

## DoD Nonappropriated Fund (NAF) Component Retirement Plan and FERS Policy Reference Chart

	Army	CNIC	NEXCOM	Marine Corps	Air Force	AAFES	FERS
<b>Defined Benefit Retirement Plan</b>							
<b>Eligible Employment Category</b>	Regularly scheduled, permanent full and part-time employees (part-time = 20 or more hours a week).	Regularly scheduled, permanent full and part-time employees (part-time = 20 or more hours a week).	Regularly scheduled, permanent full and part-time employees (part-time = 20 or more hours a week).	Regularly scheduled, permanent full and part-time employees (part-time = 20 or more hours a week).	Regularly scheduled, permanent employees working at least 20 or more hours a week.	Regularly scheduled, permanent full-time employees only (full-time = 35 hours or more).	Regularly scheduled, permanent full and part-time employees in addition to Intermittent service.
<b>Mandatory Participation</b>	Yes, but may opt out of Plan after 6 months of participation.	No	Automatic enrollment (upon completion of waiting period) with opt out option.	Automatic enrollment with opt out option.	No	Yes	Yes
<b>Waiting Period for Participation</b>	No	No	One year	No	Eligible after one year	No	No
<b>Employee Contribution</b>	2% of gross annual compensation (excludes lump sum annual leave, severance pay, VSIP, retention, relocation, or recruitment bonuses and LQA).	1% of each year's gross salary (excludes annual leave payout, severance, post allowance, LQA, moving expenses).	1% of each year's gross earnings but excludes Post differential, Post Allowance, Housing Allowance, Recruiting, Retention, & Relocation bonuses, & relocation expenses.	1% of gross earnings (includes bonuses, but excludes cost of living differentials, severance, LQA, moving expenses).	1% of basic pay.	0.8% of base pay.	FERS 0.8% of earnings FERS RAE 3.1% of earnings FERS FRAE 4.4% of earnings
<b>Employer Contribution</b>	7.6% of gross annual compensation (excludes lump sum annual leave, severance pay, VSIP, retention, relocation, or recruitment bonuses and LQA).	As of the first full pay period FY2024 increasing to 8% (excludes annual leave payout, severance, post allowance, LQA).	8.5% however, currently no employer contribution required; plan fully funded.	7%	6.5% of basic pay	14.2% of basic pay	As of first pay period beginning on or after 10/01/2023 (Benefits Administration Letter BAL 23-306): FERS 18.4% FERS RAE 16.5% FERS FRAE 16.5%

## DoD Nonappropriated Fund (NAF) Component Retirement Plan and FERS Policy Reference Chart

	Army	CNIC	NEXCOM	Marine Corps	Air Force	AAFES	FERS
<b>Defined Benefit Retirement Plan</b>							
<b>Pension Formula (for amount due at normal retirement age of 62)</b>	1.2% HI3 x Creditable Service (CS) <15 years plus 1.6% HI3 x CS> 15 years + 0.3% HI3 in excess of SS Covered Compensation Table x CS <30 years*	1.5% x first 5 years Creditable Service (CS) x HI3, plus 1.75% x second 5 years CS x HI3, plus 2% x CS over 10 years x HI3*	1.5% x first 5 years Creditable Service (CS) x HI3, plus 1.75% x second 5 years CS x HI3, plus 2% x CS over 10 years x HI3*	1% x HI3 (1.1% after age 62) x Creditable Service.*	1.5% x first 5 years Creditable Service (CS) x HI3, plus, 1.75% x second 5 years CS x HI3, plus 2% x CS over 10 years x HI3*	1.5% x 1 <sup>st</sup> 5 years Creditable Service (CS) x HI3 plus 1.75% x 2 <sup>nd</sup> 5 years x HI3 plus 2% x CS over 10 years x HI3*	1% x HI3 x Creditable Service (1.1% if retiring on or after age 62 with 20 years)*  **FERS has different benefit computations for certain occupations.
<b>Unused sick leave added to credited service to calculate length of service for pension annuity computation? (But cannot be used to establish eligibility for retirement).</b>	Yes	Yes	Yes	Yes	Yes	Yes	Yes.
<b>HI3 Includes performance-based bonuses</b>	Yes	Yes	Yes	Yes	No	No	No

\* HI3 refers to the highest average salary earned during any 3 consecutive years of credited service. See the applicable retirement plan document for further details on the plan's pension formula and definitions of HI3 and credited service.

