

Subject: All Full Serviced CPF E-Mail - Potential Retiree Letter

Sent: Thursday, 30 January 2003

The purpose of this E-mail is to provide you with a copy of the letter we are sending to potential retirees. The letter is expected to reach Stateside employees during the first two weeks in February, and to reach overseas employees by the end of the third week of February.

The letter is going to 22,048 employees potentially eligible to retire between now and 31 Jan 06 under the normal age and service provisions of the Civil Service Retirement System (CSRS), the Federal Employees Retirement System (FERS), or the FERS Minimum Retirement Age (MRA) plus 10 provision. This includes firefighters (FF), law enforcement officers (LEO), and air traffic controllers (ATC) eligible under the special retirement provisions.

The letter has three attachments. Attachment 1 is a handout providing information on how to access the BEST automated phone and web systems, as well as various web sites that can provide employees additional information. Attachment 2, "Preparing for Retirement," contains general information such as determining retirement eligibility, health and life insurance options, and many other topics. Attachment 3 provides a list of forms needed to apply for retirement.

Employees interested in applying for retirement are encouraged to become familiar with this information and speak with a Benefits Counselor for retirement counseling. Retirement packages should be submitted to BEST at least 90 days prior to the effective date of retirement.

As a reminder, this letter is going to employees who may be potentially eligible for retirement. Employees who are interested in retirement should be encouraged to contact BEST for a determination as to actual eligibility. Please advise employees with questions to contact a Benefits Counselor at 1-800-997-2378 (or commercial 527-2378 if located within the San Antonio, Texas area).

We appreciate your continued support.

**Chief, Special Operations Division
Air Force Personnel Center**

Attachments

FROM: HQ AFPC/DPCM
550 C Street West Ste 57
Randolph AFB TX 78150-4759

SUBJECT: Retirement Planning

Congratulations! You already have or will soon reach a significant landmark in your Federal career. The purpose of this letter is to provide information if you are considering retirement. Our records indicate you are potentially eligible to retire on or before 31 January 2006 under the normal age and service provisions of the Civil Service Retirement System (CSRS) or the Federal Employees Retirement System (FERS), or under the FERS Minimum Retirement Age (MRA) plus 10 years of service provision (which is reduced for age). Because of this, we want to ensure you have the necessary information to make informed decisions regarding your benefits and entitlements.

A handout on how to access the Benefits and Entitlements Service Team (BEST) automated phone and web systems, as well as various web sites that can provide you with information on retirement, is provided at Attachment 1.

It is very important to understand what your benefits and entitlements are when planning for retirement. The enclosed fact sheet, "Preparing for Retirement," contains general information you need to consider, such as determining retirement eligibility, health insurance options, life insurance options, and many other topics (Atch 2). This fact sheet is not intended to provide all information available about your benefits and entitlements – its goal is to provide you with enough information to help you get started with the planning process. Once familiar with this information, you should contact a BEST Benefits Counselor for individual retirement counseling. We recommend employees receive retirement counseling within one year of retirement.

When you choose your date of retirement, we encourage you to submit your retirement package to the BEST at least 90 days before your retirement date. Receiving retirement packages well before the effective date of your retirement allows BEST to ensure your application package is complete, process the application timely, and send it to the Defense Finance and Accounting Service (DFAS) in advance of the retirement date. You should ensure your retirement package contains all applicable items listed in the attached document entitled "Forms Needed for Retirement" (Atch 3).

We look forward to assisting you in obtaining the information with which to make an informed choice about retirement. If you choose to retire, we wish you the BEST and look forward to assisting you in making that choice a reality.

/s/

CINDY BIRGE
Chief, Special Operations Division
Directorate of Civilian Personnel Operations

Attachments:

1. BEST Phone Numbers/Web Sites
2. Preparing for Retirement
3. Forms Needed for Retirement

Benefits and Entitlements Telephone Automated System

- **Dial 1-800-997-2378 (or commercial 527-2378 if calling within the San Antonio, Texas area).**
- **If you are calling from outside the United States:**
 - (1) Access the following web site to select the AT&T Direct Access Number for the country you are calling from:
http://www.att.com/international_business/dialing_guide/country-diallist.cgi
 - (2) Select the country from which dialing -- and note the corresponding AT&T Direct Access Number
 - (3) Dial the AT&T Direct Access Number on your telephone. For example, in Germany, it is 0-800-2255-288
 - (4) Once you enter the AT&T Direct Access Number, an English-language voice prompt or an AT&T Operator will ask you to enter the 800, 866, 877 or 888 number you are calling
 - (5) Dial the BEST toll-free number: 800-997-2378. There is no need to dial "1" before the toll-free number.
- **To speak with a BEST Benefits Counselor**, call the BEST telephone system as described above and enter your SSN and PIN. When you reach the main menu, press the number for the program area relating to your question, and then press "0" to be transferred to a Benefits Counselor.
- **Hearing impaired employees** may reach a Benefits Counselor by calling our TDD number: 1-800-382-0893 (or commercial 565-2276 within the San Antonio area).

