT) to the retiree's bank or financial institution.

OPM will send a notice informing the retiree of the amount of interim payments. The processing steps and timeframes discussed in this part reflect normal OPM procedures and processing times. While innovations in processing and fluctuations in workload may cause workflows to vary, it is OPM's objective to get retirees in pay status as soon as possible.

In the case of magnetic tape data transfer, if OPM receives complete and accurate information, they will be able to authorize interim payments within one day of OPM's receipt of the data.

Interim payments will continue until OPM completes adjudication of the claim.

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**Section 40A4.1-3 Adjudicate Retirement Claim**

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**A. General**

After the Retirement Operations Center, Boyers Adjudication Unit, issues a CSA number and places the retiree in interim payment status, it then continues with the adjudication process. The Boyers unit adjudicates those CSRS cases that are considered straightforward and without special annuity computation requirements. At this time about 20 to 25 percent of the nondisability annuity claims are adjudicated in the Boyers Adjudication Unit, otherwise the retirement file is forwarded to the appropriate adjudication division in Washington, DC.

**B. Benefit Specialist Assigned**

The case is assigned to a benefits specialist for final adjudication of the application for retirement. The benefits specialist reviews the individual's entitlement to benefits and obtains any elections or outstanding documentation needed to process the application.

When the file is determined to be complete and accurate, the benefits specialist determines the amount of the retiree's monthly annuity benefit and authorizes payment of the regular annuity check.

**C. Eligibility to Elect the Alternative Annuity (AFA)**

In the rare instances when a retiree is eligible to elect the AFA (see Chapter 53 for eligibility requirements and exclusions), **but does not choose to make a pre-retirement election**, the benefits specialist determines the amount of the monthly benefit under both the regular and the AFA provisions of the retirement law.

The benefits specialist sends a notice to the retiree that provides specific information about the AFA election (including general tax information about this benefit in addition to specific tax information relating to his or her annuity). The notice also includes information about rollovers. (See paragraph D below for information about rollovers.)

The retiree will have 30 days in which to make the election. After receiving the decision, the benefits specialist will process the case and authorize payment of the annuity.

For retirees who make a pre-retirement election to receive an alternative annuity, the benefits specialist sends the tax and rollover information with the retiree's Annuity Statement.

**Section 40A4.1-3 Adjudicate Retirement Claim (Cont.)****C. Eligibility to Elect the Alternative Annuity (AFA) (Cont.)**

NOTE: Public Law 103-66 permanently eliminates the AFA for most annuitants effective October 1, 1994. The law eliminates the exception in Public Law 101-508 that allowed employees who were involuntarily separated to continue to elect the AFA. However, nondisability retirees with a life-threatening medical condition may still elect the AFA.

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**D. Payments Eligible for Rollover to Another Eligible Retirement Plan or Into an IRA**

Public Law 102-318, enacted July 3, 1992, amended the Internal Revenue Code regarding the payment of funds from qualified retirement plans that affects payments received after December 31, 1992. Specifically, retirees can now roll certain taxable lump sum payments (including the AFA) over into an Individual Retirement Arrangement (IRA). The kinds of CSRS and FERS payments that would be made under this Chapter that can be rolled over include:

- The taxable portion (85 to 90 percent, generally) of lump sums paid as a result of an election of an alternative form of annuity (whether paid in one installment or two); and
- Interest on --
  - Excess retirement deductions, or
  - Voluntary contributions.

OPM will send an election letter to those who are eligible for the rollover. Additionally, the lump sum must be paid to a qualified payee, which includes the employee or former employee, his or her surviving spouse, or a former spouse under a court order that properly apportions benefits under CSRS or FERS law.

NOTE: Employee Information Sheet #10, Rollover of Payments Under CSRS and FERS as an Alternative to 20 Percent Tax Withholding, is an information sheet that can be given to retiring employees who may be eligible for payments that can be rolled over. This information sheet includes RI 37-22, Special Tax Notice Regarding Rollovers, which was developed jointly with the Internal Revenue Service as a service to OPM's clients.

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**Section 40A4.1-3 Adjudicate Retirement Claim (Cont.)**

- E. Processing Time** OPM's processing goal is to complete the final adjudication of fully documented nondisability claims within 35 days of receipt of the retirement package. The processing time for each case will vary according to whether the retirement package submitted by the agency is fully developed and accurate when it is submitted to OPM. (If the retiree is eligible for the alternative annuity election, processing time will vary according to how long it takes a retiree to make the election and submit the applicable forms.)
- F. Annuity Statement** OPM provides retirees an Annuity Statement and other informational material concerning the individual's retirement benefits after the claim is processed.
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- G. If Retiree Has Questions About Status of Application** If the retiree has questions concerning the status of his or her application for retirement, he or she may call OPM's Retirement Information Office at (202) 606-0500 > (if local) or toll-free 1-888-767-6738< during the hours of operation, 7:30 a.m. to 5:30 p.m. (Eastern Time). For inquiries from the hearing impaired, OPM's TDD telephone is (202) 606-0551 > (if local) or toll-free 1-800-878-5707< . However, the retiree should not call OPM unless the agency has sent the retirement package to OPM. The "Notification Letter" sent by the agency to the employee gives the information the employee needs when contacting OPM.
- If an application for retirement has been submitted to OPM, allow 5 to 6 weeks for the processing and mailing of an initial interim payment. After 6 weeks, if there are any questions concerning the retirement application, contact OPM. (See Employee Instruction Sheet #8 in subchapter 40B for the sample notification letter.)
- OPM has specific addresses for specific written inquiries. All written inquiries should include the CSA claim number and must be signed by the writer. (See Employee Information Sheet #6 for appropriate addresses and telephone numbers at OPM.)
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**Section 40A4.1-3 Adjudicate Retirement Claim (Cont.)**

**H. Annuitant Express** Annuitant Express is a computer-based phone system, available 24 hours a day, 7 days a week, that gives retirees the ability to make changes to their Federal income tax withholdings and request Statements of Annuity Paid (1099R's). By using a touch-tone phone, the retiree can call OPM's Toll-Free Number, 1-800-409-6528. For all Annuitant Express transactions, retirees will need their CSA or CSF claim number and a Personal Identification Number (PIN). The PIN is the last four numbers of the retiree's Social Security number of record. In the future, Annuitant Express will be expanded to allow other transactions.

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**I. Other Business By Telephone With OPM** OPM processes the transactions listed below based on either a telephone request or a written request, if OPM has already received an application from the retiree. OPM must have the retirement application with complete retirement information to process requests from retirees. (See Employee Information Sheet #6, Where and How to Direct Questions to OPM During Retirement Process and After Retirement, for detailed instructions.) OPM reserves the right to require a written request if the telephone request seems questionable.

**Types of Requests That OPM Can Handle Over the Telephone:**

- Report of Death
  - Change of Address
  - Change in Electronic Funds Transfer (EFT) Account
  - Non-Receipt of Payment
  - Some Health Benefits Changes
  - Direct Payment Program for Health and Life Insurance Benefits
  - Verification of Income
  - Election of Regular Form of Annuity in Lieu of AFA
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**Part 40A5 Other Considerations****Section 40A5.1-1 Withdrawal of Retirement Application**

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**A. General Rules**

1. An agency must permit an employee to withdraw an application before the effective date of separation, except as provided in 2. below.
  2. An agency may decline a request to withdraw an application before the effective date of separation only when it has a valid reason and explains that reason in writing to the employee. (See Chapter 41.)
  3. For additional rules that apply under FERS, see subchapter B in Chapter 41.
  4. For special considerations under the disability provisions, see Chapter 60.
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**Section 40A5.1-2 Erroneous Separations**

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**A. General**

OPM fully supports agencies in their efforts to provide retirement estimates to employees contemplating retirement. However, OPM strongly urges that all retirement estimates (and benefits statements) the agency provides employees contain a cautionary statement that the **estimate** may contain errors and warn against detrimental reliance on the information provided.

**B. Sample Statement**

The agency should include the following statement on annuity estimates provided to employees:

"The calculations provided you are only **Estimated** amounts and are not intended to represent **Actual** amounts. The Office of Personnel Management has sole authority and responsibility for adjudicating retirement claims."

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**C. Effect of  
Erroneous  
Separation**

Inaccurate information may be costly to an agency, as well as creating a traumatic situation for the individual. Under decisions of the Merit Systems Protection Board, the Comptroller General and the Courts, misinformation given to an employee may later result in a finding that the employee's separation was erroneous and that the agency is responsible for reinstating the employee and paying back pay. (See Comp. Gen. B-223118, January 2, 1987, and *Scharf v. Department of the Air Force*, 710 F.2d 1572.)

Information (provide information, not advice) that can possibly create claims for reinstatement and back pay include misinformation about eligibility to retire, eligibility for special formula benefits (for example, law enforcement formula), and eligibility to continue health or life insurance into retirement.

See Chapter 84, Correction of Retirement Records, for additional guidance about error correction.

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**Subchapter 40B Job Aids and Employee Information Sheets****Section 40B1.1-1 Copies of Job Aids**

A. Job Aids for Agencies. This subchapter contains copies of the following job aids for use by agencies.

Job Aid #1	Agency Checklist -- Forms for a CSRS Retirement Case
Job Aid #2	Agency Checklist -- Forms for a FERS Retirement Case
Job Aid #3	Guidance in Preparing the Agency Notification Letter to Separating Employees Regarding Submission of Individual Retirement Records to OPM
Job Aid #4	Request for Deposit and/or Redeposit Information

**Section 40B1.1-2 Copies of Employee Information Sheets**

A. Handouts for Employees. This subchapter contains copies of the following employee information sheets that agencies may reproduce locally.

Employee Information Sheet #1	Checklist for Employees Preparing to Retire
Employee Information Sheet #2	Checklist for Health and Life Insurance Coverage
Employee Information Sheet #3	CSRS and FERS Annuity Estimates You May Need
Employee Information Sheet #4	Information About Direct Deposit of Annuity Checks
Employee Information Sheet #5	Notice to Financial Institution Regarding Filing of SF 1199A
Employee Information Sheet #6	Where and How to Direct Questions to OPM During Retirement Process and After Retirement, (Including Types of Requests OPM Can Handle Over the Telephone)
Employee Information Sheet #7	Information About Federal and State Income Tax Withholdings
Employee Information Sheet #8	Sample Agency Notification Letter to Separating Employees Regarding Submission of Individual Retirement Records to OPM
Employee Information Sheet #9	Agency Retirement Coverage Letter to Employee
Employee Information Sheet #10	Rollover of Payments Under CSRS and FERS as an Alternative to 20 Percent Tax Withholding
Employee Information Sheet #11	Voluntary Contributions Notice, RI 38-125, and Voluntary Contributions Election, RI 38-124

**Section 40B1.1-1 Copies of Job Aids****Job Aid #1****Agency Checklist -- Forms for a CSRS Retirement Case**

This list identifies the forms and documents that must be submitted to the Office of Personnel Management (OPM) with a CSRS retirement application package. The list is intended to help personnel office staffs determine the applicability of and account for the required retirement and insurance forms and documents.

**Basic Retirement Forms Package****FORM NUMBER and TITLE****REQUIREMENT**

SF 2801, Application for Immediate Retirement	REQUIRED in all cases.
SF 2801-1, Certified Summary of Federal Service	REQUIRED in all cases.
SF 2801-2, Spouse's Consent to Survivor Election	REQUIRED if applicant is married at retirement and does not elect a full survivor annuity for the current spouse.
SF 2801-3, Election of Former Spouse Survivor Annuity or Combination Current/Former Spouse Annuity	REQUIRED when retiring employee wishes to elect survivor benefits for a former spouse(s).
SF 2801 Schedules A (Military Service Information), B (Military Retired Pay), and C (Federal Employees Compensation Information), Addendum	Applicant served in the military; applicant received OWCP benefits.
SF 2801 Schedule D, Agency Checklist of Immediate Retirement Procedures	REQUIRED in all cases. NOTE: Personnel office completes Section A; Payroll office completes Section B.
SF 2802, Application for Refund of Retirement Deductions or RI 38-124, Voluntary Contributions Election	REQUIRED if retiree applies for a refund of voluntary contributions or excess deductions.
SF 2806, Individual Retirement Record(s)	REQUIRED.
SF 2807, Register of Separations and Transfers	REQUIRED.
SF 2808, Designation of Beneficiary	REQUIRED if filed (erroneously) in OPF. Used when employee has designated a beneficiary to receive a lump-sum benefit. Submit <b>all</b> SF 2808's completed by employee.

**Job Aid #1 (Cont.)****Health Benefits Forms**

<b>FORM NUMBER and TITLE</b>	<b>REQUIREMENT</b>
SF 2809, Health Benefits Registration Form	REQUIRED whether or not employee appears eligible to continue enrollment after retirement, even if enrollment has been terminated. ( <b>All</b> SF 2809's are required.)
SF 2810, Notice of Change in Health Benefits Enrollment	A transfer-out SF 2810 is NO LONGER REQUIRED- When needed, prepare a memorandum to include with the FEHB documentation giving information formerly contained in the "Remarks" section of the SF 2810; such as eligibility to continue enrollment into retirement based on prior coverage under the spouse's enrollment, providing information about an open season change when retirement occurs before effective date, etc. ( <b>All</b> previous SF 2810's are required.)

