



FERS

Planning For The Future

OBJECTIVES:

- Comprehensive review of Federal benefits**
- Learn how to plan for a successful retirement by starting early**
- Review resources available to help in your planning**

U. S. Department of Interior
U. S. Geological Survey

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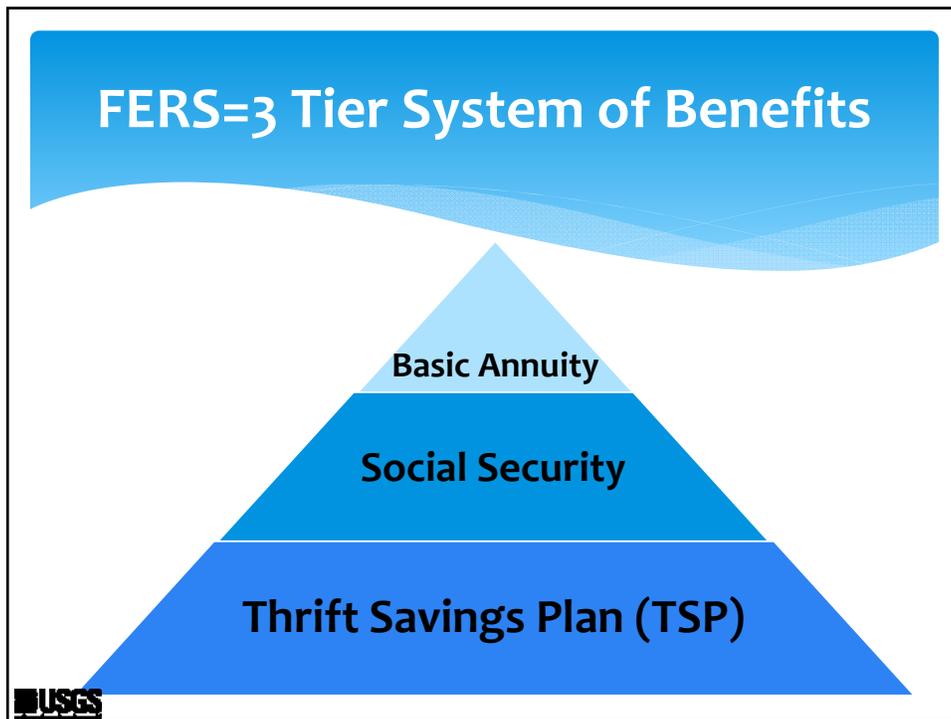
October 2016

Resources Online

- * Pay & Benefits website
www.usgs.gov/humancapital/pb

- Convenient access 24/7
- Wealth of Pay & Benefits information
- Stay Informed with Benefits Bulletins
- Access to systems





When Can You Retire?

- * Must meet BOTH age & service requirements
- * Must separate from FERS position

Immediate (Voluntary)

- * age 62 with 5 years creditable service
- * age 60 with 20 years creditable service
- * [MRA](#) with 30 years creditable service
- * MRA + 10 years of creditable service

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FERS Annuity Computation

Years & months of creditable service x 1%
(1.1% if 62+ with 20 years)

unused sick leave

Example: 30 x 1% = 30% of high-3

Plus FERS Annuity Supplement if under age 62

Note: Part-time work schedules do have an impact on the amount of annuity. The annuity is pro-rated.



Disability Retirement

Eligible to apply with 18 months of creditable service

Must be disabled due to disease or injury

➤ expected to last at least one year

Not able to perform duties of position

Note: Federal employees do not pay in to state disability programs and do not have a short term disability benefit.



Death In Service Benefit

- * Monthly annuity may be payable to
 - * Spouse
 - * Eligible children
 - 1. Payment of \$15,000 indexed to CSRS COLA
- PLUS**
- 2. Payment of the higher of:
 - A. 1/2 annual basic pay at time of death
 - OR
 - B. 1/2 high-3 average salary

Must have at least 18 months of creditable civilian service

Death-in-Service 18 Months up to 10 Years

Employees having 10 or more years of service:

- 1. and 2. from previous slide
- PLUS**
- 3. Monthly survivor annuity equal to 50% of employee's annuity at time of death
 - 4. Any social security benefits payable
 - 5. Any Thrift Savings Plan benefits payable

Take TSP Seriously!

- * Thrift Savings Plan (TSP)
 - * Options for Contributions:
 - * Tax-deferred Traditional Savings
 - * Roth Savings taxed now, earnings not ever taxed
 - * TSP Catch-up beginning at age 50 and later
 - * Use Employee Express to make elections
 - * Don't Miss out on Free Money – 5% matching
 - * Take advantage of Compounding
 - * Consider the L fund
 - * [Credit for Qualified Retirement Savings Contribution](#)

www.tsp.gov



Transfer Funds into TSP

- * You may transfer like funds into TSP as long as you have an account.
- * [TSP 60](#)
 - * www.tsp.gov



Additional Savings - myRA

myRA

- * Retirement savings account from Department of Treasury
- * No cost or fees
- * Interest is similar to TSP G fund



www.myra.gov



Will You Receive Credit for all Service?