If you are unable to access the phone system, please notify your servicing Civilian Personnel Flight.

Benefits and Entitlements Web Automated System

Our web automated system is called the Employee Benefits Information System (EBIS). EBIS is one of the AFPC Secure Web sites. To use EBIS:

- Go to http://www.afpc.randolph.af.mil/dpc/BEST_GRB/EBIS.htm. Click on "Enter the AFPC Secure Web Site Login."
- Log into the secure web site by entering your UserID and password, or by DoD PKI Certificate.
- Click on the "EBIS" button.

More information on how to access the Web Automated System can be found on the BEST homepage. If, after reading this information, you still need assistance, please contact a Benefits Counselor.

Useful Web Sites

- BEST Homepage: <http://www.afpc.randolph.af.mil/dpc/BEST/menu.htm>
- Office of Personnel Management (OPM) Retirement Page: <http://www.opm.gov/retire/index.asp>
- Thrift Savings Plan Web Site: <http://www.tsp.gov>
- MyPay (formerly Employee/Member Self Service): <http://www.dfas.mil/mypay/> or <https://emss.dfas.mil/mypay.asp>

PREPARING FOR RETIREMENT

This fact sheet has been prepared to assist you in the retirement planning process. Additional information is available on the BEST homepage at <http://www.afpc.randolph.af.mil/dpc/BEST/menu.htm>, under Retiring Employees, or via documents available through the BEST automated phone system fax-back feature, by pressing “6” at the benefits and entitlements main menu.

Making The Decision: Often, the hardest decision regarding retirement is choosing a date. First, you must determine when you are eligible to retire. Then, you can establish a retirement date and ensure adequate time to prepare for your retirement.

Determining Retirement Eligibility: Determining when an appropriated fund civilian employee can retire has become very complicated – a day of civilian service may not mean that it is a day creditable towards determining whether or not you can retire. The database used to select employees receiving this letter did not permit us to exclude those who actually may not be eligible to retire because of service that may not be creditable for retirement eligibility purposes. Some examples of potentially non-creditable service are temporary civilian service, non-appropriated fund (NAF) service, military service where a deposit may be required, or civilian service where a refund of retirement contributions was received.

Please review our web articles entitled "Eligibility for Retirement - FERS" or "Eligibility for Retirement - CSRS." These documents explain the eligibility requirements in more detail and provide a chart explaining Minimum Retirement Age (MRA) under FERS. If you are covered under the Civil Service Retirement System (CSRS), you must have at least 5 years of creditable civilian service, be separated from a position covered by retirement deductions, and be subject to CSRS for 1 out of the last 2 years of service before the date of separation on which your retirement is based. If you are under the Federal Employees' Retirement System (FERS), you must have at least 5 years of creditable civilian service to be eligible for an annuity and must be covered by the retirement system on the day of separation. To qualify for immediate, voluntary retirement under either system, you must meet the age and service requirements as follows:

CSRS		FERS	
Age	Years of Service	Age	Years of Service
62	5	62	5
60	20	60	20
55	30	Minimum Retirement Age	30
		Minimum Retirement Age	10 (Reduced Benefit)

Firefighters (FF), law enforcement officers (LEO), and air traffic controllers (ATC) may voluntarily retire under special retirement provisions if they meet the following age and service requirements:

- Firefighters/Law Enforcement Officers: If CSRS, age 50 with 20 years of FF or LEO civilian service. If FERS, age 50 with 20 years FF or LEO civilian service, or any age with 25 years FF or LEO civilian service.
- Air Traffic Controllers: Age 50 with 20 years ATC civilian service, or any age with 25 years ATC civilian service. Applies to both CSRS and FERS.

Commencing Date of Annuity: If you retire under CSRS, you can set your retirement date for the first, second, or third day of the month, and your annuity will begin to accrue the following day. For

example, if your retirement effective date is April 3rd, your annuity will begin to accrue April 4th. However, if you retire on April 4th, your annuity will not begin to accrue until May 1st.

