



Retirement Services

FERS INFORMATION

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Your basic annuity is computed based on your length of service and “high-3” average salary. To determine your length of service for computation, add all your periods of creditable service, then eliminate any fractional part of a month from the total.

High-3 Average Salary

Your “high-3” average pay is the highest average basic pay you earned during any 3 consecutive years of service. These three years are usually your final three years of service, but can be an earlier period, if your basic pay was higher during that period. Your basic pay is the basic salary you earn for your position. It includes increases to your salary for which retirement deductions are withheld, such as shift rates. It does not include payments for overtime, bonuses, etc. (If your total service was less than 3 years, your average salary was figured by averaging your basic pay during all of your periods of creditable Federal service).

Computation for Non-Disability Retirements

Age	Formula
Under Age 62 at Separation for Retirement, OR Age 62 or Older With Less Than 20 Years of Service	1 percent of your high-3 average salary for each year of service
Age 62 or Older at Separation With 20 or More Years of Service	1.1 percent of your high-3 average salary for each year of service

Your benefit was computed differently, if you retired under one of the provisions below

Special Provision for Air Traffic Controllers, Firefighters, Law Enforcement Officers, Capitol Police, Supreme Court Police, or Nuclear Materials Couriers

- 1.7% of your high-3 average salary multiplied by your years of service which do not exceed 20, **PLUS**

- 1% of your high-3 average salary multiplied by your service exceeding 20 years

Member of Congress or Congressional Employee (or any combination of the two) must have at least 5 years of service as a Member of Congress and/or Congressional Employee

- 1.7% of your high-3 average salary multiplied by your years of service as a Member of Congress or Congressional Employee which do not exceed 20, **PLUS**
- 1% of your high-3 average salary multiplied by your years of other service

Transferred to the Federal Employees Retirement System (FERS)

At time of transfer, had at least 5 years of creditable civilian service covered by either:

- Civil Service Retirement System (CSRS)
- Social Security

(but not both-excludes service during which partial CSRS deductions were withheld)

Annuity will have 2 components:

- FERS Component
- CSRS Component

Age	Formula
Under Age 62 at Separation for Retirement, OR – Age 62 or Older With Less Than 20 Years of Service	1 percent of your high-3 average salary for each year of service
Age 62 or Older at Separation With 20 or More Years of Service	1.1 percent of your high-3 average salary for each year of service

Duration	Formula
First 5 years of CSRS service	1.5% of your high-3 average salary for each year of service
Second 5 years of CSRS service	1.75% of your high-3 average salary for each year of

	service
<i>All years of CSRS service over 10</i>	<i>2% of your high-3 average salary for each year of service</i>

If retired under the special provision for firefighters, law enforcement officers, or nuclear material couriers

- *2.5% of the years and months of CSRS law enforcement officer, firefighter or nuclear material courier service up to 20 years multiplied times the high-3 average salary. **PLUS***
- *2% of the remaining years of service times the high 3 average salary.*

If retired under the special provision for Members of Congress or Congressional Employees

- *2.5% of your high-3 average salary multiplied by your years and months of service as a Member of Congress and/or Congressional Employee, your military service while on a leave of absence as a Member and up to 5 years of other military service, **PLUS***
- *1.75% of your high-3 average salary multiplied by your years of other service, which when added to your years of 2.5% service, do not exceed 10 years, **PLUS***
- *2% of your high-3 average salary multiplied by your years of other service in excess of 10 years*

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Reductions in Non-Disability Annuity

Age

If you retire under the MRA+10 provision

- *If you have 10 or more years of service and retire at the Minimum Retirement Age (MRA), your benefit will be reduced by 5/12 of 1% for each full month (5% per year) that you were under age 62 on the date your annuity began. However, your annuity will not be reduced if you complete at least 30 years of service, or if you complete at least 20 years of service and your annuity begins when you reach age 60.*
- *If you postpone the beginning date of your annuity, the age reduction will be reduced or eliminated. The age reduction applies to both the Civil Service Retirement System and the Federal Employees Retirement System components of your annuity, if you transferred to FERS and part of your annuity is*

computed under the CSRS provision.

If you retire under the discontinued service or early optional retirement provision with a CSRS Component

- *If you retire on a discontinued service retirement or early optional retirement because your agency was undergoing a major reorganization, reduction-in-force or transfer of function, and part of your benefit was computed under CSRS rules, the CSRS portion will be reduced if you are under age 55. The reduction is 1/6 of 1% (2% per year) for every month that you are under age 55 at the time of retirement.*

Survivor Benefits

If you are married, your benefit will be reduced for a survivor benefit, unless your spouse consented to your election of less than a full survivor annuity. If the total of the survivor benefit(s) you elect equals 50% of your benefit, your annuity is reduced by 10%. If the total equals 25%, the reduction is 5%.

