



Improving the Capabilities of the HR Workforce

DCPAS VIRTUAL BENEFITS SYMPOSIUM

FERS Eligibility Workshop

Brigette Fitzgerald and Toni Lewis September 25, 2024

Objectives

-
- Review the evolution of the Federal Employees Retirement System (FERS)
 - Specify the differences between FERS, FERS RAE & FERS FRAE
 - Complete FERS Determination Table Exercise

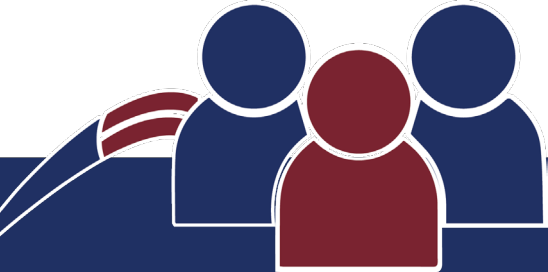
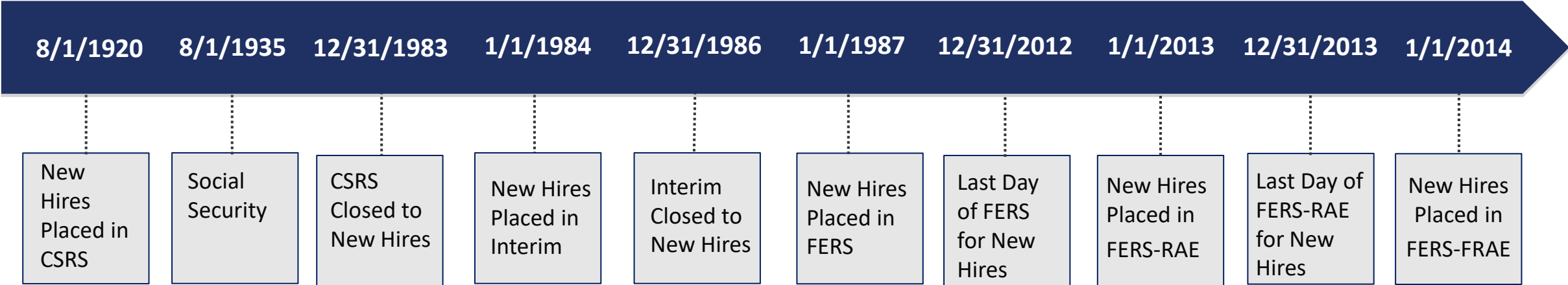


References

- Title 5, United States Code
- Chapter 83-84 CSRS & FERS
- CSRS & FERS Handbook
- Guide to Processing Personnel Actions
- PL 99-335, (FERS)
- BAL 12-104 (FERS RAE)
- BAL 14-102 (FERS FRAE)
- BAL 23-106 (New Determination Tables)



The Evolution of Civil Service Retirement



Federal Employees Retirement System (FERS)

- Enacted in response to Social Security Amendments in 1983
- Effective January 1, 1987
- Integrated with Social Security – FERS employees pay social security (FICA) taxes
- Covered Federal employees first hired on or after January 1, 1984, with no prior Federal service



FERS Revised Annuity Employees (RAE)

Effective January 1, 2013

- Increase in employee contribution
- Reduction in agency contribution
- Ends computation enhancement for Members of Congress and their staff

Impacts

- New hires
- Current FERS covered employees or/Rehires with less than 5 years of qualifying service



FERS Revised Annuity Employees (RAE) continued

Effective on January 1, 2013

- Amount of increase changes the employee contribution to 3.1%
- Amount of increase in employee contribution for Law Enforcement Officer (LEO), Firefighter (FF), Air Traffic Controller (ATC), Customs and Border Protection Officer (CBPO), changes to 3.6%



FERS – Further Revised Annuity Employees (FRAE)

