

# The PULSE

*Portability Updates for Liaisons and Shared  
Expertise for Employees and Employers*

*From the desk of Itzel R. Santana  
Associate Director, NAF Policy*



Welcome to the Fall 2024 issue of our quarterly Portability Updates for Liaisons and Shared Expertise for Employees & Employers (PULSE) Newsletter! The PULSE Newsletter is our primary portability of benefits publication to communicate and to provide a space for the exchange of information. The PULSE can be used as a shared resource of knowledge for Department-wide HR news, trainings, and best practices.

You can now find the previous PULSE newsletters on our DCAPS website at: <https://www.dcpas.osd.mil/policy/naf/dodportabilitybenefits>. As a refresher, you may want to revisit these articles:

#### Summer 2022 Issue:

- 🍂 Page 2 - Did You Know DCPAS Website Has POB Info;
- 🍂 Page 3 - Portability of Benefits; NAF 2 NAF Portability;
- 🍂 Page 4 - Key Portability Requirements For Qualifying Moves

#### Fall 2022 Issue:

- 🍂 Page 3 - Leave Transfer;
- 🍂 Page 4 - Portability of Benefits Advisories

#### Spring 2023 Issue:

- 🍂 Page 4 - Reporting a Death of an APF Employee Who Retained NAF Retirement;
- 🍂 Page 4 - DFAS Correction Reminders

#### Winter 2024 Issue:

- 🍂 Page 1 - Portability of Benefits Reminders for Staffers;
- 🍂 Page 4 - Choosing the right type of Federal Employee's Retirement System (FERS)

We hope you find this issue useful, and we encourage you to submit portability of benefits articles and training information. With shared information, we can streamline and improve the portability of benefits process. Please provide Ms. LaShawna Jordan at [lashawna.d.jordan.naf@mail.mil](mailto:lashawna.d.jordan.naf@mail.mil) any information you may have for future editions of The PULSE to make it more relevant to you.



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#### SPECIAL POINTS OF INTEREST

- Upcoming Events
- Hails and Farewells

## 401(k) Gains/Losses (Market Value Adjustment (MVA))



Once a portees 401(k) retro contributions have been deposited in the participants account, the plan administrator will determine the applicable gains/losses (Market Value Adjustment (MVA)). To do so, the retro contributions received must be deposited based on the pay period in which they would have been received should the portee's election have been keyed on time.

Any MVA that is due because of the late 401(k) contributions will be collected from the APF Employer / Agency. **(The NAF component will pay these amounts within the required three business days. The NAF component will be reimbursed when payment is received from the APF Agency in a future payroll.)**

Once the 401(k) Administrator provides the MVA, a request is sent to the APF payroll office to collect these funds from the employer.

**EXAMPLE:**

Good afternoon,

Attached is the 401(k) Market Value Adjustment (MVA) due for Ms. Portee Employee (XXX Database) in the amount of **\$8.03**. Please process the collection of this amount during PPE 12/30/2023. This is to be paid by the employer.

If you have any questions, please contact me at [lisa.edenton@usmc-mccs.org](mailto:lisa.edenton@usmc-mccs.org).

EMPLOYEE	Correction Amount Submitted	Fiscal Year	Original Posting Date	Correction Date	MVA (Gain)/Loss
FIRST, LAST NAME	\$90.00	2023	7/26/2023	10/4/2023	\$0.97
	\$150.00	2023	7/26/2023	10/4/2023	\$1.87
	\$90.00	2023	8/9/2023	10/4/2023	(\$0.90)
	\$150.00	2023	8/9/2023	10/4/2023	\$3.58
	\$90.00	2023	8/24/2023	10/4/2023	\$0.55
	\$150.00	2023	8/24/2023	10/4/2023	\$1.96
				MVA DUE	\$8.03

**Submitted by:**  
**Headquarters, U.S. Marine Corps Business and Support Services Division (MRG) NAF Benefits**

**Portability of Benefits Advisories** 

Our NAF Policy’s inbox often receives multiple inquiries about the same portability of benefits topics. Here are a couple of the most frequent questions:

 **The DoD/OPM Interchange Agreement.**

The Interchange Agreement is an appointing authority; it permits DoD NAF employees to be appointed to positions in the competitive civil service in any agency. The Interchange Agreement does not authorize any form of leave or retirement portability. Eligibility for annual leave transfer and credit towards leave accrual requires the employee to move between DoD NAF and DoD civil service positions (irrespective of appointing authority) without a break in service of more than three days. Eligibility for an election to remain in a DoD NAF retirement plan requires the employee to move between retirement-covered NAF and civil service positions (irrespective of appointing authority) without a break in service of more than one year and not have had a prior opportunity to continue the same retirement coverage. Please refer to Sections 3.3, 13.1 and 13.2 of the portability reference guide for further details and regulatory citations located at <https://www.dcpas.osd.mil/policy/naf/dodportabilitybenefits>.