Employees retiring under FERS have different rules. Their annuities begin to accrue the first day of the month after they retire. For example, under FERS, if you retire on October 3rd, your annuity begins to accrue on November 1st. The most advantageous retirement date for FERS employees is the last day of the month, for example, October 31st, November 30th, December 31st, January 31st, and so on.

Whether you are CSRS or FERS, please keep in mind that your “retirement effective date” is your last day as an active Federal employee.

Designation of Beneficiary Forms: If you previously completed designation of beneficiary forms, now is a good time to take a look at whom you have designated to receive your death benefits. Be sure to review the following forms, or complete new ones, to ensure they reflect your current wishes:

SF 2823, Designation of Beneficiary, Federal Employees’ Group Life Insurance-FEGLI
SF 2808, Designation of Beneficiary-CSRS
SF 3102, Designation of Beneficiary-FERS
SF 1152, Designation of Beneficiary-Unpaid Compensation of Deceased Civilian Employee
Form TSP-3, TSP Designation of Beneficiary

You may obtain the SF 2823, SF 2802, SF 3102, and SF 1152 from the Office of Personnel Management (OPM) web site at <http://www.opm.gov/insure/designations/index.htm>; Form TSP-3 is located on the TSP web site at <http://www.tsp.gov/forms/index.html>.

Direct Deposit: Your annuity payments must be directly deposited into your bank account via electronic funds transfer (EFT). When you retire, your current EFT/direct deposit information will flow from your payroll office to OPM. Your annuity payments will be deposited into the same bank account your salary is currently being deposited in. If you plan to change banks in conjunction with your retirement, you should consider setting up the new account and changing your direct deposit information with payroll at least one month prior to your retirement via the Defense Finance and Accounting Service (DFAS) "myPay" website (<http://www.dfas.mil/mypay> or <https://emss.dfas.mil/mypay.asp>) or by submitting an SF 1199A (Direct Deposit Sign-Up Form) to your local payroll office. If you wait until after retirement, don’t make any changes to your bank account until after you receive your Civil Service account (CSA) retirement identification number from OPM. At that time, you may submit SF 1199A to OPM to have your annuity payment deposited into a different account, or make the change electronically via the OPM Services Online website or their automated phone system. Whether you conduct this transaction manually or electronically, be sure you provide the correct bank routing number. Remember not to close the old account until you are sure your annuity payment is being deposited into your new account. If you are a FERS employee, you will note that the FERS retirement application contains a section for direct deposit information. By all means, fill out this section, but we recommend you follow the advice above and not change banks at the same time you retire, or your annuity payments may be delayed.

Civilian Deposit/Civilian Redeposit/Military Deposit: If you owe a deposit for temporary civilian service or a redeposit for service for which retirement contributions were refunded, BEST can compute an annuity estimate for you which will help you assess the benefits or drawbacks of making the deposit/redeposit and will also provide you with the necessary paperwork should you decide to make the deposit/redeposit. If you are within six months of retirement, you should include the civilian deposit/redeposit paperwork with your retirement application. Deposits for military service performed after 31 December 1956 should be paid to your payroll office prior to your retirement. For more information, please review our fax back and web documents entitled "Deposit and Redeposit Under the

CSRS," "Deposit and Redeposit Under the FERS," or "Post 56 Military Deposit" at <http://www.afpc.randolph.af.mil/dpc/BEST/retirements.htm> under the appropriate retirement system.

Health Insurance: You will be eligible to carry Federal Employees Health Benefits (FEHB) insurance into retirement if you are eligible to receive an immediate annuity, are insured on the date of retirement (or covered as a family member under the FEHB program), and have been covered for the 5 years of service immediately preceding retirement, or since your first opportunity to enroll. If you were covered under the Civilian Health and Medical Program of the Uniformed Services (CHAMPUS) during the 5-year period immediately preceding retirement or since your first opportunity to enroll in an FEHB plan, you will be eligible to carry health insurance into retirement as long as you are enrolled in an FEHB plan before retirement. If you meet the above requirements, your health insurance coverage will automatically roll over into retirement without any additional forms to be completed on your part.

If you do not want to continue health insurance into retirement, you will need to send a completed SF 2809 (Health Benefits Election Form) canceling your coverage along with your retirement package. However, if you do not want to continue health insurance once you are retired because you are eligible for TRICARE or CHAMPVA coverage, you may, as a retiree, ask OPM to suspend your FEHB coverage to use the TRICARE or CHAMPVA program. You may obtain the suspension form and additional information regarding the suspension program from OPM by calling their toll-free number, 1-888-767-6738.