Effective January 1, 2014

- Increase in employee contribution
- Reduction in agency contribution

Impacts

- New hires
- Current FERS covered employees or/Rehires with less than 5 years of qualifying service



FERS – Further Revised Annuity Employees (FRAE) continued

Effective January 1, 2014

- Amount of increase changes the employee contribution to 4.4%
- Amount of increase changes the employee contribution for Law Enforcement Officer (LEO), Firefighter (FF), Air Traffic Controller (ATC), Customs and Border Protection Officer (CBPO), changes to 4.9%



Commonly Used Retirement Plan Codes

Retirement Code	Retirement System	Effective Date
1	CSRS (Civil Service Retirement System)	8/1/1920
2	FICA -Federal Insurance Contributions Act- (Social Security)	08/01/1935
C	CSRS Interim/ Offset (Civil Service Retirement System- Offset)	01/01/1984
K	FERS and FICA (Federal Insurance Contributions Act (Social Security))	01/01/1987
KR	FERS-RAE (Revised Annuity Employees) and FICA	01/01/2013
KF	FERS-FRAE (Further Revised Annuity Employees) and FICA	01/01/2014
M	FERS and FICA –Special (for Firefighter and Law Enforcement Officers)	01/01/1987
MR	FERS-RAE and FICA – Special (for Firefighter and Law Enforcement Officers)	01/01/2013
MF	FERS-FRAE and FICA – Special (for Firefighter and Law Enforcement Officers)	01/01/2014



Retirement Coding SF-50

SF-50 Form and a guide to understanding Notification of Personnel Action can be found at:

<https://www.commerce.gov/sites/default/files/2018-12/understanding-form-sf-50.pdf>

EMPLOYEE DATA

23. Veterans Preference 1 - None 3 - 10 Point/Disability 5 - 10 Point/Other 2 - 5-Point 4 - 10-Point/Compensable 6 - 10-Point/Compensable/30%			24. Tenure 0 - None 2 - Conditional 1 - Permanent 3 - Indefinite		25. Agency Use	26. Veterans Pref for RIF <input type="checkbox"/> YES <input type="checkbox"/> NO	
27. FEGLI			28. Annuitant Indicator		29. Pay Rate Determinant		
30. Retirement Plan			31. Service Comp. Date (Leave)		32. Work Schedule		33. Part-Time Hours Per Biweekly Pay Period

POSITION DATA

34. Position Occupied 1 - Competitive Service 3 - SES General 2 - Excepted Service 4 - SES Career		35. FLSA Category E - Exempt N - Nonexempt		36. Appropriation Code		37. Bargaining Unit Status	
38. Duty Station Code			39. Duty Station (City · County · State or Overseas Location)				

40. AGENCY DATA		41.	42.	43.	44.
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45. Remarks

FERS Coverage Determination Tables



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First Hire

Step	Decision Factor	If Yes...	If No...
1	Does employee have prior non-Federal service that was covered by or is credible under CSFS? (See section 10A1.3-3B)	Go to Step 2	Go to Step 5
2	Does employee meet 5-year test? (See section 10A1.12I)	Go to Step 3	Go to Step 5
3	Is current appointment excluded from CSRS? (See section 10A1.3-3)	Go to Step 4	Coverage under CSRS Offset with option to elect FERS*
4	Is current appointment excluded from FERS? See section 10A1.3-5)	Coverage under FICA only (unless not applicable)	Coverage under FICA only with option to elect FERS*
5	Is appointment excluded from FERS by law or regulation? (See section 10A1.3-5)	Coverage under FICA only (unless not applicable)	Go to Step 6
6	Is appointment effective before January 1, 2013?	Coverage under FERS	Go to Step 7
7	Was employee on December 31, 2012, performing civilian service that was creditable or potentially creditable under FERS (e.g., Peace Corp volunteer service)?	Coverage under FERS	Go to Step 8
8	Does employee, as of December 31, 2012, have at least 5 years of creditable or potentially creditable civilian service under FERS?	Coverage under FERS	Go to Step 9
9	Is appointment effective on or after January 1, 2013, and before January 1, 2014?	Coverage under FERS-RAE	Go to Step 10