 **CSRS/FERS Retirement Estimate for a NAF Employee.**

All NAF employers except for Marine Corps consolidate their NAF employee’s work history and then request their CSRS/FERS retirement estimates from the APF side. Marine Corps has a GRB calculator to do their estimates. OPM is not involved in preparing employee retirement estimates prior to retirement for active NAF employees. Please refer to Section 8 of the portability reference guide for further retirement procedures for employees who retained retirement coverage.



**UPCOMING**  
**EVENTS**

- ◆ 2024 NAF Open Enrollment - November 1-30, 2024
- ◆ 2024 Federal Benefits Open Season - November 11 - December 9, 2024
- ◆ Marine Corps NAF Virtual Retirement Seminar - November 19, 2024
- ◆ DoD Benefits Officers Meeting - November 21, 2024
- ◆ Marine Corps NAF Virtual Retirement Seminar - February 11, 2025
- ◆ *The PULSE* Newsletter Articles Due - February 14, 2025
- ◆ POBWG Bi-Annual Meeting - March 13, 2025

## ***Portability of Benefits Advisories (cont.)***



### ***Crediting NAF Service for CSRS or FERS Immediate Retirement.***

When credit for NAF service towards immediate CSRS or FERS retirement is given to an employee who is eligible for credit under Section 1132 of Public Law 107-107, that credit is given at the time of retirement. If the employee already qualifies for an immediate retirement based on their non-NAF service, Section 1132 of P.L. 107-107 does not apply. That credit under Section 1132 of Public Law 107-107, can only be used for the purpose of establishing eligibility for immediate CSRS or FERS retirement benefits. Employees who are eligible for an immediate CSRS or FERS retirement based on their non-NAF service (i.e., MRA+10) are not eligible for this election. The employee must:

1. Have at least 5 years of creditable APF service under CSRS or FERS and qualify for a deferred CSRS or FERS retirement, and
2. Not qualify for an immediate CSRS or FERS retirement using non-NAF service.

Please note, even if the employee is eligible to use the NAF service for purposes of an immediate annuity, the credit for NAF service will not result in a higher CSRS or FERS annuity benefit; the CSRS or FERS annuity will be actuarially reduced to offset the additional cost to the CSRS or FERS retirement fund. Please refer to Sections 9 and 13.10 of the portability reference guide for further details and regulatory citations.

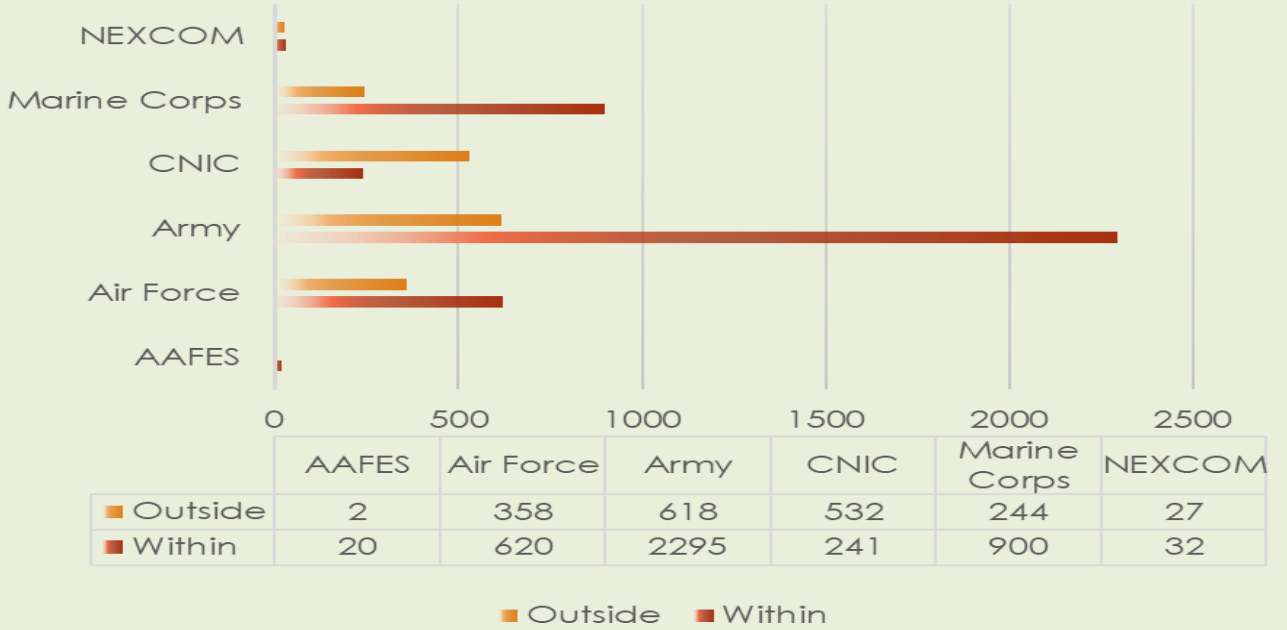
### ***Official Personnel Folder Requests for Prior NAF Service.***