**How to Process Open Season FEHB Changes When Employees Retire at the End of the Year with January 1st Commencing Dates.**

If the losing office knows that the employee will retire before the effective date of the open season change, it should not process the open season SF 2809. Instead:

- (a) If the employee is retiring, the losing office should have the employee complete the open season SF 2809, and have the authorized agency official initial and date Part G to show that the open season registration was timely submitted. The name of the losing installation and the signature of its certifying officer should not appear on the SF 2809. Attach the SF 2809 to other health benefits documents and the SF 2806 when they are submitted to OPM.

NOTE: The Retirement System will prepare a transfer-in SF 2810, transferring the old enrollment in effect at the time of the employee's separation.

- (b) If an open season change has already been processed, but the employee unexpectedly retires before the effective date of the change, the losing office should void all open season forms and transmit the existing enrollment (if any) to the gaining office (OPM). Tell the employee that the open season change has been voided and, if possible, have the employee complete a new SF 2809 and handle it as stated in (a) above. If it is impossible to take this action quickly, notify OPM that the employee's open season change, which was timely filed, has been voided, and that a new open season SF 2809 must be accepted by OPM. For further information, see The Federal Employees Health Benefits Handbook for Personnel and Payroll Offices.

**Job Aid #1 (Cont.)****Life Insurance Forms**

<b>FORM NUMBER and DOCUMENT TITLE</b>	<b>REQUIREMENT</b>
SF 2817, Life Insurance Election	REQUIRED when employee wants to continue FEGLI coverage after retirement. Submit all OPF copies (original, signed versions) of SF 2817, SF 176, and SF 176T. (See The Federal Employees Group Life Insurance Handbook.) If the SF 2817 is missing, state whether employee had coverage from first opportunity, and provide other evidence, such as SF 50 documenting coverage.
SF 176T, Old Life Insurance Election Form (Not used after April 14, 1968)	Include if available.
SF 176, Old Life Insurance Election Form (Used after April 14, 1968, until 1981 when SF 2817 came into use)	Include if available.
SF 2818, Continuation of Life Insurance Coverage (for Basic life insurance; includes election regarding amount of post-retirement Basic life insurance)	REQUIRED when employee is eligible to continue FEGLI enrollment after retirement.
SF 2819, Notice of Conversion Privilege	REQUIRED. Give to all retiring employees since an employee may elect to convert his/her optional coverage to avoid the reduction after age 65 (no medical examination is required). The employee is eligible to convert all insurance coverage or only optional coverage. If the retiring employee elects to convert one or more of the optional coverages, the agency must attach the SF 2819 to the retirement application. If the employee has assigned his/her insurance, give all assignees a copy of the SF 2819, together with a copy of the assignment form showing each assignee's share of the life insurance coverage. Do not give the employee a copy of the SF 2819 unless he/she has family optional insurance.

**Job Aid #1 (Cont.)**

SF 2821, Life Insurance Certification with  
Personnel certifying signature

REQUIRED when a retiring employee is eligible to continue FEGLI coverage after retirement and wishes to continue coverage after retirement.

RI 76-10, Assignment of Federal Employees' Group  
Life Insurance

REQUIRED if retiring employee elected to assign insurance.

FE-8C, Explanation of Benefits

REQUIRED if retiring employee elected living benefits.

SF 2823 or SF 54, Life Insurance Designation of  
Beneficiary

REQUIRED if in file and when a retiring employee is eligible and wishes to continue FEGLI coverage after retirement. Submit **all** SF 54's and SF 2823's in employee's OPF.

**Job Aid #1 (Cont.)****Discontinued Service Retirement Only**

<b>FORM NUMBER and TITLE</b>	<b>REQUIREMENT</b>
OPM Form 1510, Certification of Agency Offer of Position and Required Documentation for a Discontinued Service Retirement	REQUIRED when eligible employee is entitled to discontinued service retirement because of involuntary separation.
Attachment 1 to OPM Form 1510, Copies of (a) written notice to the employee that he/she faces involuntary separation from his/her position as of some specific date and, (b) any correspondence from OPM concerning separation	REQUIRED when eligible employee is entitled to discontinued service retirement because of involuntary separation.
Attachment 2 to OPM Form 1510, Copy of OPM approval	REQUIRED when OPM has approved exemption of employee from mandatory (age) separation under 5 CFR 831.503.

**Job Aid #1 (Cont.)**

**Military Forms and Documents**

<b>FORM NUMBER and TITLE</b>	<b>REQUIREMENT</b>
DD 214 (or equivalent), Military Discharge	Attach if applicant served in the military and if available.
Waiver of Military Retired Pay (Copy)	REQUIRED if applicant wants to waive military retired pay to use military service in CSRS annuity.
OPM 1514, Military Deposit Worksheet	REQUIRED if retiree applied to pay for military service after 1/1/57.
If post-1956 military service is involved, is SF 2806 showing payment of deposit included?	REQUIRED if retiree applied to pay for military service after 1/1/57 with employing agency.
OPM Form 1515, Military Service Deposit Election	REQUIRED when retiring employee had military service after 1956, and has not paid a military service deposit.
SF 2802, Application for Refund of Retirement Deductions	REQUIRED when retiring employee wants a refund of post-1956 military service deposit because he/she does not want to waive military retired pay.
SF 2802-B, Current/Former Spouse's Notification of Application for Refund of Retirement Deductions Under CSRS	REQUIRED if retiree applies for a refund of retirement deductions after May 6, 1985.

**Job Aid #1 (Cont.)****Other Forms and Documents**

<b>FORM NUMBER and TITLE</b>	<b>REQUIREMENT</b>
If part-time employee, list hours worked from 4/7/86 to retirement on SF 2806	REQUIRED if employee does not have a normal work schedule.
SF 1199A, Direct Deposit Sign-up Form	REQUIRED unless your agency participates in the Automated Interim Pay Project or your permanent address is outside the United States. (Note: SF 1199A is available only from your bank.)
RI 16-26, Direct Deposit Sign-up Form (Canada)	REQUIRED if your permanent address is in Canada.
EFT Information/Certification Letter	REQUIRED unless applicant uses SF 1199A or certifies in writing he/she has no checking or savings account. <b>Note:</b> If your agency participates in the Automated Interim Pay Project or your permanent address is outside the United States, neither form is required.
EFT Information/Certification Letter (Canada)	REQUIRED if your permanent address is in Canada.
Agency Estimate of Annuity	Attached if prepared.
OWCP Award Letter, OWCP Verification	Attach if available and if employee is in receipt workers' compensation. (See section 40A2.1-3U.)

**Job Aid #2**

**Agency Checklist -- Forms for a FERS Retirement Case**

This list identifies the forms and documents that must be submitted to the Office of Personnel Management (OPM) with a FERS retirement application package. The list is intended to help personnel office staffs determine the applicability of and account for the required retirement and insurance forms and documents.

**Basic Retirement Forms Package**

<b>FORM NUMBER and DOCUMENT TITLE</b>	<b>REQUIREMENT</b>
SF 3107, Application for Immediate Retirement	REQUIRED in all cases.
SF 3107-1, Certified Summary of Federal Service	REQUIRED in all cases.
SF 3107-2, Spouse's Consent to Survivor Election	REQUIRED if applicant is married at retirement and does not elect a full survivor annuity for the current spouse.
SF 3107 Schedules A (Military Service Information), B (Military Retired Pay), and C (Federal Employees Compensation Information), Addendum	REQUIRED if applicant served in the military; applicant received OWCP benefits.
SF 3107, Schedule D, Agency Checklist of Immediate Retirement Procedures	REQUIRED in all cases.
SF 3109, Election of Coverage	REQUIRED as applicable (for example, the former employee was not automatically covered by FERS)--if election/coverage is questionable.
SF 3103, Register of Separations and Transfers	REQUIRED in all cases.
SF 3102, Designation of Beneficiary	REQUIRED if in OPF. Used when employee has designated a beneficiary to receive a lump-sum benefit that may become payable under FERS. Submit all SF 3102's in employee's OPF.

**Job Aid #2 (Cont.)****Health Insurance Forms**

<b>FORM NUMBER and DOCUMENT TITLE</b>	<b>REQUIREMENT</b>
SF 2809, Health Benefits Registration Form	REQUIRED whether or not employee appears eligible to continue enrollment after retirement, even if enrollment has been terminated. ( <b>All</b> SF 2809's are required.)
SF 2810, Notice of Change in Health Benefits Enrollment	A transfer-out SF 2810 is NO LONGER REQUIRED- When needed, prepare a memorandum to include with the FEHB documentation giving information formerly contained in the "Remarks" section of the SF 2810; such as eligibility to continue enrollment into retirement based on prior coverage under the spouse's enrollment, providing information about an open season change when retirement occurs before effective date, etc. ( <b>All</b> previous SF 2810's are required.)

**How to Process Open Season FEHB Changes When Employees Retire at the End of the Year with January 1st Commencing Dates:**

If the losing office knows that the employee will retire before the effective date of the open season change, it should not process the open season SF 2809. Instead:

- (a) If the employee is retiring, the losing office should have the employee complete the open season SF 2809; have the authorized agency official initial and date Part G to show that the open season registration was timely submitted. The name of the losing installation and the signature of its certifying officer should not appear on the SF 2809. Attach the SF 2809 to other health benefits documents and the SF 2806 when they are submitted to OPM.

NOTE: The Retirement System will prepare a transfer-in SF 2810, transferring the old enrollment in effect at the time of the employee's separation.

- (b) If an open season change has already been processed, but the employee unexpectedly retires before the effective date of the change, the losing office should void all open season forms and transmit the existing enrollment (if any) to the gaining office (OPM). Tell the employee that the open season change has been voided and, if possible, have the employee complete a new SF 2809 and handle it as stated in (a) above. If it is impossible to take this action quickly, notify OPM that the employee's open season change, which was timely filed, has been voided, and that a new open season SF 2809 must be accepted by OPM. For further information, see The Federal Employees Health Benefits Handbook for Personnel and Payroll Offices.

**Job Aid #2 (Cont.)**

**Life Insurance Forms**

<b>FORM NUMBER and DOCUMENT TITLE</b>	<b>REQUIREMENT</b>
SF 2817 Life Insurance Election	REQUIRED always. Submit all OPF copies (original, signed versions) of SF 2817, SF 176, and SF 176T. (See The Federal Employees Group Life Insurance Handbook for Personnel and Payroll Offices.) If basic life insurance will continue, and elections are missing, submit SF 50's showing election and separation as evidence of coverage.
SF 176T, Old Life Insurance Election Form (Not used after April 14, 1968)	Include if available.
SF 176, Old Life Insurance Election Form (Used after April 14, 1968, until 1981 when SF 2817 came into use)	Include if available.
SF 2818, Continuation of Life Insurance Coverage (for Basic life insurance; includes election regarding amount of post-retirement Basic life insurance)	REQUIRED when employee is eligible to continue FEGLI enrollment after retirement. If employee is not eligible, give employee SF 2819, Notice of Conversion Privilege.
SF 2819, Notice of Conversion Privilege	REQUIRED. Give to all retiring employees since an employee may elect to convert his or her optional coverage to avoid the reduction after age 65 (no medical examination is required). The employee is eligible to convert all insurance coverage or only optional coverage to a private policy. If the retiring employee elects to convert one or more of the optional coverages, the agency must attach the SF 2819 to the retirement application.

**Job Aid #2 (Cont.)**

SF 2821, Life Insurance Certification with Personnel certifying signature

REQUIRED when a retiring employee is eligible to continue FEGLI coverage after retirement and wishes to continue coverage after retirement.

RI 76-10, Assignment of Federal Employees' Group Life Insurance

REQUIRED if retiring employee elected to assign insurance.

FE-8C, Explanation of Benefits

REQUIRED if retiring employee elected living benefits.

SF 2823, Life Insurance Designation of Beneficiary

REQUIRED if in file and when a retiring employee is eligible and wishes to continue FEGLI coverage after retirement. Submit **all** SF 54's and SF 2823's in employee's OPF.

**Job Aid #2 (Cont.)**

**Discontinued Service Retirement Only**

<b>FORM NUMBER and DOCUMENT TITLE</b>	<b>REQUIREMENT</b>
OPM Form 1510, Certification of Agency Offer of Position and required Documentation for a Discontinued Service Retirement	REQUIRED when eligible employee is entitled to discontinued service retirement because of involuntary separation.
Attachment to OPM Form 1510, copies of (a) the written notice to the employee that he/she faces involuntary separation from his/her position as of some specific date and (b) any correspondence from OPM about the employee's separation.	REQUIRED when eligible employee is entitled to discontinued service retirement because of involuntary separation.

**Job Aid #2 (Cont.)****Military Forms and Documents**

<b>FORM NUMBER and DOCUMENT TITLE</b>	<b>REQUIREMENT</b>
DD 214 (or equivalent), Military Discharge	Attach if available and if applicant served in the military.
Waiver of Military Retired Pay (Copy)	REQUIRED if applicant wants to waive military retired pay in order to use military service in computing FERS annuity or CSRS component.
If post-1956 military service is involved, is SF 3100 (or SF 2806) showing payment of deposit included?	REQUIRED if retiree applied to pay for military service after 1/1/57 with employing agency.
OPM 1514, Military Deposit Worksheet	REQUIRED if retiree applied to pay for military service after 1/1/57.
OPM Form 1515, Military Service Deposit Election	REQUIRED when retiring employee had military service after 1956, and has not paid a military service deposit.
SF 3106A, Current/Former Spouse's Notification of Application for a Refund of Retirement Deductions under FERS	REQUIRED if retiree applies for a refund (refund of post-1956 military service deposit because he/she does not want to waive military retired pay) of retirement deductions after May 6, 1985.