As a Federal retiree, the cost of health insurance remains the same as if you were a current employee; i.e., the government pays approximately 2/3 of the total cost, and you pay approximately 1/3. Also, your share of the premium is deducted on a monthly basis instead of bi-weekly. Premium conversion does not apply to retirees, so health premiums are deducted from your annuity after it is taxed.

You have the same privileges as a current employee in making changes during open season and based on life events. The Office of Personnel Management (OPM) notifies retirees of open season periods.

During retirement, Medicare is the primary payer at age 65 and your FEHB is secondary.

Your spouse is eligible to continue FEHB coverage after your death only if you have self and family health insurance coverage and you elected to provide a survivor annuity at the time of retirement.

Income Tax: OPM will automatically withhold Federal tax from your annuity at the rate you established as an employee. For example, if you are having Federal income tax withheld from your regular salary at the married with two dependents rate, OPM will apply the same rate to your annuity. After your annuity is established and you receive your CSA number, you may change the withholding rate electronically by accessing the OPM Services Online web site or calling their automated phone system, or submitting a Form W-4P to OPM. If you know prior to retirement that you wish Federal income tax withheld at a different rate than currently withheld from your salary, you may submit, at least one month prior to your retirement effective date, a Form W-4 to your local payroll CSR, or change your withholding via the DFAS "myPay" web site. In addition, OPM has a monthly Federal income tax withholding calculator at <http://www.opm.gov/retire/html/services/index.html>. To use it, you will need to know the approximate amount of your gross monthly annuity.

If, upon retirement, you will be receiving a large lump sum payment for annual leave, you should consider the effect on your tax liability. Taxes are applied to lump sum payments in the year in which you receive the money. Example: An employee retiring September 30 could incur a larger tax burden by collecting almost a full year's salary plus a large lump sum payment for unused annual leave. IRS Publication 721, which may be obtained free of charge by calling 1-800-Tax-Form (829-3676), explains how your annuity is taxed.

OPM does not automatically withhold state income tax. If you wish state income tax withheld from your annuity, you may provide the state-equivalent of Form W-4P with your retirement package. Or, after you receive your CSA number, you may go to OPM's Services Online web site, or call their automated phone system, and make your state tax withholding electronically. The states OPM currently has tax withholding agreements with are Arizona, Arkansas, California, Colorado, Connecticut, Delaware, 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, Washington DC, West Virginia, and Wisconsin.

Life Insurance: You will be eligible to carry Federal Employees Group Life Insurance (FEGLI) into retirement if you are eligible to receive an immediate annuity, are insured on the date of retirement, and have been covered for the 5 years of service immediately preceding retirement or since your first opportunity to enroll.

When you submit your retirement application, you will need to make a decision on what level of life insurance you want to take into retirement. You must continue your Basic Life insurance in order to keep any of your Optional insurance. Some life insurance options to consider at retirement:

BASIC LIFE INSURANCE: As a retiree, you have three options for your Basic Life Insurance:

75% REDUCTION: Cost before age 65 is \$.3250 per \$1,000 of your Basic Insurance Amount (BIA). After age 65, the coverage is free. The amount of your Basic Life insurance reduces 2% per month after age 65 to a minimum of 25% of your BIA.

50% REDUCTION: Cost before age 65 is \$.9250 per \$1,000 of your Basic Insurance Amount (BIA) and after age 65 the cost is \$.60 per \$1,000 of your BIA. The amount of your Basic Life insurance reduces 1% per month after age 65 to a minimum of 50% of your BIA.

NO REDUCTION: Cost before age 65 is \$2.1550 per \$1,000 of your Basic Insurance Amount (BIA) and after age 65 the cost is \$1.83 per \$1,000 of your BIA. The amount of your Basic Life insurance will equal 100% of your BIA and is retained after age 65.

OPTIONAL LIFE INSURANCE: You will pay the full cost to continue any of the following Optional insurance into retirement:

STANDARD: This option reduces by 2% per month, starting the end of the month after the month you become age 65, until it reaches a value of \$2,500. After age 65, no withholdings are required.

ADDITIONAL: You may elect either full reduction or no reduction. If you elect full reduction, until you reach age 65 premiums (based on age) will be withheld from your annuity at the same rate as an active Federal employee. After age 65 there is no cost, but the insurance value begins to reduce 2% per month until coverage is reduced to zero. If you elect no reduction, you will continue to pay premiums at the same rate as active employees and you will retain the full amount of your Option B Additional Insurance.

FAMILY: You may elect either full reduction or no reduction. If you elect full reduction, premiums are withheld from your annuity at the same rate as an active Federal employee until you reach age 65. After age 65, there is no cost, but the insurance value begins to reduce 2% per month until coverage is reduced to zero. If you elect no reduction, you will continue to pay premiums at the same rate as active employees and you will retain the full amount of your Option C Family insurance.