Your retirement will be impacted by the following:

- * Deposits
 - * A deposit can be paid for temporary service worked before 1-1-89
 - * Temporary Service 1-1-89 and later **not** creditable
- * Redeposits
- * Military Service Deposits
- * Peace Corps / VISTA volunteer
- * Other Retirement Systems – Foreign Service, TVA
- * Leave Without Pay up to 6 months per calendar year



Service Computation Dates (SCD)

- * Retirement & Leave SCD's can be different
- * Depends on creditable service
 - * Deposit(s) paid?
 - * Redeposit(s) paid?
 - * Military deposit paid?



Review your Electronic Official Personnel Folder (eOPF)

- * Electronic Official Personnel Folder ([eOPF](#))
 - * All pay, work schedule, and position changes documented
 - * SF 50, Personnel Actions
 - * Designation of Beneficiary forms – SF 3102, 2823, 1152
 - * History of health & life insurance elections
 - * Military service documents



Life Events

- * [Review beneficiary forms](#)
- * Update as needed – marriage, divorce
- * Insurance elections time limited
- * Court orders may impact retirement & benefits



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Health Insurance - FEHB

- * [FEHB Resources](#)
- * Open Seasons annually
- * Qualifying life events
- * Premiums pre-taxed
- * Five (5) years coverage prior to retirement
- * [Current Rates](#)



Federal Employees Group Life Insurance (FEGLI)

- * [FEGLI Coverage](#)
 - * Basic
 - * Option A – Standard
 - * Option B – Additional (up to 5 multiples)
 - * Option C – Family (up to 5 multiples)
- * Can reduce at any time
- * Increase only with life event or medical exam
- * Five (5) years coverage prior to retirement



Dental & Vision (FEDVIP)

- * Coverage as employee
 - * [Dental plans & Vision plans](#)
 - * Enroll during Open Season or at life event
 - * Premiums are pre-tax
- * At retirement
 - * No five (5) year requirement
 - * Can apply during Open Season
 - * No longer pre-tax



Flexible Spending Accounts

- * Pre-tax savings for health & dependent care expenses
- * Not available to retirees

www.fsafeds.com

FSAFEDS: 1-877-372-3337



Long Term Care Insurance

- * Can apply at **any time**
- * Advantages of applying Early
 - * Premiums are based on age
 - * Apply while healthy to avoid not qualifying later
- * Covers Qualified Relatives even if you're not enrolled
- * Coverage is portable

www.ltcfeds.com
LTCFEDS 1-800-582-3337



Benefits when you Separate Other than Retirement

- * [What Happens to Your Insurance Coverage?](#)
 - * Health Insurance options
 - * Life Insurance Conversion
 - * Dental/Vision ends
 - * Long Term Care portable
 - * Thrift Savings Plan (TSP)

- * Retirement options
 - * Deferred at age 62 or MRA
 - * Must contact OPM directly



**Make the Rest of Your Life
the Best of Your Life**



Set Goals

- * Begin Retirement Planning Early
 - * Contribute to TSP – at least get the 5% free money
 - * Service history review – decide whether to pay deposits
 - * Adjust benefits based on life situation
 - * Research and ask questions



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Request an Estimate

For Retirement Planning purposes

Estimates include:

- annuity with & without credit for military service
- amounts of deposits / redeposits due
- annuity with & without reduction for deposits
- amount of FERS annuity supplement when applicable



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Preparing for Retirement

- * Financial planning
- * Taxable/Non taxable portion – [IRS Publication 721](#)
simplified method
- * Continuing insurance benefits
- * Completing the [retirement application](#)
- * Gathering documents
 - * i.e. Marriage Certificate, Divorce Decree, etc.

Health Insurance (FEHB)

- * Carrying [FEHB](#) into Retirement
 - * Five (5) years continuous coverage immediately prior
 - * Covered under Family through Federal spouse
 - * Covered under Tricare – but must elect FEHB prior
 - * Premium the same - no longer eligible for pre-tax savings
 - * Other options: suspending coverage, [Medicare](#)

FEGLI in Retirement

FEGLI in Retirement

		Reduction		
Basic	Keep/drop	none	50%	75%
Option A Standard	Keep/drop	At age 65 automatically reduces \$200/month until \$2500		
Option B Optional (1-5)	Keep/drop	none	Full -2% /month for 50 months then ends	
Option C Family (1-5)	Keep/drop	none	Full -2% /month for 50 months then ends	



Survivor Benefits

- * Must make an annuity election for your spouse
 - * 50% - cost 10%
 - * 25% - cost 5%
 - * Or none
- * May be eligible for health benefits
 - * Eligible for survivor benefit
 - * AND must be covered by self & family or self plus one at time of death