Transfers and Conversions

Step	Decision Factor	If Yes...	If No...
1	Does employee qualify as a senior official? (See section 10A1.3-6C)	See Chapter 101	Go to Step 2
2	Was last employment under another Federal retirement system (e.g., FSFS)?	Go to Step 5	Go to Step 3
3	Was last appointment covered by FICA (OASDI) only?	Go to Step 5	Go to Step 4
4	Did employee have FERS (i.e., FERS, FERS-RAE, FERS-FRAE) coverage in last appointment?	Go to Step 11	Go to Step 5
5	Was employee first hired after December 31, 1983?	Go to Step 13	Go to Step 6
6	Is the current appointment temporary NTE 1 year of intermittent and not career or career-conditional?	Coverage under FICA only	Go to Step 7
7	Is the current appointment excluded from CSFS by law or regulation? (See section 10A1.3-3)	Go to Step 8	Go to Step 9
8	Does employee meet the 5-year test? (See section 10A1.1-2I)	Coverage under FICA only with option to elect FERS*	Go to Step 9
9	Is current appointment now subject to Social Security (OASDI)? (See section 10A1.3-6)	Go to Step 10	Coverage under CSRS with option to elect FERS*
10	Does employee meet the 5-year test? (See section 10A1.1-2I)	Coverage under CSRS Offset with option to elect FERS*	Go to Step 14
11	Is the current appointment excluded from FERS by law? (See section 10A1.3-5B)	Coverage under FICA only	Go to Step 12

Rehires

Step	Decision Factor	If Yes...	If No...
1	Does employee qualify as a senior official? See section 10A1.3-6)	See Chapter 101	Go to Step 2
2	Did employee previously have FERS (i.e., FERS, FERS-RAE, FERS-FRAE) coverage?	Go to Step 9	Go to Step 3
3	Was employee first hired after December 31, 1983?	Go to Step 9	Go to Step 4
4	Is the current appointment temporary NTE 1 year or intermittent and not career or career-conditional?	Coverage under FICA only	Go to Step 5
5	Is employee's current appointment excluded from CSRS by law or regulation? (See section 10A1.3-3)	Go to Step 6	Go to Step 7
6	Does employee meet the 5-year test? (See section 10A1.1-2I)	Coverage under FICA only with option to elect FERS*	Go to Step 10
7	Is current appointment now subject to Social Security (OASDI)? (See section 10a1.3-6)	Go to Step 8	Coverage under CSRS with option to elect FERS*
8	Does employee meet the 5-year test? (See section 10A1.1-2I)	Coverage under CSRS Offset with option to elect FERS*	Go to Step 10
9	Is the current appointment temporary NTE 1 year or intermittent and not career or career-conditional, or otherwise excluded from FERS by law or regulation? (See section 10A1.3-5)	Coverage under FICA only	Go to Step 10
10	Is current appointment effective before January 1, 2013?	Coverage under FERS	Go to Step 11



Determination Tables (First Hire: Exercise)

Instructions: Use the New Hire Determination Table to complete this exercise

Is Employee Charlie covered under FERS, FERS-RAE or FERS-FRAE?

Description:

Employee Charlie was hired into an appointment that conveys coverage and has no previous service.