If you are eligible to continue life insurance into retirement, you will need to complete SF 2818 (Continuation of Life Insurance Coverage as an Annuitant or Compensationner) and forward it with your

retirement package. If you are currently enrolled but don't wish to continue your life insurance into retirement, you will still need to complete the SF 2818 and include it with your retirement package.

Long Term Care Insurance: With this type of coverage you can have peace of mind, knowing you have benefits to help maintain your financial and personal independence if one day you are unable to care for yourself. Before retiring, you, your spouse, or your children may want to consider applying for LTC insurance. As a current employee, your parents, stepparents, and parents-in-law are also eligible to apply for coverage. After retirement, your parents are no longer eligible family members. You and your eligible family members will be subject to full underwriting which consists of numerous health-related questions and may also include a review of your medical records and/or a personal interview. Apply now for LTC while you are healthy. For more information on the LTC insurance program, please visit our web page at <http://www.afpc.randolph.af.mil/dpc/BEST/LTCIns.htm>.

Lump Sum Annual Leave Payment: If you retire before the end of the civilian leave year, you will receive a lump sum payment for all of your accrued annual leave. If you retire after the end of the leave year, your lump sum leave payment will be limited to your maximum carry over amount (240 hours for most employees), plus any leave you earn in the new leave year. For example, if you retire on January 3rd and the leave year does not end until January 5th, you will be paid for your entire balance of annual leave. However, if you retire on January 7th and the leave year ends on January 5th, the lump sum annual leave payment will be based on your accrued annual leave balance after it has been reduced for any hours over your maximum carry over amount.

Retirement Counseling: If you are within one year of retirement, you should contact a Benefits Counselor to obtain individual retirement counseling and receive information about the retirement process. You can reach a Benefits Counselor by calling 1-800-997-2378, or commercial 527-2378 if calling within the San Antonio, Texas area. If you are located overseas, you will dial a toll-free direct access number for the country in which located. This number can be obtained from your servicing Civilian Personnel Flight (CPF). When you reach the benefits and entitlements main menu, press "2" for Retirement, then "0" to transfer to a counselor.

Hearing impaired employees with access to Telephone Device for the Deaf (TDD) equipment may contact a Benefits Counselor by calling our toll-free TDD number: 1-800-382-0893, or commercial 565-2276 within the San Antonio area. Overseas, hearing impaired employees with access to TDD equipment will call a toll-free direct access TDD number for the country in which located. The number may be obtained from the servicing CPF.

Additionally, we encourage you to review our homepage and fax-back documents that address retirement, Federal Employees' Health Benefits (FEHB), Federal Employees' Group Life Insurance (FEGLI), Thrift Savings Plan (TSP), and survivorship. The Office of Personnel Management (OPM) also has information regarding retirement in a brochure titled "Thinking About Retirement" (RI 83-11). This brochure is located on the OPM web site at <http://www.opm.gov/retire/html/library/index.html>, under both CSRS and FERS publications.

Retirement (Annuity) Estimate: Though not required, you may want to obtain an annuity estimate at least one year before your planned retirement date. This will help you make some key retirement decisions and effectively plan for your retirement. You may obtain annuity estimates by using the BEST automated phone system or the BEST automated Employee Benefits Information System (EBIS) web application.

The annuity calculations that both automated systems provide contain assumptions that may make the annuity estimates inaccurate for some employees. If you have non-appropriated fund (NAF) service, part-time service, civilian temporary service, civilian service for which you took a refund of your retirement contributions, or post-1956 military service for which you have not made a deposit, you will need to

contact a Benefits Counselor. Please refer to the BEST homepage or fax-back documents entitled “Retirement Estimates-CSRS” or “Retirement Estimates-FERS” for detailed guidance on the types of annuity estimates available, the assumptions of the retirement estimator, and guidance on how to compute your high-three average salary.

If you use the BEST automated phone system and select the real-time/on-line annuity estimate option, the system will use your current salary as your high-3 average salary unless you input a different figure. If using EBIS, select the “Annuity Estimates” option if you wish to enter the effective date and high-3 average salary information yourself. If your projected retirement date is 3 years or more from January 1 of the current year, you can use your current salary, including locality pay, as your high-3 average salary. If your projected retirement date is less than 3 years from January 1 of the current year, a percentage of your current salary should be used. We suggest using 94% of your current annual salary if your retirement date is within 3 to 5 months; 95% if within 6 to 9 months; 96% if within 9 to 12 months; 97% if within 12 to 20 months; 98% if within 21 to 29 months; and 99% if within 30 to 35 months. This recommendation is based on an assumption that the only pay increases during the last three years were annual pay adjustments. If you were promoted, or if you received some other type of salary increase within the last three years, you should lower the percentage you use.