**Job Aid #2 (Cont.)**

**Other Forms and Documents**

<b>FORM NUMBER and DOCUMENT TITLE</b>	<b>REQUIREMENT</b>
SF 3100's and SF 2806's, Individual Retirement Record(s)	REQUIRED. SF 2806 required if person is transferee with frozen CSRS service.
If part-time employee, list hours worked on SF 3100	REQUIRED if employee does not have a normal work schedule.
SF 1199A, Direct Deposit	REQUIRED unless your agency participates in the Automated Interim Pay Project or your permanent address is outside the United States. (Note: SF 1199A is available only from your bank.)
RI 16-26, Direct Deposit Sign-up Form (Canada)	REQUIRED if your permanent address is in Canada.
EFT Information/Certification Letter	REQUIRED unless applicant uses SF 1199A or certifies in writing he/she has no checking or savings account. <b>Note:</b> If your agency participates in the Automated Interim Pay Project or your permanent address is outside the United States, neither form is required.
EFT Information/Certification Letter (Canada)	REQUIRED if your permanent address is in Canada.
Agency Estimate of annuity	Attach if prepared.
OWCP Award Letter, OWCP Verification	Attach if available and if employee is in receipt worker's compensation. (See section 40A2.1-3U.)

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**Job Aid #3**

Guidance for Agency in preparing:

**AGENCY NOTIFICATION LETTER TO SEPARATING EMPLOYEES REGARDING  
SUBMISSION OF INDIVIDUAL RETIREMENT RECORDS TO OPM**

Each agency is strongly encouraged to provide a formal notification to advise every former employee of the date his or her application for retirement, or application for refund of retirement deductions, and their records of individual retirement deductions were submitted to OPM by the servicing payroll office. The notification will keep former employees informed of the current status of their benefit applications. It also informs them when the point of contact for questions regarding their applications changes from the employing agency to OPM.

Implementation of this notification procedure will improve the level of service provided to employees, and also should result in a significant reduction in the number of inquiries and complaints both agencies and OPM receive on the processing of benefit applications.

OPM recommends using the specific message and data elements shown in the sample letter (letter is based on notices used by several agencies) in Employee Information Sheet #8 and adopting the following procedural guidelines to ensure the effectiveness of the notification letter.

1. The notification letter should be provided to employees only after their applications and individual retirement records have been submitted to OPM.
2. The notification letter should include the exact date the benefit application was sent to OPM (which may or may not correspond with the date the Register of Separations was prepared).
3. The notification letter should indicate the appropriate OPM points of contact on benefit applications, that is, the phone number of the OPM Retirement Information Office for telephone contacts at (202) 606-0500 > (if local) or toll-free 1-888-767-6738< , TDD telephone number is (202) 606-0551 > (if local) or toll-free 1-800-878-5707< , (business hours are from 7:30 a.m. to 5:30 p.m., Eastern Time) and the mailing address of the OPM Retirement Operations Center at Boyers, PA, for written inquiries.
4. A copy of the notification letter should be sent to the former employee's servicing personnel office so that personnel office staff will be advised of the date the point of contact changes from the agency payroll office to OPM.

It is very important that the procedures for and the purpose of the notification letter are publicized adequately throughout the agency. Employees must be advised of the existence and purpose of the notification letter before they retire or separate. The benefit of the notification process will be lost unless the employees, as well as the staff of the servicing personnel offices and payroll offices, understand that it is not appropriate to direct inquiries concerning the status of a benefit claim to OPM until after they receive notification that the application and retirement records have been sent to OPM by the agency payroll office.

Guidance for the employee is contained in the notification letter, Employee Information Sheet #8.

**Job Aid #4**

**Request for Deposit and/or Redeposit Information**

A. Employee Information --

Name: \_\_\_\_\_

Other names used: \_\_\_\_\_

Social Security Number: \_\_\_\_\_

Date of Birth: \_\_\_\_\_

Prior Civilian Service Record:

From:	To:	Retirement Coverage: (CSRS, FERS, FICA, CSRS Offset, Interim)
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

B. For OPM Use Only --

\_\_\_\_\_ Individual has **Not** applied for a refund.

\_\_\_\_\_ Individual was authorized a full refund in the amount of \$ \_\_\_\_\_ on \_\_\_\_\_ for all service claimed.

\_\_\_\_\_ Individual was authorized a partial refund in the amount of \$ \_\_\_\_\_ on \_\_\_\_\_ for the following periods of service:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_ Individual ( ) has ( ) has not made a deposit/redeposit for the period(s) of service claimed. (Indicated in Section A, as appropriate.)

\_\_\_\_\_ Individual has contributions of \$ \_\_\_\_\_ in the Retirement Fund.

**Section 40B1.1-2 Copies of Employee Information Sheets**

**Employee Information Sheet #1**

**Checklist for Employees Preparing to Retire**

**One Year or More Before Retirement**

This checklist identifies important information you need in planning for retirement. Following through with the information gathering process and getting the answers to the questions stated will help lead to a successful retirement process.

Put an X by the statements that apply to you, write in the answers to relevant questions, and check off pertinent items when completed. This is your personal retirement planning worksheet.

- |   | Check (X)<br>When<br>Completed |
|---|--------------------------------|
| 1. Determine when you will meet the age and service requirements for retirement.  | _____                          |
| 2. Choose a retirement date. If separating under FERS "MRA + 10" provisions (with age reduction), decide whether you wish to apply for annuity at separation or later to minimize or avoid reduction for age.   | _____                          |
| 3. Make an appointment with a retirement counselor in your personnel office to review your OPF.   | _____                          |
| 4. Together with your counselor, review your OPF and work with your counselor to complete the SF 2801-1 to assure official documentation of the following and to determine that the records in the OPF are sufficient verification of service for retirement purposes:  |                                |
| a. A record of each of the periods of service you believe you had.  | _____                          |
| b. The beginning and ending dates for each period of service.   | _____                          |
| c. Effective dates for each promotion, for within-grade increases, or for other pay changes during any Federal service for which retirement deductions were not withheld from your salary or service that might fall into your high-3 average salary period. (If all pay changes during deposit service are not available, total earnings can be used.) | _____                          |

**Employee Information Sheet #1 (Cont.)**

- d. Documentation of your tour of duty (60 hours/pay period, for example during any regular part-time appointment during (1) deposit service, (2) service taking place on or after April 7, 1986, or (3) any other service that might fall into your high-3 average salary period). For cases that receive credit as FERS service only, documentation of **all** tours of duty during any regular part-time appointments. \_\_\_\_\_
- e. Record of the time you actually worked during intermittent or WAE ("when actually employed") service. \_\_\_\_\_
- f. Copy of both sides of your military discharge paper and/or your DD 214, Military Discharge, record of military service. \_\_\_\_\_
- g. Record of your current Federal health benefits enrollment on SF 2809, Health Benefits Registration Form, and SF 2810, Notice of Change in Health Benefits Enrollment. Do records show you have been covered long enough to allow you to continue health benefits as a retiree? If you were covered under your spouse's enrollment, or were covered under CHAMPUS, do the records show this? \_\_\_\_\_
- h. Record of your current Federal life insurance coverage on SF 2817, Life Insurance Election. Do records show you have been covered long enough to allow you to continue basic and optional coverages as a retiree? \_\_\_\_\_
- i. Your Designation of Beneficiary for life insurance (SF 2823), and Designation of Beneficiary for retirement contributions (SF 3102), if you filed either form, showing the person(s) you currently want designated. \_\_\_\_\_
- NOTE 1: If you are in CSRS, your SF 2808, Designation for CSRS Retirement Contributions, is at OPM.
- NOTE 2: If you transferred to FERS, any SF 2808 is no longer valid. You should complete a new SF 3102 if you have not already done so.
5. If you have a question concerning the creditability of a period of your service, ask for verification from the person assisting you. \_\_\_\_\_
6. If any necessary documentation is missing from the OPF, bring it to the attention of the person assisting you and request that the personnel office obtain the documentation. \_\_\_\_\_

**Employee Information Sheet #1 (Cont.)**

7. Ask for information from Social Security Administration (SSA) about your future eligibility for Social Security benefits, and an estimate of the amount. Call **1-800-772-1213** at Social Security for form SSA-7004-PC. \_\_\_\_\_
  - As soon as you are within 2 to 3 months of age 62 (before or after retiring), contact SSA right away to decide when to apply for benefits. \_\_\_\_\_
  
8. Determine if the Social Security Windfall Elimination Provision or the Government Pension Offset affects any Social Security benefits expected. \_\_\_\_\_
  
9. Request estimated annuity computations at this time if decisions need to be made on paying deposit or waiving military retired pay. \_\_\_\_\_
  
10. Decide whether to waive military retired pay, if applicable. \_\_\_\_\_
  
11. Deposits/Redeposits. Apply to make deposits for:
  - Post-1956 military service (to agency) \_\_\_\_\_
  - Redeposit (refunded) service (to OPM); find out how certain refunded service will be credited if you do not pay the redeposit. This may affect your decision whether or not to pay the redeposit. \_\_\_\_\_
  - Deposit service (to OPM); find out how service will be credited if you do not pay the deposit. This may affect your decision whether or not to pay the deposit. \_\_\_\_\_
  
12. Decide when and how to receive your Thrift Savings Plan funds. Arrange to pay off any TSP loans before retirement to avoid delay in receipt of TSP distributions. \_\_\_\_\_
 

TSP is managed by the Thrift Savings Board, not OPM. Questions about TSP payments should be addressed to:

**Thrift Savings Plan Service Office  
National Finance Center  
P.O. Box 61500  
New Orleans, LA 70161-1500**
  
13. Request information about any pension from non-civil service employment (pension) that you might be eligible. (Will it affect your FERS or CSRS pension in any way?) \_\_\_\_\_
  
14. Do you receive any OWCP benefits? If you receive OWCP benefits, request information about their impact on your annuity. \_\_\_\_\_

**Employee Information Sheet #1 (Cont.)****Six Months Before Retirement**

15. Decide when to send waiver of military retired pay. \_\_\_\_\_
- Send the military finance center your waiver of military retired pay 60 to 90 days before your retirement. \_\_\_\_\_
16. Clear up any financial indebtedness to your agency. If you don't, your agency can ask OPM to withhold the debt from your annuity. \_\_\_\_\_
17. Inform your supervisor of your proposed retirement date. \_\_\_\_\_
18. Ask your personnel office for forms that may require additional study and time to complete. \_\_\_\_\_

**Two Months Before Retirement**

**FERS Forms** -- basic package of retirement forms for the employee to complete: \_\_\_\_\_

SF 3107 Application for Immediate Retirement.

SF 3107-2 Spouse's Consent to Survivor Election. (Only required if you do not elect the full survivor benefit for your current spouse.)

SF 2818 Continuation of Life Insurance Coverage.

SF 2817 If you do **not** want to continue all your optional life insurance into retirement, you should complete this form. The SF 2818 **cannot** be used to cancel life insurance.

TSP Any forms necessary for your election of Thrift Savings Plan disbursements.

**Employee Information Sheet #1 (Cont.)**

**CSRS Forms** -- basic package of retirement forms for the employee to complete: \_\_\_\_\_

SF 2801 Application for Immediate Retirement.

SF 2801-2 Spouse's Consent to Survivor Election. (Only required if you do not elect the full survivor benefit for your current spouse.)

SF 2801-3 Election of Former Spouse Survivor Annuity or Combination Current/Former Spouse Survivor Annuity. (Only required if you wish to make this type of election.)

SF 2818 Continuation of Life Insurance Coverage.

TSP Any forms necessary for your election of Thrift Savings Plan disbursements.

RI 38-124 Voluntary Contributions Election. (Only required if you want a refund of your voluntary contributions.)

19. Complete the EFT Information/Certification Letter for Direct Deposit Sign-up or request from your bank or financial institution a Direct Deposit Sign-up Form (SF 1199A). (Either of these forms should be submitted with your retirement application -- see Employee Information Sheets #4 and #5 for complete instructions.) **Note:** If your agency participates in the Automated Interim Pay Project or your permanent address is outside the United States, neither form is required. Canadian residents use RI 16-26, Direct Deposit Sign-up Form (Canada). \_\_\_\_\_

20. Complete the retirement application and all related forms. Sign your application. \_\_\_\_\_

21. Submit all forms and required documents to your supervisor/administrative officer/personnel office. (Keep a copy for personal reference.) \_\_\_\_\_

**When Your Personnel Office Notifies You**

22. Review and sign SF 3107-1 or SF 2801-1, Certified Summary of Federal Service, that the personnel office has prepared. \_\_\_\_\_

23. Complete all customary agency exit procedures. \_\_\_\_\_

**After You Retire**

24. Send your initial Thrift Savings Plan forms directly to the TSP office. \_\_\_\_\_

**Employee Information Sheet #2****Checklist for Health and Life Insurance Coverage**

1. What Federal Employees Health Benefits (FEHB) coverage do I currently hold?

Plan Name \_\_\_\_\_

Enrollment (Self Only/Family) \_\_\_\_\_

Option (High/Low) \_\_\_\_\_

2. Am I eligible to continue my Federal Employee Health Benefits coverage as an annuitant? If not, am I eligible for Temporary Continuation of Coverage (TCC)?

3. Am I presently covered as a family member on my spouse's FEHB plan? Should I retain that coverage?

4. Am I presently covered by any other health benefits plan? Should I retain that coverage?

5. Are family members covered by my FEHB plan? Will they be adequately protected by other plans if I change my enrollment to Self Only coverage?