Checklist History:

Type Action	Appointment	Coverage	Effective Dates	Follows a Break in Service?	Eligible to Elect FERS?
First Hire	Career Conditional	?	02/01/2013 - -----	N/A	N/A



Determination Table (First Hire)

Type Action	Appointment	Coverage	Effective Dates	Follows a Break in Service?	Eligible to Elect FERS?
First Hire	Career Conditional	?	02/01/2013 - ---- -----	N/A	N/A

First Hire

Step	Decision Factor	If Yes...	If No...
1	Does employee have prior non-Federal service that was covered by or is creditable under CSFS? (See section 10A1.3-3B)	Go to Step 2	Go to Step 5
2	Does employee mee 5-year test? (See section 10A1.12I)	Go to Step 3	Go to Step 5
3	Is current appointment excluded from CSRS? (See section 10A1.3-3)	Go to Step 4	Coverage under CSRS Offset with option to elect FERS*
4	Is current appointment excluded from FERS? See section 10A1.3-5)	Coverage under FICA only (unless not applicable)	Coverage under FICA only with option to elect FERS*

Retirement Coverage Determination Tables

First Hire: Presumes no prior Federal service under FERS or any other retirement system.

*An employee may elect FERS if appointment is not excluded from FERS by law or regulation



Determination Table (First Hire) Continued



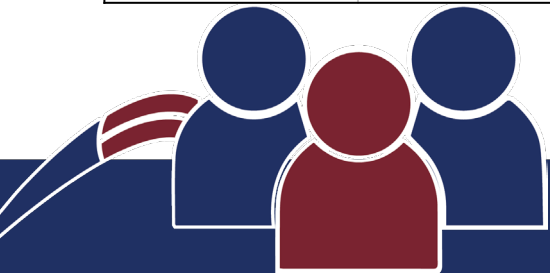
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Type Action	Appointment	Coverage	Effective Dates	Follows a Break in Service?	Eligible to Elect FERS?
First Hire	Career Conditional	?	02/01/2013 - ----- -	N/A	N/A

Step	Decision Factor	If Yes...	If No...
5	Is appointment excluded from FERS by law or regulation? (See section 10A1.3-5)	Coverage under FICA only (unless not applicable)	Go to Step 6
6	Is appointment effective before January 1, 2013?	Coverage under FERS	Go to Step 7
7	Was employee on December 31, 2012, performing civilian service that was creditable or potentially creditable under FERS (e.g., Peace Corp volunteer service)?	Coverage under FERS	Go to Step 8
8	Does employee, as of December 31, 2012, have at least 5 years of creditable or potentially creditable civilian service under FERS?	Coverage under FERS	Go to Step 9
9	Is appointment effective on or after January 1, 2013, and before January 1, 2014?	Coverage under FERS-RAE	Go to Step 10

Retirement Coverage Determination Tables

First Hires: Presumes no prior Federal service under FERS or any other retirement system



Determination Table (First Hire) Continued 2

Type Action	Appointment	Coverage	Effective Dates	Follows a Break in Service?	Eligible to Elect FERS?
First Hire	Career Conditional	?	02/01/2013 - ---- -----	N/A	N/A

Step	Decision Factor	If Yes...	If No...
10	Was employee on December 31, 2013, performing civilian service that was creditable or potentially creditable under FERS (e.g. Peace Corp volunteer service)?	Coverage under FERS-RAE	Go to Step 11
11	Does employee as of December 31, 2013, have at least 5 years of creditable or potentially creditable civilian service under FERS?	Coverage under FERS-RAE	Coverage under FERS-FRAE

Retirement Coverage Determination Tables

First Hires: Presumes no prior Federal service under FERS or any other retirement system



Determination Table (First Hire) Continued

Employee Charlie is covered under FERS-RAE

On December 31, 2012, the employee did not meet the requirements that would permit coverage under original FERS. Employee Charlie was not covered under FERS on December 31, 2012, nor did Employee Charlie have at least 5 years of creditable or potentially creditable civilian service as of December 31, 2012. Employee Charlie's appointment was effective on or after January 1, 2013 and before January 1, 2014.



Questions?



Please take a moment to provide us your feedback

- You can scan the QR code or go to:
- <https://forms.osi.apps.mil/r/WUEbh3tETu>

FERS Eligibility Workshop
(Retirement Determination) –
FERS/FERS RAE/FERS FRAE