If you are a firefighter, air traffic controller, law enforcement officer, or retired military combining your military and civilian Federal service, you will need to use the EBIS web application or contact a Benefits Counselor to obtain an annuity estimate.

If you receive a retirement estimate from one of the BEST automated systems and you are within one year of retirement, we recommend you talk with a Benefits Counselor. To speak with a counselor, call the BEST automated phone system, press “2” for retirement at the appropriate menu prompt, then press “0.”

Sick Leave (Credit for Sick Leave): Under CSRS, employees receive credit for their sick leave balance in the computation of their annuity. The unused sick leave is converted to years/months/days of service and is added to your amount of service for annuity computation purposes. Under FERS, unused sick leave is not credited for annuity purposes. For employees who were vested in CSRS and later switched to FERS, the lesser of (1) the amount of sick leave at the time of retirement, or (2) the amount of sick leave when FERS was elected, is included in the CSRS portion of the annuity computation. For more information regarding sick leave credit, or to compute the months/years of service you would be entitled to based on your sick leave balance, please refer to our “Sick Leave Credit Chart” at http://www.afpc.randolph.af.mil/dpc/BEST/sick_leave_chart.htm.

Social Security Benefits: If you will be eligible to receive Social Security benefits based on your spouse’s Social Security earnings, it is important to remember that some or all of your Social Security spousal benefit may be offset if you have a government pension from work not covered by Social Security; this is called the Government Pension Offset (GPO). This does not apply if you were automatically covered by FERS, CSRS Offset, or elected to transfer to FERS during the 1987 FERS Open Season. However, if you elected to transfer to FERS upon rehire or during the 1998 FERS Open Season, you must be covered by FERS for at least 5 years to avoid the GPO.

A different formula is applied if you receive a Federal pension and are also eligible for Social Security benefits based on your own earnings under Social Security. This reduced benefit is called the Windfall Elimination Provision (WEP). Additionally, if you are a CSRS Offset employee, your annuity will be reduced (offset) when you become eligible for Social Security. The offset is applied when the basic requirements for Social Security are met (usually at age 62), even if you do not apply for Social Security. If you are eligible for Social Security benefits, or if your annuity will be affected by Social security benefits, you should obtain a Request for Earnings and Benefit Estimate Statement (Form SSA-7004) from your local Social Security office. They will provide you a free statement of information on eligibility for Social Security benefits and estimates of these benefits as of specified dates. You may also

obtain forms and other information about your Social Security benefits or the effect thereof, by calling 1-800-SSA-1213, or visiting the Social Security Administration web site at <http://www.ssa.gov>.

Survivor Benefits: An important part of retirement planning is considering the benefits you would like to provide your spouse if he/she survives you. You can elect to leave your spouse a full, partial, insurable interest, combination current/former spouse survivor annuity, or no survivor annuity. If you are covered under CSRS, a full survivor annuity is 55% of your full annuity base. If you are covered under FERS, a full survivor annuity is 50% of your full annuity base. Additionally, you should consider the affect of any court order upon your annuity. If you have self and family health coverage as a retiree, your surviving spouse may keep the health insurance coverage only if you elect a survivor annuity.

Thrift Savings Plan (TSP) Withdrawal: If you have a TSP account, you should begin to look at TSP withdrawal options at least 6 months to a year before your planned retirement date. At retirement, you may select one of several types of annuities, transfer your money to an Individual Retirement Account (IRA), receive your account balance in a lump sum payment, receive equal monthly installments, defer your election, if eligible, or any combination of these options. You will need to send a Form TSP-70, Withdrawal Request, to the Federal Retirement Thrift Investment Board after you retire and are ready to withdraw your TSP. Your servicing Civilian Personnel Flight should provide the TSP-70, a booklet on withdrawing your TSP, and a booklet on TSP annuities during out-processing. You should sign and mail this form to the Federal Retirement Investment Thrift Board's Office no earlier than the effective date of your retirement. For additional information regarding TSP, you can access our homepage or reference the TSP web site at <http://www.tsp.gov>.