6. What is the monthly premium for my current coverage? \$ \_\_\_\_\_

7. Am I familiar with the features of my current plan? Should I switch to another plan during Open Season?

8. Am I eligible for Medicare at this time? What effect will Medicare have on my current coverage?

9. If I move out of the area covered by my HMO (or other limited service area plan), what do I need to do to change from one HMO to another plan servicing the new area?

**Employee Information Sheet #2 (Cont.)**

(Checklist for Health and Life Insurance Coverage (Cont.))

10. What Federal Employees' Group Life Insurance (FEGLI) coverage do I currently have?

Basic -- Amount of Coverage \$ \_\_\_\_\_

Option A -- Standard -- Amount of Coverage \$ \_\_\_\_\_

Option B -- Additional

How many multiples of pay?    1    2    3    4    5

Amount of Coverage \$ \_\_\_\_\_

Option C -- Family -- \$5,000 for spouse and \$2,500 for each child.

11. Am I eligible to continue my Basic life insurance coverage as an annuitant? Am I eligible to continue my optional insurance as an annuitant?

12. Have I decided what level of post age 65 Basic coverage I want (see SF 2818, Continuation of Life Insurance Coverage, for Basic life insurance; includes election regarding amount of post-retirement Basic life insurance)? Do I want to convert optional coverage(s) to avoid the reduction after age 65? Use SF 2819, Notice of Conversion Privilege, to apply for conversion (no medical examination is required).

13. Do I have enough monthly annuity to pay for all my health benefits and life insurance premiums?

14. Do I want to cancel some of my coverage at retirement? (Use SF 2817, Life Insurance Election, to cancel some life insurance options.) Ask your retirement counselor or agency representative to explain what happens and what effect it has when you carry all of your optional insurance into retirement.

**Employee Information Sheet #3**

## CSRS and FERS Annuity Estimates You May Need

**CSRS Annuity Estimates You May Need --**

<b>If You Are Considering:</b>	<b>You May Want Estimates of:</b>
Waiving military retired pay.	Your annuity with and without credit for the military service.
Combining the service credited to another Federal civilian retirement system and service credited to the CSRS.	Your annuity with and without credit for the service under the other retirement system.
Making a deposit for post-1956 military service.	The amount of the post-1956 military service deposit. Your annuity with and without the military service falling on or after 1-1-57.
Making a deposit for civilian service.	Your annuity with and without the reduction for unpaid deposit for civilian service performed before October 1, 1982. Your annuity with and without the credit for civilian service performed after October 1, 1982.
Making a redeposit for refunded service.	Your annuity with and without actuarial reduction for the years of service covered by the refund for service ending before October 2, 1990. Your annuity with and without credit for years of service covered by the refund for service ending on or after October 1, 1990.
<b>Electing no</b> survivor benefit for your spouse, or electing <b>less than all</b> of your annuity as the base.	The annuity the survivor would receive. Your annuity with and without the full survivor benefit.
Electing a survivor benefit for a person having an insurable interest.	
Electing additional annuity provided for by your voluntary contributions.	The annuity with and without credit for the voluntary contributions.
Choosing an "alternative annuity" at retirement.	The annuity with and without the "alternative annuity" lump sum payments of retirement contributions.

**Employee Information Sheet #3 (Cont.)**

**FERS Annuity Estimates You May Need --**

<b>If You Are Considering:</b>	<b>You May Want Estimates of:</b>
Waiving military retired pay.	Your annuity with and without credit for the military service.
Combining the service credited to another Federal civilian retirement system and service credited to your FERS retirement.	Your annuity with and without credit for the service under the other retirement system.
Making a deposit for post-1956 military service.	The amount of the post-1956 military service deposit. Your annuity with and without military service falling on or after 1-1-57.
Making a deposit for pre-1989 civilian service.	The amount of the civilian service credit deposit. Your annuity with and without payment of the deposit.
Making a redeposit of any refund received before you became covered by FERS.	The amount of the civilian service credit redeposit. Your annuity with and without payment of the redeposit.
Electing no survivor benefit for your spouse, or electing a partial survivor benefit.	The annuity the survivor would receive. Your annuity with and without the full survivor benefit.
Electing a survivor benefit for a person having an insurable interest.	The annuity the survivor would receive. Your annuity with and without the insurable interest survivor benefit.
Choosing an "alternative annuity" at retirement.	Your annuity with and without the "alternative annuity" lump sum payments of retirement contributions.
Eligible to receive an annuity supplement payable to FERS retirees who retire entitled to an immediate annuity prior to age 62.	Estimate the monthly amount payable to age 62.
Postponing an "MRA + 10" retirement.	Your annuity at time of separation. Your annuity with a lesser (or no) age reduction at a specified later date.

**Employee Information Sheet #4**

EFT INFORMATION/CERTIFICATION LETTER - FEDERAL PAYMENT APPLICANTS

**Office of Personnel Management*****Retirement and Insurance Service***

Dear Applicant:

Public Law 104-134 requires all Federal payments, for which the first date of eligibility for payment is on or after July 26, 1996, to be paid by Direct Deposit through Electronic Funds Transfer (EFT) into a savings or checking account at a financial institution. The only legal exception is if you do not have a savings or checking account in any financial institution and do not establish one or have one established for you by an authorized payment agent. If you do not already have an account, and do not establish one or have one established for you, you must certify to that fact in writing. Part B on the reverse of this letter may be used for this purpose.

This same law will require all Federal payments after January 1, 1999, to be made by Direct Deposit. By signing up now, you avoid having to be contacted later to arrange for Direct Deposit. More than two-thirds of Federal retirees have Direct Deposit. They gave it a 97% approval rating in a recent survey. That's because Direct Deposit is a win-win situation all around. You avoid the bother of traveling to a bank or other financial institution to cash or deposit your check. You save travel costs and time. Both you and OPM are saved the worry that the check will be lost in the mail. Finally, you and all your fellow taxpayers save the difference in cost between Direct Deposit and payment by check (\$0.33 per payment x 2.35 million Federal annuitants equals \$775,500 in savings every month).

Please complete the EFT information/certification on the reverse of this letter, and submit it with your retirement application package. You can also elect Direct Deposit via Standard Form 1199A, Direct Deposit Sign-Up Form, which you can obtain from your financial institution. If you are applying for a benefit under the Federal Employees Retirement System (FERS) using the November 1995 (or later) edition of SF 3107, FERS Application for Immediate Retirement, or the December 1995 (or later) edition of SF 3104, FERS Application for Death Benefits, you can sign up for Direct Deposit by completing the appropriate sections on the application form itself. Failure to provide this information with your application may result in a delay in payment.

Thank you.

Office of Retirement Programs

**Employee Information Sheet #4 (Cont.)**  
(EFT Information/Certification Letter (Cont.))

Applicant's Name \_\_\_\_\_

Social Security # \_\_\_\_\_

Date of Birth \_\_\_\_\_

**EFT INFORMATION**

To have your Federal payment(s) made by Direct Deposit, please complete Section A. You may also receive Direct Deposit by completing a Standard Form 1199A (available at most financial institutions). If you do not have a checking or savings account into which your payment can be deposited, please complete the certification in Section B.

Section A

Please deposit my Federal payment(s) through Electronic Funds Transfer directly into the account indicated below. I have checked with my financial institution and confirmed that the following information is correct.

Checking or Savings Account Number  
\_\_\_\_\_

Account Type

G Checking       G Savings

Financial Institution Routing Number  
\_\_\_\_\_

Name, Address and Telephone Number  
of your financial institution.  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Call your financial institution for this number. We cannot pay by Direct Deposit without it. If your financial institution indicates the information on our personal check is correct for Direct Deposit, you may attach a voided check rather than entering the information here.

Signature  
\_\_\_\_\_

Date  
\_\_\_\_\_

Section B

I hereby certify that I do not have a savings or checking account in any financial institution and that none has been established for me by an authorized payment agent. Please send me my payment(s) by check.

Signature \_\_\_\_\_

Date \_\_\_\_\_

**Employee Information Sheet #4 (Cont.)**  
(EFT Information/Certification Letter (Cont.))

> EFT INFORMATION/CERTIFICATION LETTER - FEDERAL PAYMENT APPLICANTS  
(CANADA)

**Office of Personnel Management*****Retirement and Insurance Service***

Dear Applicant:

As of January 2, 1997, annuity payments can be paid by Direct Deposit at financial institutions in Canada. With Direct Deposit, payments are sent electronically directly into Canadian dollar checking or savings accounts at banks, trust companies, credit unions, and caisses populaires. More than two-thirds of retirees have Direct Deposit. They gave it a 97% approval rating in a recent survey. That's because Direct Deposit is a win-win situation all around. You avoid the bother of traveling to a bank or other financial institution to cash or deposit your check. You save travel costs and time. Both you and OPM are saved the worry that the check will be lost in the mail.

Compared with Treasury checks mailed from the United States, Direct Deposit to Canada offers greater security, timeliness and convenience. Gone are check cashing fees and delays to clear checks. Payments will be made to your account in Canadian dollars on the first business day of the month at the most favorable commercial exchange rate available about two days prior to that date.

U.S. Public Law 104-134 requires that, unless the payee does not have a savings or checking account, all Federal payments, eligibility for which began on or after July 26, 1996, are to be paid by Direct Deposit through Electronic Funds Transfer (EFT) into a savings or checking account at a financial institution. With the initiation of Direct Deposit to Canada, these requirements now apply to residents in Canada newly eligible for U.S. Federal payments on or after January 2, 1997. This same law will require **all** U.S. Federal payments after January 1, 1999, to be made by Direct Deposit. By signing up now, you avoid having to be contacted later to arrange for Direct Deposit.

Whether you sign up for Direct Deposit or not, please complete the attached EFT Information/Certification form and submit it with your application package. Failure to complete it may result in a delay in payment. To sign up for Direct Deposit, complete the EFT Information/Certification form **and** the RI 16-26, Direct Deposit Sign-Up Form (Canada). Information about Direct Deposit and instructions for completing RI 16-26 are on the reverse of the form. If you do not have an account into which your annuity payment may be directly deposited, and do not establish one or have one established for you, you must certify to that fact **in writing**. Part B of the EFT Information/Certification form may be used for this purpose.

If you have questions **about Direct Deposit in Canada** you may call (202) 606-0540. Please direct other questions to (888) 767-6738. Only English is spoken at these telephone numbers.

Thank you.

Office of Retirement Programs<

**Employee Information Sheet #4 (Cont.)**

> (EFT Information/Certification Letter (Canada) (Cont.)

Applicant's Name \_\_\_\_\_

Social Security # \_\_\_\_\_

Date of Birth \_\_\_\_\_

**EFT INFORMATION**

To have your annuity payment(s) made by Direct Deposit, complete the Direct Deposit Sign-Up Form (Canada) (RI 16-26) and Section A (Below). Indicate whether you are enclosing RI 16-26, or your financial institution will send it. If you do not have a checking or savings account into which your payment could be deposited (OPM can only make electronic deposits in Canadian banks into **Canadian** dollar accounts), please complete the certification in Section B. In either case, please complete this form and include it with your application.

NOTE: None of the Direct Deposit sign-up forms used by U.S. residents; i.e., SF 1199A, Section I of SF3107 (November 1995), Section H of SF 3104 (December 1995), etc, can be used to establish Direct Deposit in Canadian banks. RI 16-26 is specifically designed for this function.

Section A

I hereby certify the information I entered on the RI 16-26, Direct Deposit Sign-Up Form is correct.

**G** I am enclosing the completed RI 16-26.

**G** My financial institution will send the completed RI 16-26. (Enter identifying information.)

Name, Address and Telephone Number  
of your financial institution.

Account Type

**G** Checking **G** Savings

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Checking or Savings Account Number

\_\_\_\_\_

Signature

Date

\_\_\_\_\_

Section B

I hereby certify that I do not have a savings or checking account in any financial institution into which my annuity payment could be directly deposited, and that none has been established for me by an authorized payment agent. Please send me my payment(s) by check.

Signature

Date

\_\_\_\_\_

\_\_\_\_\_ <

**Employee Information Sheet #4 (Cont.)**

&gt; EFT Direct Deposit Sign-up Form RI16-26, (Canada)

**Direct Deposit Sign-up Form (Canada)  
Application For Payment of United States Civil Service Retirement Monthly Benefits  
By Direct Deposit To A Financial Institution In Canada**

**Instructions:** For Direct Deposit, please complete sections 1 and 2. Your financial institution must complete section 3. **Your payments will be made in Canadian dollars to your account.**  
 Mail completed form to: U.S. Office of Personnel Management  
 IDD Enrollment  
 P.O. Box 7815  
 Washington, DC 20044 USA

**Section 1 (Please print your responses)**

Name (Last, First, middle initial)	Claim number
Address (City, and Postal Code)	Daytime telephone

Person entitled to payment

**Section 2 (This Must Be A Canadian Dollar Account.)**

Account ownership  
 My Own Account

Joint Account

**Payee Certification**

***I certify that I have read and understand the instructions provided with this form. My signature authorizes the U.S. Office of Personnel Management to send my monthly civil service payment to the account at the financial institution designated below.***

Signature	Date
-----------	------

**Joint Account Holder's Certification**

***I certify that I have read and understand the instructions provided with this form, including the "Special Notice To Joint Account Holders"***

Signature	Date
-----------	------

**Section 3 (To Be Completed By Your Financial Institution.)**

Name/address of financial institution	Type of Account <input checked="" type="checkbox"/> Checking/Current <input type="checkbox"/> Savings/Deposit
---------------------------------------	---

**Please Insert Your MICR Encoded Direct Payment Routing Number**

Branch/Transit number

Institution number

Account number (Must Be Canadian Dollar Account)

**GGGGG GGGG GGGGGGGGGGGG**

Verified by	Telephone number	Date <
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**Employee Information Sheet #4 (Cont.)**

> (EFT Direct Deposit Sign-up Form Information (Canada))

*Important Information - Please Read Carefully*

The information you give on this form is confidential. We need this information to send your U.S. Civil Service Retirement payment directly to a Canadian dollar account at your financial institution in Canada. The information also helps us process your request as quickly as possible.

