

# FEDERAL EMPLOYEES RETIREMENT SYSTEM

**Date of Employment:** Normally January 1, 1984 or later

## ELIGIBILITY FOR AN IMMEDIATE ANNUITY

- Age 62 with 5 years of service (YOS)
- Age 60 with 20 YOS
- Minimum retirement age (MRA) with 30 YOS
- MRA with 10 YOS (reduced benefit)

### Law Enforcement Officers (LEO), Firefighters, and Air Traffic Controllers:

- **Voluntary retirement:** age 50 with at least 20 YOS, or at any age with 25 YOS
- **Mandatory retirement:**
  - » **LEOs and Firefighters:** age 57 with at least 20 YOS
  - » **Air Traffic Controllers:** age 56

## ELIGIBILITY FOR A DEFERRED ANNUITY (THOSE SEPARATED FROM FEDERAL EMPLOYMENT BEFORE NORMAL RETIREMENT)

- Age 62 with 5 YOS
- Age 60 with 20 YOS
- Minimum retirement age (MRA) with 30 YOS
- MRA with 10 YOS (reduced benefit)

## EMPLOYEE RETIREMENT CONTRIBUTIONS

- **Hired before 2013:** 0.8%
- **Hired in 2013:** 3.1%
- **Hired in 2014 or later:** 4.4%
- **Law Enforcement Officers, Firefighters, and Air Traffic Controllers:** employee contributions are an additional 0.5%

## BASIC ANNUITY CALCULATION

- **Under age 62:** high-3 average salary x 1% x years and full months of service
- **Age 62 and older (with at least 20 YOS):** high-3 average salary x 1.1% x years and full months of service
- **Law Enforcement Officers, Firefighters, and Air Traffic Controllers:** 1.7% of the high-3 average salary x up to 20 YOS, plus 1% of the high-3 average salary x all service over 20 years

## EARLY RETIREMENT

The Office of Personnel Management may permit early retirement, both voluntary and involuntary, in certain cases such as an agency reorganization or reduction in force. In such circumstances, eligible employees must be at least 50 years old with at least 20 YOS or any age with at least 25 YOS.

## MRA +10 YOS BENEFIT REDUCTION

Employees who have reached their MRA with at least 10 YOS, but who are younger than 62, may retire with a reduced annuity benefit. The annuity is reduced by 5% for each year (or 5/12% per month) before age 62.

## MINIMUM RETIREMENT AGE

DATE OF BIRTH	MRA
1953-1964	56
1965	56 and 2 months
1966	56 and 4 months
1967	56 and 6 months
1968	56 and 8 months
1969	56 and 10 months
1970 or later	57

## SPECIAL RETIREMENT SUPPLEMENT CALCULATION

- **Eligibility:** MRA with 30 YOS, age 60 with 20 YOS, and special class employees
- **Calculation:** Social Security benefit at age 62 x (FERS YOS / 40)

## SURVIVOR BENEFIT OPTIONS:

- 50% survivor annuity (full annuity is reduced by 10%)
- 25% survivor annuity (full annuity is reduced by 5%)

## THRIFT SAVINGS PLAN

- Agency automatically contributes 1% of pay
- Agency matches employee contributions 100% of the first 3% and 50% of the next 2% of pay
- Employees are immediately vested except for the 1% employer contribution which is vested after 3 years of service

# CIVIL SERVICE RETIREMENT SYSTEM

**Date of Employment:** Normally before January 1, 1984

## ELIGIBILITY FOR AN IMMEDIATE ANNUITY

- Age 62 with 5 years of service (YOS)
- Age 60 with 20 YOS
- Age 55 with 30 YOS
- **Law Enforcement Officers and Firefighters:** voluntary retirement is at age 50 with at least 20 YOS; mandatory retirement is at age 57 with at least 20 YOS
- **Air Traffic Controllers:** voluntary retirement is at age 50 with at least 20 YOS, or at any age with 25 YOS; mandatory retirement is at age 56

## ELIGIBILITY FOR A DEFERRED ANNUITY (THOSE SEPARATED FROM FEDERAL EMPLOYMENT BEFORE NORMAL RETIREMENT)

- Age 62 with 5 YOS
- General eligibility also requires employment under CSRS for at least one of the two years prior to retirement or separation

## EMPLOYEE RETIREMENT CONTRIBUTIONS

- **Standard contribution:** 7%
- **Law Enforcement Officers, Firefighters, Air Traffic Controllers:** 7.5%
- **CSRS employees:** May make additional voluntary contributions which grow with interest and may be used to purchase an additional annuity

## BASIC ANNUITY CALCULATION

The basic annuity calculation involves a three step process:

- **Step 1:** 1.5% of the high-3 average salary x 5 YOS
- **Step 2:** add 1.75% of the high-3 average salary x all years and months of service between 5 and 10 YOS
- **Step 3:** add 2% of the high-3 average salary x all years and months of service over 10 years

Normally, the annuity is capped at 80% of the employee's high-3 average salary

**Law Enforcement Officers and Firefighters:** 2.5% of the high-3 average salary x 20 YOS, plus 2% of the high-3 average salary x all service over 20 years

**Air Traffic Controllers:** the greater of either the standard CSRS annuity or 50% of the high-3 average salary

## EARLY RETIREMENT

The Office of Personnel Management may permit early retirement, both voluntary and involuntary, in certain cases such as an agency reorganization or reduction in force. In such circumstances, eligible employees must be at least 50 years old with at least 20 YOS or any age with at least 25 YOS.

Those under age 55 will have their annuity reduced by 1/6 or 1% per month or 2% per year for all months and years prior to age 55.

## SURVIVOR BENEFIT OPTIONS

- 55% survivor annuity
- A survivor benefit in any percentage or dollar amount specified. (must be over \$1)
- **Reduction to regular annuity is:**
  - » 2.5% of the first \$3,600, plus
  - » 10% for any amount over \$3,600

## THRIFT SAVINGS PLAN

There are no agency contributions. Employees are immediately fully vested.

## CSRS OFFSET:

CSRS employees with at least 5 YOS under CSRS who return to federal employment after a separation of at least one year may return to the CSRS plan upon re-employment. As these employees are now covered under Social Security, they will pay OASDI taxes, their CSRS contribution will be reduced, and their annuity will be reduced.