Retirement Application Process: After you have received retirement counseling and have decided on a date to retire, the next step is to complete your retirement application package. We request you submit your retirement package to our office at least 90 days before the effective date of your retirement. BEST processes an average of 160 retirements a month. In addition, we process an average of 450 end-of-year retirements. Because of these numbers, we've had to establish priorities for optional retirement application processing in order to provide a fair and consistent process for our employees. We process applications received 30 days or more prior to retirement effective date first, and applications received less than 30 days second. The forms you will need to complete your retirement package are listed in Attachment 3.

Once you have completed your retirement package, make a copy for your own personal records and mail the original package to: HQ AFPC/DPCMB, 550 C Street West Suite 57, Randolph AFB TX 78150-4759. When your retirement package arrives, we will send you a letter confirming receipt. After thoroughly reviewing your personnel records and the retirement package, we will send you another letter confirming your eligibility to retire and notify you of any missing or incomplete documents, if applicable. We will also provide an annuity estimate and a copy of your Certified Summary of Service.

Upon completion of our portion of the retirement processing, we will forward your retirement package to your servicing DFAS payroll office. You will receive a congratulatory letter from BEST advising your retirement package has been forwarded to DFAS, and the employee copy of your retirement Standard Form 50 (Notification of Personnel Action). DFAS will complete their portion and forward your retirement package to the Office of Personnel Management (OPM), where the final processing of your retirement application will take place.

Upon receipt of your retirement application, the Office of Personnel Management (OPM) will send you a civil service annuity (CSA) retirement identification number. The number will begin with the letters "CSA." You must reference this number when writing or calling OPM about your retirement application. Also, once you have received your CSA number, OPM becomes your personnel office. This means that you will address all future questions regarding your retirement, health insurance, and life insurance to OPM.

Retiree Payment Schedule/Interim Pay: Once OPM clearly establishes your entitlement to an annuity, they will authorize recurring interim annuity payments to provide you with income until the processing of your retirement is finalized. Interim payments generally equate to approximately 75 - 80 percent of the regular monthly annuity payment, but can be less if you owe a redeposit for refunded service or you have service for which you have not paid a deposit. If BEST receives your retirement package prior to your retirement effective date, you can expect to begin receiving interim annuity payments approximately three to six weeks after the effective date of your retirement, provided the application package is fully complete and your service time is easily verifiable. Although only Federal income tax is withheld from interim pay, your health and life insurance coverage will continue. When adjudication of your retirement is finished, OPM will provide you an annuity statement and other informational materials concerning your retirement benefits. You will also receive a full annuity payment and any retroactive annuity amounts not paid during the interim pay cycle. Health and life insurance premiums for the period on interim pay will also be deducted from this payment, as well as other appropriate deductions.

FORMS NEEDED FOR APPLYING FOR RETIREMENT

The forms you will need to complete your retirement package are listed below. Please choose from the list based on your retirement coverage, Civil Service Retirement System (CSRS) or Federal Employees Retirement System (FERS). You can obtain these forms our web site at <http://www.afpc.randolph.af.mil/dpc/BEST/retiring.htm>. You will need both Microsoft Word and Adobe Acrobat Reader Version 4.0 (or higher) to open these forms. Typically, you should be able to open these forms using a government computer.

Once you have completed your retirement package, make a copy for your own personal records and mail the original package to: HQ AFPC/DPCMB, 550 C Street West Suite 57, Randolph AFB TX 78150-4759.

Completing the “Name” Information. When you complete your retirement application, always use your “official” name that is used on your payroll records. It is important that your name matches the payroll record. Ensure that you use the full name to include suffixes, such as Jr., III, etc.

Permanent Address. When you retire, your current address information will flow from your payroll office to OPM. This is the address where you receive your Leave and Earnings Statement, W-2 forms, etc. OPM will send your retirement information, including your civil service annuity (CSA) identification number, to this address. If you plan to move when you retire and you already know your new address, you should submit the new mailing address to your payroll office approximately one month prior to retirement. If you aren’t sure, obtain a Post Office box, or use the address of a close relative or friend. The letter containing your CSA number will not be forwarded by the post office; it will be returned to OPM. If OPM is unable to contact you, it will delay the processing of your retirement annuity. It is much easier to notify OPM of an address change after you receive your CSA number, either through their Services Online, by phone, or by mail.

Completing the “Telephone Number” Block. Be sure to provide a phone number where you can be reached after retirement in case OPM needs to contact you.