*If your address changes* you must inform the U.S. Office of Personnel Management because important notices about your benefits will still be mailed to your home address.

**Information About Currency Conversion**

Your U.S. Civil Service Retirement payment is automatically converted to Canadian dollars a few days before it is deposited into your account. The exchange rate used may be different from the rate in effect on the day you receive your payment.

**Special Notice to Joint Account Holders**

If a person who receives Civil Service Retirement payments dies, you must contact the U.S. Office of Personnel Management and your financial institution right away. *Any payments that you receive after that person dies must be returned to the U.S. Office of Personnel Management.* We can then work quickly to determine whether any other benefits are due.

**Changing Financial Institutions or Accounts**

If you change your financial institution or your account, you should notify the U.S. Office of Personnel Management. You will need to fill out a new sign-up form. Do *not* close your old account until your payments have started coming to your new account.

**Cancellation**

To cancel direct deposit, write to the U.S. Office of Personnel Management and contact your financial institution. Do *not* close your bank account until your payments have started coming to your home address.

**Completing the Direct Deposit Sign-Up Form**

- ! In Section 1, fill in your name, address, Civil Service Retirement Claim Number, daytime telephone number, and name of the person who is entitled to the payment.
- ! The claim number is *very important*. "CSA" or "CSF" is followed by 7 numerical digits. At the end of the claim number there is an additional 1 digit number or letter (Examples: CSA 1 111 111 0, CSF 1 111 111 W). **Note: Annuity applicants who have not yet been assigned a retirement (CSA) or survivor (CSF) number should leave the space blank.**
- ! In Section 2, sign the certification. If there is a joint account holder, that person should read the *Special Notice to Joint Account Holders*, above, and sign the Joint Account Holder's Certification on the RI 16-26.
- ! Take or send this form to your financial institution. An official there will fill in Section 3 and then you or your financial institution should send the completed form to the U.S. Office of Personnel Management at the address shown at the front of the form. **If you have not already submitted your application for retirement or survivor annuity, and you have an RI 16-26 fully completed by you and your financial institution, please attach the completed RI 16-26 to the signed EFT Information/Certification form and include both with your application package, instead of mailing the RI 16-26. If your financial institution is submitting the RI 16-26 for you, they should mail it to the address indicated.**

If you have any questions about direct deposit, you may call (202) 606-0540. If you have other questions, please call (888) 767-6738. Only English is spoken at these telephone numbers.

**Employee Information Sheet #4 (Cont.)**(EFT Direct Deposit Sign-up Form Information (Canada) *French*)*Renseignements Importants - Lire Soigneusement SVP*

Les renseignements que vous nous donnez dans ce formulaire sont confidentiels. Nous avons besoin de ces renseignements pour que les paiements de retraite du U.S. Civil Service puissent être envoyés directement, en dollars canadiens, à votre compte dans une institution financière de votre choix au Canada. Ces renseignements aident également à traiter vos requêtes aussi rapidement que possible.

*Si vous changez d'adresse* vous devez informer immédiatement le U.S. Office of Personnel Management parce que des communications importantes concernant vos bénéficiaires continueront à être envoyées à votre ancienne adresse.

**Renseignements Concernant Le Conurs Du Change**

Vos paiements de retraite du Civil Service des États-Unis sont convertis automatiquement au cours du dollar canadien effectif quelques jours avant d'être déposés dans votre compte. Le taux du change peut être différent de celui où vous recevez votre paiement.

**Detenteurs De Comptes Joint**

Si une personne recevant une retraite du Civil Service des États-Unis meurt, vous devez immédiatement entrer en rapport avec le U.S. Office of Personnel Management et votre institution financière. *Tout paiement reçu après la mort de cette personne doit être immédiatement renvoyé au U.S. Office of Personnel Management.* Nous pourrions alors déterminer rapidement si d'autres bénéficiaires sont dus.

**Changement D'institution Financière Ou De Compte**

Si vous changez d'institution financière ou de numéro de compte, vous devez immédiatement informer le U.S. Office of Personnel Management. Vous devrez remplir un nouveau formulaire "sign up". *Ne fermez pas* votre ancien compte jusqu'à ce que les paiements arrivent à votre nouveau compte.

**Annulement**

Pour annuler votre dépôt direct vous devez écrire au U.S. Office of Personnel Management et entrer en rapport avec votre institution financière. *Ne fermez pas* votre compte jusqu'à ce que les chèques arrivent à votre adresse.

**Comment Remplir Le Formulaire Direct Depot Sign-Up**

- ! Dans la section 1, écrivez votre nom, adresse, votre numéro de pension du Civil Service, votre numéro de téléphone pendant la journée et le nom de la personne qui a droit au paiement.
- ! Le numéro de la pension est *extremement important* - "CSA" ou "CSF" suivi de sept chiffres. À la fin du numéro de pension, il y a un chiffre supplémentaire ou une lettre. Par exemple: CSA 1 111 111 ) ou CSF 1 111 111 W. **Note: Annuity Applicants who have not yet been assigned a CSA or CSF number should leave the space blank.**
- ! Dans la section 2, signez la certification. S'il y a un détenteur de compte joint, la personne qui a le compte avec vous doit lire la note ci-dessus "Détenteur De Comptes Joint" et signer la certification de Détenteur de Compte Joint.
- ! Portez ou envoyez ce formulaire à votre institution financière. Un officiel de votre institution financière remplira la section 3 du formulaire et vous, ou l'institution, enverrez le formulaire dûment rempli au U.S. Office of Personnel Management à l'adresse indiquée sur la première page. **If you have not already submitted your application for retirement or survivor annuity, and you have an RI 16-26 fully completed by you and your financial institution, please attach the completed RI 16-26 to the signed EFT Information/Certification form and include both with your application package instead of mailing the RI 16-26. If your financial institution is submitting the RI 16-26 for you, they should mail it to the address indicated.**

Si vous avez des questions concernant le dépôt direct au Canada, vous pouvez appeler le numéro suivant: (202) 606-0540. Pour toute autre question, appelez le numéro (888) 767-6738. On parle seulement anglais à ces deux numéros.<

**Employee Information Sheet #5****Notice to Financial Institution Regarding Filing of SF 1199A**

ATTENTION FINANCIAL INSTITUTION --

Federal Employee Applying for Retirement:

Your customer is a **retiring** Federal Civil Service employee who wants to have Civil Service annuity payments made by direct deposit to an existing bank account at your institution. Please provide your customer with an SF 1199A, Direct Deposit Sign-Up Form, and complete your portion.

Give the SF 1199A form to your customer so that he or she may submit the direct deposit form with the application for retirement and other documents to his or her agency so that the agency may include the SF 1199A with the retiree's retirement package to the Office of Personnel Management.

Note that your customer **has not yet retired** and, therefore, has not been assigned a Civil Service Retirement System claim number (CSA number). This retirement claim number will be inserted in the appropriate space on the SF 1199A when the application for retirement is processed by the Office of Personnel Management, Retirement Operations Center, Boyers, PA 16017. **This Is the Only Information That Should Be Omitted From This Form.** (A social security number is not acceptable for this purpose.)

Retired Federal Employee:

Your customer has retired from the Federal Civil Service. Normally, when processing an SF 1199A, it is necessary that a CSA claim number be shown on the form for already **retired** Civil Service employees. Please assist **retired** employees by pointing out that the claim number should be included. For an employee who has already retired, handle the SF 1199A under your usual procedures. All Direct Deposit Sign-Up Forms, SF 1199A, should be sent to:

Office of Personnel Management  
Retirement Operations Center  
P.O. Box 440  
Boyers, PA 16017-0440

For more information about completing the SF 1199A, as well as any other questions about Direct Deposit, please see the Green Book. The Green Book is furnished to financial institutions (that is, to the Direct Deposit Coordinator) by the U.S. Department of the Treasury.

**Employee Information Sheet #6****Where and How to Direct Questions to OPM During Retirement Process and After Retirement (Including Types of Requests OPM Can Handle Over the Telephone).**

Retirees and survivors should direct their questions about Federal retirement, life insurance, and health benefits to OPM's Office of Retirement Programs. Employees who have not retired should direct retirement-related inquiries to their agency personnel offices or retirement counselors.

When calling OPM's Retirement Information Office you will be greeted by a caller assistance telephone system. During regular business hours you are able to speak to a Customer Service Representative; however, due to the high volume of calls that OPM receives, you may experience delays in speaking to a Representative. To help alleviate this situation, the caller assistance system provides 24 hours a day user-friendly, and interactive voice mail options. These voice mail options allow customers to request certain documents and services from OPM without the need to wait for a live operator.

**In the Following Situations:****Contact:****Written Inquiries, General**

Anytime you write to OPM about retirement or survivor benefits, be sure to include your claim number ("CSA" or "CSF" followed by 7 digits), date of birth, and social security number, and current mailing address in your letter. You must sign any correspondence that you send to OPM.

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Office of Personnel Management  
Retirement Operations Center  
Boyers, PA 16017

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**Telephone Inquiries, General**

To speak to an OPM Retirement Information Specialist about specific retirement related questions, call the Retirement Information Office during regular business hours, 7:30 AM through 5:30 PM, Eastern Time Zone. OPM is able to communicate with annuitants with hearing impairments via TDD telephone equipment. Callers should have their claim number ready, date of birth, social security number and a pen and paper to take notes.

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Retirement Information Office:  
> 1-888-767-6738<

Retirement Information Office  
TDD: > 1-800-878-5707<

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**Application Status Inquiries (No Claim Number Available)**

OPM maintains its records according to claim number. If you have recently retired, want to know about your refund of retirement deductions, or are asking about the recent death of an employee, OPM will need to know the "payroll office number," "register number," and the date that the register was sent to OPM by the person's former agency. These registers are used to send applications for benefits and individual retirement records to OPM. You will need to contact the former personnel office or payroll office to get this information before calling OPM. (See Employee Information Sheet #8, Notification

Contact former personnel  
or payroll office

Letter.)

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### Report of Deaths

A family member or other person may write or call OPM to report the death of a retiree or survivor. Please be prepared to provide the deceased's full name, claim number, date of death, date of birth, and social security number, if known. Please note that any annuity checks received after the annuitant or survivor died should be returned to the Department of the Treasury. If annuity payments were sent directly to a bank, notify the financial institution so that it can return them to the Department of the Treasury. To apply for death benefits, survivors should request an Application for Death Benefits; the survivor will be advised regarding health insurance. If the deceased had FEGLI coverage, a Life Insurance Claim for Death Benefit form will be enclosed with the Application for Death Benefits. In the event of a spouse's death, the retiree will be advised regarding changing the annuity to single rate, health insurance to self only (unless there is a dependent child), and changing the life insurance beneficiary form.

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Office of Personnel Management  
Retirement Operations Center  
Boyers, PA 16017

or call: > 1-888-767-6738<

### Address Change: Payment

You may change your address in writing or by telephone. The retiree must provide his/her name, claim number, date of birth and social security number. Callers may be asked other identifying information to ensure account privacy. If you request Direct Deposit (EFT) by telephone, you must provide your bank account number, the type of account, and the correct routing number and telephone number of the financial institution where the payment is to go. It is your responsibility to assure the accuracy of the information given. If you request Direct Deposit (EFT) in writing, have your financial institution complete a Direct Deposit Sign-Up Form, SF 1199A, > or RI 16-26 (Canada)< and send it to OPM.

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Office of Personnel Management  
Retirement Operations Center  
Change of Address - Retirement  
PO BOX 440  
Boyers, PA 16017-0440

or call: > 1-888-767-6738<

### Address Change: Correspondence

You may change your address in writing or by telephone. When calling OPM the retiree must provide his/her name, claim number, date of birth, social security number and any other identifying information that may be required to ensure account privacy. The annuitant must sign written notifications.

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Office of Personnel Management  
Retirement Operations Center  
Change of Address - Retirement  
PO BOX 440  
Boyers, PA 16017-0440

or call: > 1-888-767-6738<

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**Important Note:** You must notify OPM about any change of address, even if you have your annuity payments sent directly to a bank. We need your mailing address to send important information (such as FEHBP "Open Season" packages) directly to you. If you do not keep us informed of changes in your mailing address, you risk not receiving important information.

**Lost or Missing Payment(s)**

Before contacting OPM, you should contact your Post Office (or bank if Direct Deposit) to see if the delivery might have been delayed. If you have not received your payment by the fifth business day after the expected payment date, or if your payment is lost or destroyed after it is received, you should contact OPM. Be prepared to give your name, claim number, date of birth, social security number, the date and amount of the lost or missing payment(s) and any other identifying information that may be required. We can only accept a telephone report of lost or missing payment(s) for recurring monthly payments. You must make all other notifications of lost or missing payments in writing.

**Important Note:** Write "NON-RECEIPT OF CHECK" on the outside of the envelope.

Office of Personnel Management  
Recertification: NON-RECEIPT OF  
CHECK  
PO BOX 7815  
Washington, DC 20044

or call: > 1-888-767-6738<

**Federal Tax Withholding Amount Changes**

By using a touch-tone phone, you can call OPM to change your Federal income tax withholdings. > Annuitant Express' Toll-Free Number, 1-800-409-6528< can be used to make this change. You can also write OPM to make this change.