Unpaid or Refunded Service

If you have a CSRS component in your annuity:

- *The CSRS portion of your benefit will be reduced by 10% of any deposit owed for CSRS non-deduction service performed before October 1, 1982, unless the deposit was paid before retirement.*
- *The CSRS portion of your non-disability benefit will be reduced by an actuarial factor for any CSRS refunded service performed before October 1, 1990, if you do not repay the refund before retirement and your annuity commences after December 2, 1990.*

Alternative Annuity

Your benefit may be reduced if you elected a lump sum payment equal to your retirement contributions and a reduced monthly annuity, commonly called an alternative annuity. Only non-disability annuitants who have a life-threatening affliction or other critical medical condition can elect this option.

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Disability Retirement Computation

FERS disability benefits are computed in different ways depending on the annuitant's age and amount of service at retirement. In addition, FERS disability retirement benefits are recomputed after the first twelve months and again at age 62, if the annuitant is under age 62 at the time of disability retirement.

FERS Disability Computation if

- Age 62 or older at retirement, or
- Meet the age and service requirements for immediate voluntary retirement

You receive your "earned" annuity based on the general FERS annuity computation, as follows

Age	Formula
<p><i>If age 62 or older at retirement with less than 20 years of service, OR</i></p> <p><i>under age 62 qualified for an immediate voluntary retirement</i></p>	<p><i>1 percent of your high-3 average salary for each year of service</i></p>
<p><i>If age 62 or older with 20 or more years of service</i></p>	<p><i>1.1 percent of your high-3 average salary for each year of service</i></p>

FERS Disability Computation if

- Under age 62 at retirement, and
- Not eligible for voluntary immediate retirement

Duration	Description
<p>For the first 12 months</p>	<p><i>60% of your high-3 average salary minus 100% of your Social security benefit for any month in which you are entitled to Social Security benefits.</i></p> <p><i>However, you are entitled to your "earned" annuity, if it is larger than this amount.</i></p>

<p>After the first 12 months</p>	<p>40% of your high-3 average salary minus 60% of your Social Security benefit for any month in which you are entitled to Social Security disability benefits.</p> <p>However, you are entitled to your “earned” annuity, if it is larger than this amount.</p>
<p>When you reach age 62 your annuity will be recomputed using an amount that essentially represents the annuity you would have received if you had continued working until the day before your 62nd birthday and then retired under FERS.</p>	<p>If your actual service, plus the credit for time as a disability annuitant equals less than 20 years:</p> <ul style="list-style-type: none"> • 1 percent of your high-3 average salary for each year of service <p>If your actual service, plus the credit for time as a disability annuitant equals 20 or more years:</p> <ul style="list-style-type: none"> • 1.1 percent of your high-3 average salary for each year of service <p>Total Service used in the computation will be increased by the amount of time you have received a disability annuity.</p> <p>Average Salary used in the computation will be increased by all FERS cost-of-living increases paid during the time you received a disability annuity.</p>

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Reductions in Disability Annuity

Survivor Benefits

If you are married, your benefit will be reduced for a survivor benefit, unless your spouse consented to your election of less than a full survivor annuity.

- *If the total of the survivor benefit(s) you elect equals 50% of your benefit, your annuity is reduced by 10%.*

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- If the total equals 25%, the reduction is 5%.

Unpaid Service if “earned” annuity paid

If you have a CSRS component in your annuity, the CSRS portion of your benefit will be reduced by 10% of any deposit owed for CSRS non-deduction service performed before October 1, 1982, unless the deposit was paid before retirement.

Cost of Living Adjustments

Your annuity will be increased for cost-of-living adjustments, if:

- *You are over age 62; or*
- *You retired under the special provision for air traffic controllers, law enforcement personnel, or firefighters; or*
- *You retired on disability, except when you are receiving a disability annuity based on 60% of your high-3 average salary. This is generally during the first year of receiving disability benefits; or*
- *Your retirement includes a portion computed under Civil Service Retirement System (CSRS) rules.*

FERS retirees under age 62 who do not fall into one of the categories above, are not eligible for cost-of-living increases until they reach age 62.

If you’ve been receiving retirement benefits for less than 1 year and are eligible for a cost-of-living adjustment, you’ll get a percentage of the cost-of-living increase. The percentage depends on how long you were receiving your annuity before the effective date of the increase.

Your Name
09/04/20XX

Introduction

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