CSRS RETIREMENT FORMS	FERS RETIREMENT FORMS
SF 2801, Application for Immediate Retirement (includes Schedules A, B, and C when necessary)	SF 3107, Application for Retirement (includes Schedules A, B, and C when necessary)
SF 2801-2, Spouse Consent to Survivor Election , if applicable	SF 3107-2, Spouse Consent to Survivor Election , if applicable
SF 2801-2 Attachment, Spouse’s Acknowledgement of Understanding of the Impact of Consenting to No Survivor Annuity on Continued Coverage under FEHB Upon the Death of the Retiree	N/A
SF 2801-3, Election of Former Spouse Survivor Annuity or Combination Current/Former Spouse Annuity , if applicable	N/A
Form RI 38-124, Voluntary Contributions Election , if applicable <i>(Only needed if you made voluntary contributions into the CSRS retirement system and you want a refund of those contributions)</i>	Form RI 38-124, Voluntary Contributions Election <i>(Applies to FERS transferees only. Only needed if you made voluntary contributions into the retirement system while you were covered by CSRS, and you want a refund of those contributions)</i>

<p>SF 2809, Health Benefits Election Form <i>(Needed only if you are making an open season election and will retire before the effective date, or if you wish to cancel FEHB at retirement. You need to provide only one copy.)</i></p>	<p>SF 2809, Health Benefits Election Form <i>(Needed only if you are making an open season election and will retire before the effective date, or if you wish to cancel FEHB at retirement. You need to provide only one copy.)</i></p>
<p>SF 2818, Continuation of Life Insurance Coverage As an Annuitant or Compensation <i>(Note: Sign only for the coverage you are currently enrolled in.)</i></p>	<p>SF 2818, Continuation of Life Insurance Coverage As an Annuitant or Compensation <i>(Note: Sign only for the coverage you are currently enrolled in.)</i></p>
<p>SF 52, Request for Personnel Action (hard copy) <i>And</i> SF 52, Request for Personnel Action (electronic) (Your supervisor should complete the electronic SF 52 thru the Modern Defense Civilian Personnel Data System)</p>	<p>SF 52, Request for Personnel Action (hard copy) <i>And</i> SF 52, Request for Personnel Action (electronic) (Your supervisor should complete the electronic SF 52 thru the Modern Defense Civilian Personnel Data System)</p>
<p>Other Forms If Previously Military</p>	
<p>DD 214, Report of Separation from Active Duty, if applicable</p>	<p>DD 214, Report of Separation from Active Duty, if applicable</p>
<p>Copy of Waiver of Military Retired Pay (If waiving military pay to use military service. Employee must send original waiver to Cleveland where it should arrive a month before the effective date of the waiver. Include a copy of the waiver in the retirement package.)</p>	<p>Copy of Waiver of Military Retired Pay (If waiving military pay to use military service. Employee must send original waiver to Cleveland where it should arrive a month prior to the effective date of the waiver. Include a copy of the waiver in the retirement package.)</p>
<p>If you are the spouse of a retired military member and you are using your CHAMPUS or TriCare coverage to meet the five-year requirement to carry health benefits into retirement, you will need a copy of your dependent ID card. Retired military members only need to provide a copy of their final DD Form 214.</p>	<p>If you are the spouse of a retired military member and you are using your CHAMPUS or TriCare coverage to meet the five-year requirement to carry health benefits into retirement, you will need a copy of your dependent ID card. Retired military members only need to provide a copy of their final DD Form 214.</p>
<p>OPM Form 1514, Military Deposit Worksheet or other proof of deposit <i>(Only if you paid your military deposit for military service after 1-1-57)</i></p>	<p>OPM Form 1514, Military Deposit Worksheet or other proof of deposit <i>(Only if you paid your military deposit for military service after 1-1-57)</i></p>
<p>OPM 1515, Military Service Deposit Election</p>	<p>OPM 1515, Military Service Deposit Election</p>
<p>SF 2802, Application for Refund of Retirement-CSRS <i>(If you want a refund of post-56 military deposit because you do not want to waive your military retired pay.)</i></p>	<p>SF 3106, Application for Refund of Retirement-FERS <i>(If you want a refund of post-56 military deposit because you do not want to waive your military retired pay.)</i></p>

FORMS YOU MAY NEED AFTER RETIREMENT – CSRS AND FERS

SF 1199A, Direct Deposit Sign-Up Form

OPM will automatically deposit your annuity payments in the same bank account that your current salary goes to. If you wish to change this, you may do so after receipt of your CSA number by using OPM's Services Online (<http://www.servicesonline.opm.gov/mainris.htm>) or by submitting SF 1199A to OPM.

W-4P, Withholding Certification for Pension or Annuity Payment

OPM will automatically withhold Federal income tax withheld from your annuity at the same rate as your current salary. If you wish to change this, you may do so after receipt of your CSA number by using OPM's Services Online or by submitting Form W-4P to OPM.