Office of Personnel Management  
Tax - Retirement  
PO BOX 961  
Washington, DC 20044

or call: > 1-888-767-6738<

**Federal or State Tax Inquiries**

You can write or call OPM about general Federal tax inquiries; however, we cannot provide tax advice. Only the IRS can provide that service. In addition, OPM participates with a number of States to withhold State income tax from annuity payments. For specific information about State tax withholding, contact your respective State revenue service. (See Employee Information Sheet #7 for list of participating States.)

Office of Personnel Management  
Tax - Retirement  
PO BOX 989  
Washington, DC 20044

or call: > 1-888-767-6738<

**Health Benefits: General Inquiries**

OPM will accept telephone changes in health benefit coverage when you wish to change coverage from Family to Self Only; High to Low Option; and When Leaving the Service Area. Be ready to give OPM your name, claim number, date of birth, social security number and any other identifying information that may be required. You must make all other eligible health benefit changes or inquiries in writing.

Office of Personnel Management  
Health Insurance - Retirement  
PO BOX 14172  
Washington, DC 20044

or call: > 1-888-767-6738<

**Health Benefits: Disputed Claims**

If you want OPM to review a dispute with your health benefit carrier, you must make your request in writing. Your request must be in writing OPM, include your name, claim number, date of birth, and social security number, as well as the specific health carrier and disputed claim

Office of Personnel Management  
Health Insurance - Disputed Claim  
PO BOX 436  
Washington, DC 20044

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reference.

**Court Order/Garnishment of Annuity**

Inquiries about court order/garnishment of annuity for alimony or child support, apportionment of annuity awarded by a court, and court ordered survivor benefits should be made to OPM in writing. The letter should include a court-certified copy of the entire court order/garnishment document in reference. Include your claim number, date of birth and social security number when writing. OPM cannot respond to telephone inquiries regarding court order/garnishment until we have received the records in question.

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Office of Personnel Management  
Court Order/Garnishment -  
Retirement  
PO BOX 17  
Washington, DC 20044

or call: > 1-888-767-6738<

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**Survey Responses: Disability Earnings or Marital Status**

You can call OPM about a specific survey that you have received; however, your responses to the Disability Earnings or Marital Status surveys must be in writing. Make sure you have your name, claim number, date of birth, social security number and any other identifying information that may be required when you call OPM.

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Office of Personnel Management  
Inspections - Retirement  
PO BOX 579  
Washington, DC 20044

or call: > 1-888-767-6738<

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**Adult Student Certification**

Send certification of continued entitlement to adult student benefits to OPM. You can obtain the status of a certification by writing or calling OPM. Include the deceased annuitant's name, the survivor annuitant's name, claim number, date of death, social security number and any other identifying information that may be required.

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Office of Personnel Management  
Inspections - Adult Student  
PO BOX 956  
Washington, DC 20044

or call: > 1-888-767-6738<

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**Payments and Overpayments (debts)**

You must mail all account payments to OPM. Include your claim number on the check and enclose the OPM statement to identify the payment being made. You may call OPM to inquire about payments. You should provide your name, claim or account number, date of birth, social security number and any other identifying information that may be required.

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Office of Personnel Management  
Funds Control - Retirement  
PO BOX 7125  
Washington, DC 20044

or call: > 1-888-767-6738<

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**Reports of Waste, Fraud, or Abuse**

You may write or call OPM to report suspected waste, fraud, or abuse of the Retirement Program. You need not provide your name to make a report.

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Office of Personnel Management  
Inspections - Retirement  
PO BOX 7174  
Washington, DC 20044

or call: (202) 606-0232

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**Topics Not Listed Above**

You can write or telephone OPM:

- \* To ask any question about your annuity statement.
- \* To change or request information about retirement contributions or life insurance designations of beneficiary.
- \* To report a change in marital status and change of survivor election.
- \* To obtain verification of annuity income.
- \* To inquire about any matter not listed above.

Office of Personnel Management  
Retirement Operations Center  
Boyers, PA 16017

or call: > 1-888-767-6738<

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**Employee Information Sheet #7****> Information About Federal and State Income Tax Withholdings,  
Savings Bond Purchases and Deductions**

This sheet provides you with information on how to change the withholding rate for Federal income taxes from your annuity. It also tells you how to elect to have State income taxes withheld and/or start an allotment for Series EE U.S. Savings Bonds from your annuity. Because of technological limitations and the fact that your income is probably substantially changed in retirement, it is neither feasible nor desirable that your tax withholdings remain the same as when you were employed.

**Federal Income Tax Withholdings:**

Your annuity payments are subject to Federal income tax withholding. Federal income tax is withheld from your initial payment and will continue to be withheld as though you were a married individual claiming three withholding allowances -- the rate required by law if you do not file an election to change the deduction. You may submit a W-4 Federal Tax Withholding form to OPM along with your retirement application, or when OPM receives your application, they will send you a notice with the election form you need, election form W-4P-A, to make any changes you need, along with instructions and a return envelope. Complete the W-4P-A election form, indicating on it your decision to increase or decrease the amount of monthly tax withholding, or to cancel tax withholding completely. Return the form to OPM.

**State Income Tax Withholdings:**

If you wish to have State tax withholdings from your annuity, you may contact OPM directly if your State participates in the withholding program administered by OPM. OPM is unable to make State tax withholdings for non-participating states.

Participating jurisdictions are: Arkansas, Arizona, California, Colorado, Connecticut, Delaware, District of Columbia, Georgia, Idaho, Indiana, Iowa, Louisiana, Maine, Maryland, Michigan, Minnesota, Mississippi, Missouri, Montana, Nebraska, New Jersey, New Mexico, North Carolina, North Dakota, Ohio, Oklahoma, Oregon, Rhode Island, South Carolina, Utah, Vermont, Virginia, West Virginia, and Wisconsin.

You must specify the monthly amount of State tax you want withheld. Deduction amounts must be in whole dollars. The minimum monthly amount OPM is able to withhold is \$5. Your State tax deductions will be reflected on notices of annuity adjustment mailed when payments change and will be included in your yearly statement (Form 1099R) used for income tax filing purposes.

**Savings Bond Purchases and Deductions:**

The savings Bond allotment program offers you the opportunity to purchase Series EE U.S. Savings Bonds in a manner similar to the payroll savings plan available to employees.

**Employee Information Sheet #7 (Con't)**

Savings bonds, in the amounts of \$100, \$200, and \$500, can be purchased through monthly annuity deductions. The purchase price is one-half of the face value of the bond, in full, each month. For example, the cost of a \$100 bond is \$50. No partial or installment payments will be accepted for bond purchases. Bonds may be purchased in the name of a single owner, with a co-owner, or to become payable to a beneficiary in the event of death. No more than two names may appear on a bond. You can name someone else as bond owner. Only one co-owner or one beneficiary may be named in addition to the bond owner.

For information about savings bond interest rates and redemption, you may contact the U.S. Department of the Treasury at the following address:

U.S. Savings Bonds  
Bureau of Public Debt  
Parkersburg, West Virginia 26106-1328

You can obtain information about savings bond interest rates by calling the Department of the Treasury at (800) 4US-BOND.

**Requests for Savings Bond and State Tax Deductions**

You will be notified when your payments are authorized about how you may begin to have these deductions taken from your regular annuity payments. State tax and savings bond deductions cannot be taken from interim payments. When you start to receive regular annuity payments, you may call (800) 409-6528 to start, change, or stop savings bond and State tax deductions. A touchtone telephone is needed to access this system. If you do not have a touchtone telephone, you may contact an OPM Customer Service Specialist by dialing toll-free 1-888-767-6738. When calling, you will need your "CSA" or "CSF" claim identification number and Social Security number.<

**Employee Information Sheet #8****SAMPLE NOTIFICATION LETTER**

(Prepared by agency payroll office; send to employee.)

Date: \_\_\_\_\_

Employee's Name: \_\_\_\_\_

Employee's Address: \_\_\_\_\_  
\_\_\_\_\_

The official records of your retirement deductions withheld by this agency have been certified correct and forwarded to the United States Office of Personnel Management (OPM) via a Register of Separations, along with any application you are making for benefits (retirement annuity or refund of retirement deductions). Identifying data from that Register is provided below for your information. You should refer to this data if you need to contact OPM.

NAME: \_\_\_\_\_

DATE OF BIRTH: \_\_\_\_\_

SEPARATION DATE: \_\_\_\_\_

SOCIAL SECURITY NUMBER: \_\_\_\_\_

RETIREMENT SYSTEM (CSRS or FERS): \_\_\_\_\_

REGISTER NUMBER: \_\_\_\_\_

REGISTER DATE: \_\_\_\_\_

PAYROLL OFFICE NUMBER: \_\_\_\_\_

DATE REGISTER MAILED TO OPM: \_\_\_\_\_

If you have filed a nondisability application for retirement or a refund of your retirement deductions, allow 5 to 6 weeks from the date of this letter for the processing of your claim. (Normally, you will receive correspondence from OPM well within this time frame.) After 6 weeks, if you haven't received notification or an interim payment from OPM, or you have any questions concerning your application for benefits, please contact OPM. You can call OPM's Retirement Information Office from 7:30 a.m. to 5:30 p.m. (Eastern Time) at (202) 606-0500 > (if local) or toll-free 1-888-767-6738.< OPM's TDD telephone number for the hearing impaired is (202) 606-0551 > (if local) or toll-free 1-800-878-5707.< Address written inquiries to:

**U.S. Office of Personnel Management  
Retirement Operations Center  
Boyers, PA 16017**

Your agency payroll office has submitted information (including what is called a "quit code") regarding your separation to the Thrift Savings Plan (TSP) Service Office. This letter verifies that your agency has made the submission. Please send your TSP-7 (Election of Benefits), TSP-3 (Designation of Beneficiary), and any other forms regarding the withdrawal of your TSP account to the TSP Service Office no later than 90 days after the date of separation. Send form(s) to TSP, National Finance Center, P.O. Box 61500, New Orleans, LA 70161-1500.

A copy of this letter has been provided to the Personnel Office shown below.

cc: \_\_\_\_\_  
Servicing Personnel Office Address  
\_\_\_\_\_

**Employee Information Sheet #9****Agency Retirement Coverage Letter to Employee**

(Use Letterhead Stationery)

(Employee's Name  
and Address)

Dear

Your retirement was effective. I hope the following information will help answer questions about your coverages and guide you in matters concerning your retirement.

Your retirement papers have been sent to the (agency personnel office) for review and will be forwarded on to Payroll. The Payroll Office will close your payroll records and forward them with your application and associated documents to the Office of Personnel Management (OPM) for processing your retirement in approximately 2 weeks. Your agency Payroll Office will, at that time, send you a Notification letter containing all the information you will need to track the progress of your retirement. All salary you are due must have been paid before the payroll records can be closed from the system.

If you are due a lump-sum payment for annual leave, you should receive it about 2 weeks after your retirement. Please notify me if you do not receive the lump-sum payment for leave within that timeframe.

You will be assigned a Civil Service Annuity (CSA) number by OPM. When corresponding with OPM (such as for change of check mailing address), you must use this number to identify yourself to OPM.

OPM normally issues monthly interim payments of approximately 80 percent to 90 percent of the annuity computation within 5 to 6 weeks of separation. These payments continue until final adjudication is complete. The **checks are sent to the address shown on your Application for Retirement**. If you do not receive a check within 90 days, with your CSA number in hand, call OPM at (202) 606-0500 > (if local) or toll-free 1-888-767-6738.<

If you did not submit an SF-1199A, Direct Deposit Sign-Up Form, with your retirement application and you want your checks to go to your bank, you should wait until you receive your CSA number, and then contact your bank or financial institution. The bank should send the SF-1199A to: Office of Personnel Management, Retirement Operations Center, Boyers, PA 16017. OPM also accepts information to establish and/or change Direct Deposit (EFT) accounts over the telephone from annuitants. When you receive your CSA number, you may simply call OPM at > the number above< , 7:30 a.m. to 5:30 p.m. (Eastern Time) or TDD at (202) 606-0551 > (if local) or toll-free 1-800-878-5707< . Have ready your CSA number, social security number, date of birth, Direct Deposit (EFT) bank account number, the type of account, and the routing number and telephone number of the financial institution where the payment is to go.

**Employee Information Sheet #9 (Cont.)**  
(Agency Retirement Coverage Letter to Employee)

You appear to be eligible to continue health benefits into retirement. Deductions for your health insurance will be made from your annuity checks. The Government continues to pay a portion of the total cost of the insurance, and you have the same coverage you now have. Also, you will be eligible to make changes during the health benefits open season. OPM will provide you with information about open season that usually occurs in November/December of each year.

Your life insurance has been transferred to OPM. You appear to have met the requirements for continuing the life insurance coverage shown below and have made elections to continue the following coverages:  
\*Agency, see box at end of letter for options to be listed here.

If you had a designation of beneficiary form for retirement and/or life insurance on file, it was transferred to OPM, and remains in effect.

If you transferred to FERS and earlier filed an SF 2808, CSRS Designation of Beneficiary, you need to submit a new designation, SF 3102, for your designation of FERS benefits distribution. If you were automatically covered by FERS, the SF 2808 was not canceled and remains on file with OPM.

If you want to designate beneficiaries for both retirement and life insurance, you must file two separate designations.