Understand Social Security's Role

Social Security Benefit

- * Earliest eligible at age 62 w/ 40 credits

Review your Social Security Statement

[IRS 915](#)

www.ssa.gov or 1-800-772-1213



TSP After Separation

Options

- * Leave it in
 - * [Withdrawal Options](#)
 - * Single payment
 - * Rollover to IRA or other qualified plan
 - * Life Annuity
 - * Self only, joint with spouse or another
 - * Monthly Payments
 - * Life expectancy
 - * Specific Dollar amount
 - * [Tax Information](#)



www.tsp.gov



Deductions that end at Retirement

Deductions that will cease:

- * Basic Benefit 0.8%
- * Social Security 6.2%
- * Medicare 1.45%
- * TSP
- * FSA

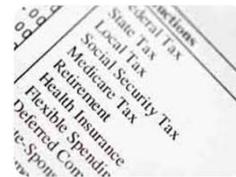
Employee Express Leave and Earnings Statement Explanation

Department of the Interior 1		For Pay Period Ending 3	Net Pay 3
EARNINGS AND LEAVE STATEMENT		10/25/2016 2	\$ 1,061.20
		Pay Period # 4	Pay Date 5
		10/25/2016	10/25/2016
Name 6	Pay Plan/Grade/Step 7	Annual Salary 8	Hourly Rate 9
DOE, JOHN	GS-11	\$ 72,000.00	\$ 34.79
Home Address 10	Pay Check Mailing Address 11		
124 ANY STREET TOWN, CO 12345			
BASIC INFORMATION 12			
Service Comp Date: 05/01/1990	Agency: OS	Cumulative Retirement Agency \$4000.00	
Dep ID: 10	FLSA Code: NONEXEMPT	Organization Code: 000000	
Pay Page Date: 10/25/2016	Financial Institution: BANK OF TOWN	TSP Tax Deferral Amt: 1%	
TSP Plan: SMPL50%			
13		14	
Year Pay Continuation	Current YTD	YTD Information	Marital Status
2,581.20	8,349.00	Subsidy	M
Total Deductions	822.00	Subsidy	M
Net Pay	1,801.20	Subsidy	M
15			
RATE ADJUSTED AD HOURS HOURS CURRENT YTD			
14.75 2,702.25			
16			
MISC ADJUSTED CURRENT YTD YTD MISC ADJUSTED CURRENT YTD			
TYPE	ADJUSTED	CURRENT	YTD
Federal Taxes	110.00	350.00	State Tax LICO
Health Insurance Plan	0.2	11.00	FICA Retirement/Disability
OSDBR Tax	172.56	517.68	Medicare Tax
STATE - Regular	11.24	33.74	TSP Savings Plan (TSP)
17			
CURRENT YTD TYPE CURRENT YTD			
TSP	82.00	31.00	FICA SOCIALS
Medicare	46.00	13.00	FICA SOCIALS
TSP Base	27.00	10.00	FICA SOCIALS
TSP Base	27.00	10.00	FICA SOCIALS
18			
LEAVE			
TYPE	Begin Bal	Begin Bal	Current
Annual	0.00	24.00	0.00
Sick	170.00	170.00	4.00
Credit Hours	14.00	14.00	1.00
19			
Annual Leave			
Category 1	Projected Yr End Bal: 200.00	Max Carry Over: 200.00	Use or Lose Balance: 100.00
20			
REMARKS			
PLEASE REVIEW YOUR LES PROMPTLY AND THOROUGHLY. IF YOU THINK YOUR PAY IS IN ERROR, NOTIFY YOUR PAYROLL CONTACT IMMEDIATELY. OVERPAYMENTS MAY CAUSE TAX IMPACTS. IF YOU DO NOT RECEIVE YOUR BENEFIT BENEFITS, PLEASE HAVE QUESTIONS? CALL PAYROLL HOTLINE (202) 960-7522. FROM HOME: 1-800-665-4348. EMPLOYEE IS RESPONSIBLE FOR VERIFICATION OF PAY, DEDUCTIONS, AND LEAVE.			
THIS REPORT CONTAINS INFORMATION SUBJECT TO THE PRIVACY ACT OF 1974 AS AMENDED.			



Deductions in Retirement

- * Reductions
 - * Survivor Benefit
 - * Permanent reduction
 - * MRA + 10 age reduction
- * Deductions (Post Tax)
 - * Health Insurance
 - * Life Insurance
 - * Dental
 - * Vision
 - * Long Term Care
 - * Tax (Federal & State)



Stay Informed!

- * Pay & Benefits Website
 - * Access to current information
 - * Organized to quickly find what you need

- * Benefits Bulletins
 - * All-employee emails
 - * Provide timely benefits & retirement information
 - * Archived on website

- * Benefits News Sites
 - * Can sign up to receive free emails newsletters



Questions? Contact Us!

Human Capital Website