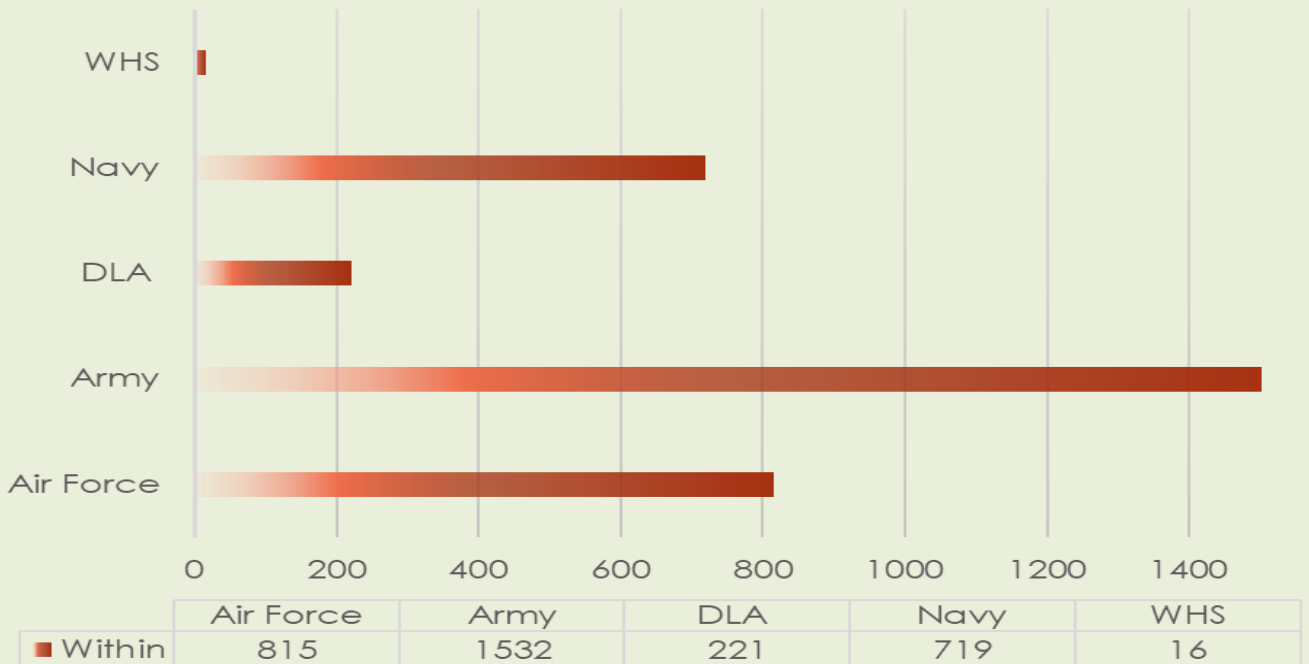
DCPAS NAF Policy does not have access to Official Personnel Folders (OPFs) or employee's service history. To expedite the process, former NAF employees should simultaneously request their archived OPF from National Archives and Records Administration (NARA) at [www.archives.gov/st-louis/civilian-personnel/](http://www.archives.gov/st-louis/civilian-personnel/), and ask their local servicing HRO to contact the appropriate NAF employer.



### NAF PORTEES AS OF MARCH 2024



### APF PORTEES AS OF MARCH 2024





## Portability of Benefits Working Group



### H A I L S

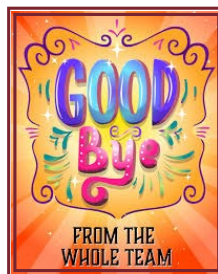


To Our Team!

- ◆ Larry Cox - NEXCOM
- ◆ Gloria Mejia - Air Force
- ◆ Stanley Randolph- AAFES

### F A R E W E L L S

- ◆ Felicia Schley - Air Force
- ◆ Valerie Sanchez - AAFES



### DCPAS Summary:

We provide DOD policy and guidance implementing portability of benefits laws and regulations governing employee moves between the civil service and DOD Nonappropriated Fund (NAF) employment systems. DCPAS also provides advisory assistance to DOD Component Human Resources Office staff on portability issues that may occur when an employee moves between the two systems.

### NAF Inquires:

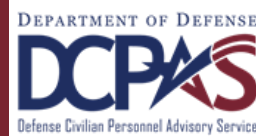
[dodhra.mc-alex.dcpas.mbx.naf@mail.mil](mailto:dodhra.mc-alex.dcpas.mbx.naf@mail.mil)

### APF Inquires:

[dodhra.mc-alex.dcpas.mbx.benefits-contacts@mail.mil](mailto:dodhra.mc-alex.dcpas.mbx.benefits-contacts@mail.mil)

### Find us on the Web:

<https://www.dcpas.osd.mil/policy/naf/dodportabilitybenefits>



### DCPAS NAF Policy Portability of Benefits Team

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