If you have any questions or problems, call or write me at the following:

(Name)  
(Title)  
(Agency name)  
Personnel Office  
(Address)

Phone: (     )

**Employee Information Sheet #9 (Cont.)**

(Agency Retirement Coverage Letter to Employee)

If I am not available, you may contact (give name of alternate contact in your agency) on ( ) . Please accept my best wishes for a long and happy retirement.

Sincerely,

Personnel Office

Enclosure(s)

*\*Instructions for Agency*

Show level of protection chosen in continuing the Basic coverage, including the amount of that coverage at retirement and the reductions that begin at age 65 if the 75 percent reduction or the 50 percent reduction is chosen; and the cost for No Reduction.

Show the amount of Option A (normally \$10,000, but for some this could be a larger amount), the requirements for continuing the coverage, and the reduction in coverage when the retiree reaches 65 and the withholdings cease (if the employee is 65 at retirement, the reduction begins at retirement).

Show the amount of insurance under Option B -- Additional, the cost in retirement, and when and how it reduces.

Show the amount of insurance under Option C -- Family, the cost in retirement, and when and how it reduces.

See pages 6 and 7 of RI 76-21, FEGLI, Federal Employees' Group Life Insurance; Basic Life Plus Optional A Standard, Option B Additional, and Option C Family, Description and Certification of Enrollment in the FEGLI Program, for requirements for continuing these coverages into retirement.

NOTE: Accidental Death and Dismemberment coverage does not continue after retirement.

**Employee Information Sheet #10****ROLLOVER OF PAYMENTS UNDER CSRS AND FERS AS AN ALTERNATIVE  
TO 20 PERCENT TAX WITHHOLDING**

Public Law 102-318, enacted July 3, 1992, amended the Internal Revenue Code regarding the payment of funds from qualified retirement plans. To be of service to our customers, the Office of Personnel Management has worked with the Internal Revenue Service to present a general explanation of how this legislation affects those who receive our benefits. However, the IRS remains the authority on tax matters, and questions and requests for additional or clarifying information should be directed to them. The official tax publications that will govern how benefits are taxed are referenced at the end of the enclosed notice. OPM does not stock IRS publications. We cannot provide official tax information nor can we advise individuals on tax matters.

Basically, the law allows certain kinds of payments to be "rolled over" to another eligible retirement plan, including an Individual Retirement Arrangement (IRA). If not "rolled over," payments are subject to mandatory tax withholding. The law affects payments received after December 31, 1992. The kinds of CSRS and FERS payments that can be rolled over include:

- The taxable portion (85 to 90 percent, generally) of lump sums paid as a result of an election of an alternative form of annuity (whether paid in one installment or two);
- The taxable portion of the Basic Employee Death Benefit (BEDB), whether paid in a lump sum or in 36 installments. (All of the BEDB is taxable except the one-time \$5,000 death benefit exclusion applied to the BEDB when elected to be paid in one lump sum.); and
- Interest included in payments of employee contributions, including refunds paid to a former employee or survivor of retirement deductions, and/or voluntary contributions.

Additionally, to qualify for rollover treatment, the lump sum must be paid to a qualifying payee, which includes the employee or former employee, his or her surviving spouse, or a former spouse under a court order that properly apportions benefits under CSRS or FERS law.

Under this law, if any portion of a rollover eligible payment is paid to a former employee, surviving spouse, or former spouse, after December 31, 1992, it will be subject to 20 percent tax withholding. However, before payment is authorized, OPM will give the payee an opportunity to direct the payment, or a portion of the payment, to the trustee of an IRA or other qualified retirement plan, as a "rollover" under the tax law. These "direct rollovers" must be at least \$500, or all of the taxable portion of the payment, if less than \$500. Direct rollovers are not subject to the 20 percent

**Employee Information Sheet #10 (Cont.)**

withholding. When the taxable portion of a payment that would otherwise qualify for rollover treatment is less than \$200, it is excluded from both the 20 percent withholding and the direct rollover option. OPM cannot refund the 20 percent withholding, once it has been withheld.

**Additional Information for Recipients of the Basic Employee Death Benefit Who Elect Payment in Monthly Installments**

All the of Basic Employee Death Benefit (BEDB), when paid in installments, is taxable. If a surviving spouse elects to roll over part of each monthly installment into an IRA, the monthly amount rolled over must be equal to at least \$500. The spouse may change the election regarding this rollover at any time in the future while still receiving BEDB installments by writing to OPM at the time he/she wants to change their election. The election will take effect with the monthly benefit payable at the time the request is received. The spouse cannot receive a partial payment of the lump sum now and receive the remainder in installments. While receiving BEDB monthly installments, the spouse can elect to:

- ! stop payments to an IRA,
- ! begin payments to an IRA,
- ! change the amount rolled over to the IRA,
- ! change the financial institution that will administer direct rollover payments, and
- ! stop installment payments and receive the remainder as a lump sum.

Enclosed is a copy of a model tax information notice. Because this notice is designed to meet the notice requirements of Internal Revenue Service regulations, its provisions are general and far reaching. Not every provision will apply to each payee.

OPM can expedite the IRA rollover process by allowing the elections to be made at the time of application based on the information provided by the deceased employees' employing agency. (See Chapter 70, Spouse Benefits - Death of an Employee for detailed information.) When OPM receives an application from someone who is eligible to make a rollover and no rollover election is included, OPM will send the individual a tax information notice and an election letter. Note: All BEDB's are payable to surviving spouse/former spouse only.

Enclosure: Special Tax Notice Regarding Rollovers, RI 37-22

**Employee Information Sheet #10 (Cont.)**Special Tax Notice  
Regarding Rollovers, RI 37-22

This notice contains important Federal income tax and other information you will need before you decide how to receive your lump-sum payment from the Civil Service Retirement System (CSRS) or the Federal Employees Retirement System (FERS). To be of service to our customers, the Office of Personnel Management has worked with the Internal Revenue Service to present a general explanation of how P.L. 102-318 affects those who receive our benefits. However, the IRS remains the authority on tax matters and questions. Requests for additional or clarifying information should be directed to them. The official tax publications that govern how benefits are taxed are referenced at the end of this notice. OPM does not stock IRS publications. We cannot provide official tax information nor can we advise individuals on tax matters. The following discussion applies to the **taxable** portion of your lump-sum payment.

**Summary**

A taxable payment from the Office of Personnel Management (OPM) that is eligible for "rollover" can be paid in one of two ways. You can have **all or any part** of your payment either (1) paid in a "direct rollover" or (2) paid to you. A rollover is a payment of the taxable portion of your CSRS or FERS benefit to your individual retirement arrangement (IRA) or to another employer retirement plan. This choice will affect the tax you owe.

If you choose a **direct rollover** of the taxable portion --

- Your payment will not be taxable income in the year it is paid, and no income tax will be withheld.
- Your payment will be made directly to your IRA or, if you choose, to another employer retirement plan that accepts your rollover.
- Your payment will be taxable income later when you take it out of the IRA or the employer retirement plan.

If you choose to have the taxable portion of your benefit **paid to you** --

- You will receive only 80 percent of the payment, because OPM is required to withhold 20 percent of the payment and send it to the Internal Revenue Service as income tax withholding to be credited against your taxes.
- Your payment will be taxed in the year it is paid unless you roll it over. You may be able to use special tax rules that could reduce the tax you owe. However, if you receive the payment before age 59-1/2, you also may have to pay an additional 10 percent tax.
- You can roll over the payment by paying it to your IRA or to another employer retirement plan that accepts your rollover within 60 days after you receive the payment. The amount rolled over will not be taxed until you take it out of the IRA or employer retirement plan.
- If you want to roll over 100 percent of the payment to an IRA or an employer retirement plan, you must find other money to replace the 20 percent that was withheld. We cannot refund the 20 percent once it has been withheld. If you roll over only the 80 percent you receive, you will be taxed on the 20 percent that was withheld and that is not rolled over.

**Employee Information Sheet #10 (Cont.) Special Tax Notice Regarding Rollovers (Cont.)****MORE INFORMATION****I. PAYMENTS THAT CAN AND CANNOT BE ROLLED OVER**

Certain payments from the OPM are "eligible rollover distributions." This means they can be rolled over to an IRA or to another employer retirement plan that accepts rollovers. In general, only the "taxable portion" of your payment is an eligible rollover distribution. Information on the portion of your payment that is eligible for rollover is enclosed. The following types of payments cannot be rolled over:

**Non-taxable Payments.** In general, the non-taxable portion of your payment is not an eligible rollover distribution. If you have made "after-tax" employee contributions, these contributions will be non-taxable when they are paid to you, and they cannot be rolled over. (After-tax employee contributions generally are contributions you made from your own pay that was already taxed.)

**Payments Spread Over Long Periods.** You cannot roll over a payment if it is part of a series of equal (or almost equal) payments that are made at least once a year and that will last for

- ! your lifetime (or your life expectancy), or
- ! your lifetime and your beneficiary's lifetime (or life expectancies), or
- ! a period of ten years or more.

**Required Minimum Payments.** Beginning in the year you reach age 70-1/2, a certain portion of your payment cannot be rolled over because it is a "required minimum payment" that must be paid to you. **You must compute and exclude this amount from a direct rollover if you will be age 70-1/2 or older when the payment is made.**

**II. DIRECT ROLLOVER**

You can choose a direct rollover of all or any portion of your payment that is an "eligible rollover

distribution" as described above. In a direct rollover, the eligible rollover distribution is paid directly from OPM to an IRA or another employer retirement plan that accepts rollovers (or is sent to you in a check made payable to the IRA or other retirement plan). If you choose a direct rollover, you are not taxed on a payment until you later take it out of the IRA or the employer retirement plan. OPM will not pay a direct rollover or withhold tax on taxable payments under \$200, but recipients themselves may roll over such payments tax free within 60 days after receipt. The minimum direct rollover amount is \$500 if you designate part of your payment as a direct rollover with the remainder payable to you. OPM will pay a direct rollover to only one IRA or retirement plan at any one time.

**Direct Rollover to an IRA.** You can open an IRA to receive the direct rollover. (the term "IRA," as used in this notice, includes individual retirement accounts and individual retirement annuities.) If you choose to have your payment made directly to an IRA, contact an IRA sponsor (usually a financial institution) to find out how to have your payment made in a direct rollover to an IRA at that institution. If you are unsure of how to invest your money, you can temporarily establish an IRA to receive the payment. However, in choosing an IRA, you may wish to consider whether the IRA you choose will allow you to move all or part of your payment to another IRA at a later date, without penalties or other limitations. See IRS Publication 590, **Individual Retirement Arrangements**, for more information on IRA's (including limits on how often you can roll over between IRA's).

**Direct Rollover to an Employer Retirement Plan.** If you are employed by a new employer that has a retirement plan and you want a direct rollover to that plan, ask the administrator of that plan whether it will accept your rollover. An employer retirement plan is not legally required to accept a rollover. If your new employer's retirement plan does not accept a rollover, you can choose a direct rollover to an IRA.

**Employee Information Sheet #10 (Cont.) Special Tax Notice Regarding Rollovers (Cont.)**

**Direct Rollover of a Series of Payments.** If you receive eligible rollover distributions that are paid in a series of less than 10 years, your choice to make or not make a direct rollover for a payment will apply to all later payments in the series unless you change your election. You are free to change your election for any later payment in the series by contacting OPM.

**III. PAYMENT PAID TO YOU**

If you have the payment made to you, it is subject to 20 percent Federal income tax withholding. The payment is taxed in the year you receive it unless, within 60 days after receiving it, you roll it over to an IRA or another plan that accepts rollovers. If you do not roll it over, special tax rules apply.

**Mandatory Federal Income Tax Withholding.**

If any portion of the payment to you is an eligible rollover distribution, OPM is required by law to withhold 20 percent of that amount. This amount is sent to the IRS as income tax withholding. For example, if your eligible rollover distribution is \$10,000, only \$8,000 will be paid to you because OPM must withhold \$2,000 as income tax. However, when you prepare your income tax return for the year, you will report the full \$10,000 as a payment from OPM. You will report the \$2,000 as tax withheld, and it will be credited against any income tax you owe for the year.

**Sixty-Day Rollover Option.** If you have an eligible rollover distribution paid to you, you can still decide to roll over all or part of it to an IRA or another employer retirement plan that accepts rollovers. If you decide to roll it over, **you must make the rollover within 60 days after you receive the payment.** The portion of your payment that is rolled over will not be taxed until you take it out of the IRA or the employer retirement plan.

You can roll over up to 100 percent of the eligible rollover distribution, including an amount equal to the 20 percent that was withheld. If you choose to roll over 100 percent, you must find other

money within the 60-day period to contribute to the IRA or the employer retirement plan to replace the 20 percent that was withheld. On the other hand, if you roll over only the 80 percent that you received, you will be taxed on the 20 percent that was withheld.

**Example:** Your eligible rollover distribution is \$10,000, and you choose to have it paid to you. You will receive \$8,000, and \$2,000 will be sent to the IRS as income tax withholding. Within 60 days after receiving the \$8,000, you may roll over the entire \$10,000 to an IRA or employer retirement plan. To do this, you roll over the \$8,000 you received from OPM, and you will have to find \$2,000 from other sources (your savings, a loan, etc.). In this case, the entire \$10,000, is not taxed until you take it out of the IRA or employer retirement plan. If you roll over the entire \$10,000, when you file your income tax return you may get a refund of the \$2,000 withheld.

If, on the other hand, you roll over only \$8,000, the \$2,000 you did not roll over is taxed in the year it was withheld. When you file your income tax return, you may get a refund of part of the \$2,000 withheld. (However, any tax refund is likely to be larger if you roll over the entire \$10,000.)

**Additional 10 Percent Tax If You Are Under Age 59-1/2.** If you receive a payment before you reach age 59-1/2 and you do not roll it over, then, in addition to the regular income tax, you may have to pay an extra tax equal to 10 percent of the taxable portion of the payment. The additional 10 percent tax does not apply to your payment if it is (1) paid to you because you separate from service with your employing agency during or after the year you reach age 55, (2) paid because you retire due to disability (as determined by IRS), (3) paid to you as equal (or almost equal) payments over your life or life expectancy (or your and your beneficiary's lives of life expectancies), or (4) used to pay certain medical expenses. See IRS Form 5329, **Return for Additional Taxes...**, for more information on the additional 10 percent tax.

**Employee Information Sheet #10 (Cont.) Special Tax Notice Regarding Rollovers (Cont.)**

**Special Tax Treatment.** If your eligible rollover distribution is not rolled over, it will be taxed in the year you receive it. However, if it qualifies as a "lump-sum distribution," it may be eligible for special tax treatment. A lump-sum distribution is a payment within 1 year, of your entire balance under CSRS or FERS that is payable to you because you have separated from service with your agency. For a payment to qualify as a lump-sum distribution, you must have been a participant under CSRS or FERS for at least 5 years. The special tax treatment for lump-sum distributions is described below.

**Five-Year Averaging.** If you receive a lump-sum distribution after you are age 59-1/2, you may be able to make a one-time election to figure the tax on the payment by using "5-year averaging." Five-year averaging often reduces the tax you owe because it treats the payment much as if it were paid over 5 years.

**Ten-Year Averaging If You Were Born Before January 1, 1936.** If you receive a lump-sum distribution and you were born before January 1, 1936, you can make a one-time election to figure the tax on the payment by using "10-year averaging" (using 1986 tax rates) instead of 5-year averaging (using current tax rates). Like the 5-year averaging rules, 10-year averaging often reduces the tax you owe.

**Capital Gain Treatment If You Were Born Before January 1, 1936.** In addition, if you receive a lump-sum distribution and you were born before January 1, 1936, you may elect to have the part of your payment that is attributable to your pre-1974 participation under CSRS or FERS (if any) taxed as long-term capital gain at a rate of 20 percent.

There are other limits on the special tax treatment for lump-sum distributions. For example, you can generally elect this special tax treatment only once in your lifetime, and the election applies to all lump-sum distributions that you receive in that same year. If you have previously rolled over a payment from OPM, you cannot use this special tax treatment

for later payments from OPM. If you roll over your payment to an IRA, you will not be able to use this special tax treatment for later payments from the IRA. Also, if you roll over only a portion of your payment to an IRA, this special tax treatment is not available for the rest of the payment. Additional restrictions are described in IRS Form 4972, which has more information on lump-sum distributions and how you elect the special tax treatment.

**IV. SURVIVING SPOUSES, ALTERNATE PAYEES, AND OTHER BENEFICIARIES**

In general, the rules summarized above that apply to payments to employees also apply to payments to surviving spouses of employees and to spouses or former spouses who are "alternate payees." You are an alternate payee if your benefit results from an order issued by a court, usually in connection with a divorce or legal separation. Some of the rules summarized above also apply to a deceased employee's beneficiary who is not a spouse. However, some exceptions for payments to surviving spouses, alternate payees, and other beneficiaries should be mentioned.

If you are a surviving spouse, you may choose to have an eligible rollover distribution paid in a direct rollover to an IRA or paid to you. If you have the payment paid to you, you can keep it or roll it over yourself to an IRA, but you cannot roll it over to an employer retirement plan. If you are an alternate payee, you have the same choices as the employee. Thus, you can have the payment paid as a direct rollover or paid to you. If you have it paid to you, you can keep it or roll it over yourself to an IRA or to another employer retirement plan that accepts rollovers. If you are a beneficiary other than a surviving spouse or alternate payee, you cannot choose a direct rollover, and **you cannot** roll over the payment yourself.

If you are a surviving spouse, an alternate payee, or another beneficiary, your payment is not subject to the additional 10 percent tax described in section III above, even if you are younger than age 59-1/2. If you are a surviving spouse, an alternate payee, or

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**Employee Information Sheet #10 (Cont.) Special Tax Notice Regarding Rollovers (Cont.)**

another beneficiary, you may be able to use the special tax treatment for lump-sum distributions, as described in section III above. If you receive a payment because of the employee's death, you may be able to treat the payment as a lump-sum distribution if the employee met the appropriate age requirements, whether or not the employee had 5 years of service under CSRS or FERS.

**HOW TO OBTAIN ADDITIONAL  
INFORMATION**

This notice summarizes only the Federal (not State or local) tax rules that might apply to your payment. The rules described above are complex and contain many conditions and exceptions that are not included in this notice. Therefore, you may want to consult with a professional tax advisor before you take a payment of your benefits from OPM. Also, you can find more specific information on the tax treatment of payments from qualified retirement plans in IRS Publication 575, **Pension and Annuity Income**, IRS Publication 590, **Individual Retirement Arrangements**, and IRS Publication 721, **Tax Guide to U.S. Civil Service Retirement Benefits**. These publications are available from your local IRS office or by calling 1-800-TAX-FORMS.

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**Employee Information Sheet #11****VOLUNTARY CONTRIBUTIONS NOTICE  
RI 38-125**

If you have made voluntary contributions (VC), you can elect to receive a refund or you can use the VC to purchase additional annuity when you retire. Most people choose a refund but please read the following information before making your election. Please keep a copy of this notice for your records. If you are retiring, you can make your election after the Office of Personnel Management (OPM) receives your retirement package and sends you more detailed information specific to your case; however, interest on your account stops on the date you retire. If you want a refund and wish to avoid any loss of interest, send your application directly to OPM 60 days before you retire.

**I. If You Want a Refund of Your Voluntary Contributions:**

If you receive a refund, you may roll over the interest portion to an Individual Retirement Account (IRA) to defer income tax. (For purposes of this notice, the term "IRA" includes qualified employer retirement plans that accept rollovers.) Your rollover options depend on the amount of interest payable on your VC account. The Voluntary Contributions Annual Statement of Account that is sent to you at the beginning of each year shows the amount of interest as of December 31 for the preceding year. As a general rule, your voluntary contributions stop earning interest on the earliest of the following dates: (1) the date OPM authorizes payment of a refund of your VC; (2) the date you separate from Federal service; and (3) the date you transfer to a position not subject to the Civil Service Retirement System or the Federal Employees Retirement System.

- ◆ **If your VC interest is less than \$200**--You may roll over the interest portion to defer income tax within 60 days after you receive the payment. OPM will not withhold Federal income tax from interest amounts of less than \$200.
- ◆ **If your VC interest is \$200 or more**--You have two rollover options.

*Option 1:* OPM pays the interest to you. You may roll over the interest portion to an IRA within 60 days after you receive the payment. However, OPM will withhold 20% of the interest portion for Federal income tax. You may apply for a refund of any excess tax withholding when you file your tax return.

*Option 2:* OPM pays all or part of the interest portion directly to your IRA. OPM will not withhold Federal tax on the amount rolled over **directly** to an IRA. The amount of a direct rollover by OPM must be at least \$500 if you want part of the interest paid to you and part of it paid directly to the IRA. Interest not rolled over is subject to 20% Federal income tax withholding.

If your interest is at least \$200 and you want it paid directly to an IRA, contact an IRA sponsor (usually a financial institution) for assistance in establishing a qualified account. You must have the financial institution complete Part II of Form RI 38-124, Voluntary Contributions Election. Do not make your rollover election until you have read the Special Tax Notice Regarding Rollovers, Form RI 37-22. Your agency should provide you with this notice.

**II. If You Want to Purchase Additional Annuity:**

If you do not receive a refund, your voluntary contributions, plus interest, will purchase an additional annuity to you at the rate of \$7 per year plus 20 cents for each full year you are over age 55 for each \$100 you have in voluntary contributions.

You may also elect a reduction to provide a survivor annuity for any person you name. This reduction is 10% of your VC annuity, plus an additional 5% for each full 5 years the person you name is younger than you, up to a maximum reduction of 40%. The amount of the benefit payable to the survivor is 50% of your reduced voluntary contributions annuity.

**Example:** Suppose you are 57 years old at retirement and have voluntary contributions of \$25,000, including interest. Your VC annuity is \$154 per month (\$25,000 divided by \$100 = 250 multiplied by \$7.40 = \$1,850 per year divided by 12 months = \$154, rounded down).

Suppose you provide a VC survivor annuity for someone who is age 50. Your VC annuity is reduced by 15%, to \$131 per month. ( $\$1,850 - \$277.50$  (15%) =  $\$1,572.50$  per year divided by 12 months = \$131, rounded down.) Your survivor would receive \$65 per month after your death ( $\$1572.50 \times .5 = \$786.25$  per year divided by 12 months = \$65 rounded down).

**You should consider the following facts before electing a VC annuity.**

- ◆ Your VC annuity will be included in your regular monthly annuity payments. However, your VC annuity (and any VC survivor annuity payable after your death) will NOT be increased by cost-of-living adjustments.
- ◆ A VC annuity is subject to apportionment and garnishment if OPM receives a qualified court order, but is not subject to reduction to provide a court-ordered survivor annuity benefit.
- ◆ If you are married, you do not need the consent of your current spouse if you decide not to provide a VC survivor annuity, or if you decide to name another person to receive this benefit.
- ◆ The reduction to provide a VC survivor annuity is permanent and will not stop even if the person named to receive the benefit dies. The survivor benefit cannot be transferred to another person.
- ◆ A VC annuity or survivor annuity cannot be changed or canceled unless your signed request is received at OPM within 30 days after your first regular annuity payment.

**How to Make Your Election:** Please complete Form RI 38-124, Voluntary Contributions Election. If you are applying for a refund, send the completed form to the Office of Personnel Management, Retirement Operations Center, (Attn: Refunds Section), P.O. Box 45, Boyers, PA 16017. If you are retiring and want a VC annuity or you want additional information before making your election, return the form to your personnel office.

### Voluntary Contributions Election

**Please read all of the information in the Voluntary Contributions Notice (RI 38-125) before making your election. If you want to receive a refund, make your election in Part I below by checking the appropriate spaces.**

**If you want to purchase additional annuity, complete Part III on the reverse side of this form.**

**If you are retiring and do not want to make an election at this time, complete Part IV.**

**Before you make your election, please provide the following information about yourself (please print clearly)**

Your name	Date of birth
Your address	
Your Voluntary Contributions Account Number <b>VC</b>	Your Social Security Number
If you will retire within 60 days, provide the date you will separate for retirement	

#### **I. Refund of Voluntary Contributions**

<input type="checkbox"/>	I want to receive a refund of my voluntary contributions, plus interest.
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**Complete one of the following options. You can elect to have OPM roll over the interest to your account only if your interest is at least \$200 when you retire.**

<input type="checkbox"/>	Pay all of the interest to me. I understand that the interest will be subject to 20% income tax withholding if it is over \$200, but I can roll it over within 60 days to an IRA account (or other qualified employer retirement plan) to defer income tax.
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<input type="checkbox"/>	I want (enter "all" or a dollar amount at or above \$500) _____ of the interest made payable to the account shown in Part II with no tax withholding on the amount rolled over. I understand that any balance of the interest paid to me will be subject to 20% tax withholding, but that I can roll over any part of it within 60 days to an IRA account (or other qualified employer retirement plan) to defer income tax. (If you check this block, your financial institution must complete Part II on the reverse side of this notice.)
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<input type="checkbox"/>	Send the payment directly to my account.	<input type="checkbox"/>	Send the payment to me, made payable to my account. I will deliver it to the account within 60 days.
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<b>Provide Your Certification:</b> By my signature below, I certify that I have read and understood the information in the accompanying Voluntary Contributions Notice.	
Signature	Date



## II. Certification by Financial Institution or Retirement Plan

*This part must be completed by your financial institution or retirement plan if all or part of the interest is made payable to a qualified account.*

Name of institution or retirement plan	IRA Account number
Address of institution or retirement plan	
<p>Certification: As a representative of the financial institution or plan named above, I confirm the account number for the individual named above and the address of the institution or retirement plan. I certify that the financial institution or plan named above agrees to receive funds from the individual and deposit them in an eligible IRA or retirement plan as defined in the Internal Revenue Code.</p>	
Typed or printed name of certifying representative	
Signature of certifying representative	
Daytime phone (area code & number)	Date of certification

## III. Additional Annuity

<input type="checkbox"/>	I want to use my voluntary contributions (VC) to purchase additional annuity.
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✓ *Check one of the following options*

<input type="checkbox"/>	I do not want to provide a VC survivor annuity.	<input type="checkbox"/>	I want to provide a VC survivor annuity for the person described below
Name of Person		His/Her Date of Birth	
His/Her Address			
His/Her Social Security Number		His/Her Relationship to You, if Any	

**Provide Your Certification:** By my signature below, I certify that I have read and understood the information in the accompanying Voluntary Contributions Notice.

Signature	Date
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**Warning:** Any intentionally false or willfully misleading statement or response you provide in this election is a violation of

## IV. Send Me Additional Information After I Retire

<input type="checkbox"/>	I do not want to make an election at this time. I want the Office of Personnel Management (OPM) to send me information that is specific to my case. I understand this information will be sent after OPM receives my application for retirement.
Signature	Date