\*\* FERS has special benefit computations for occupations such as Air Traffic Controllers, Firefighters, Law Enforcement Officers, Capitol Police, Supreme Court Police, and Nuclear Materials Couriers. NAF retirement plans do not contain comparable provisions.

## DoD Nonappropriated Fund (NAF) Component Retirement Plan and FERS Policy Reference Chart

	Army	CNIC	NEXCOM	Marine Corps	Air Force	AAFES	FERS
<b>Defined Benefit Retirement Plan</b>							
<b>HI3 (Excluded)</b>	W-2 compensation less taxable special duty & location allowances & imputed income taxable under Code section 79, separation incentives lump sum annual leave payments, RRR bonuses, and severance pay.	Annual gross earnings excluding annual leave payout, severance, post allowance, LQA, moving expenses.	W-2 total earnings excluding compensation received in lieu of unused vacation and cash awards, also excludes relocation expenses.	Annual gross earnings excluding tips, cost of living differentials, severance and moving expenses and annual leave payout if hired after 8/31/2007.	Monetary compensation exclusive of bonuses, overtime payments or other forms of extra compensation in excess of basic regular earnings.	Excludes bonuses, OT pay, and other forms of pay in excess of basic pay, but includes vacation leave payments (up to the maximum accrual allowable for retirement purposes) for participants who had Credited Civilian Service for any period before September 1, 2007; lump sum merit payments received after March 15, 2003; and lump sum promotion payments received after January 1, 2005 during the last 36 months of employment.	Not included in Basic Pay: <ul style="list-style-type: none"> <li>Bonuses (e.g., awards)</li> <li>Overtime pay</li> <li>Other pay and incentives such as travel, relocation expenses, or retention incentives</li> </ul>

## DoD Nonappropriated Fund (NAF) Component Retirement Plan and FERS Policy Reference Chart

	Army	CNIC	NEXCOM	Marine Corps	Air Force	AAFES	FERS
<b>Defined Benefit Retirement Plan</b>							
<b>Prior Honorable Military Service Credit</b>	<p>Up to 5 years, provided not already credited under another plan.</p> <p>Employee is required to deposit 7% of base military pay for the period of military service.</p> <p>No interest due if purchases within 2 years of NAF employment.</p> <p>8% interest compounded annually if deposits are not paid within the time period.</p>	No credit	No credit	<p>Effective 1-1-2019, limited to up to 5 years credit, provided employee isn't receiving or expecting to receive a military annuity, or provided the military service time is not already credited under another retirement plan.</p> <p>Employee is required to deposit: Total estimated military earnings adjusted to whole years only (not to exceed 5 whole years) multiplied by the total of current employee contributions rate (1%), plus current employer contribution rate (7%), plus current actuarial rate of return (not less than 7.5%)</p>	Up to 5 years credit with appropriate deposit and excluding any military service that is eligible for military retirement or other Federal pension.	<p>Up to 7 years credit.</p> <p>Credited for benefit purposes (but not for eligibility) provided employee qualifies for an immediate annuity upon termination.</p> <p>Credit not given if receiving military pension.</p>	<p>Potentially creditable may become creditable with a military deposit. Credit not given if receiving military pension unless employees waives all rights to military pension. There are three exceptions:</p> <ol style="list-style-type: none"> <li>1. Not used in computation of military retirement; or</li> <li>2. Service connected disability connected due to combat with U.S. enemy or instrumentality of war and incurred in the line of duty during a period of war; or</li> <li>3. Under provisions of 10 U.S.C. 12731-12739 (retired pay under Chapter 1223 for members of the reserves).</li> </ol>

## DoD Nonappropriated Fund (NAF) Component Retirement Plan and FERS Policy Reference Chart

	Army	CNIC	NEXCOM	Marine Corps	Air Force	AAFES	FERS
<b>Defined Benefit Retirement Plan</b>							
<b>COLA: CSRS/SS rate = CPI</b>	Same as CPI used to determine COLAs for Social Security benefits.  Capped at 4.0%.	Same as CSRS	Same as CPI used to determine COLAs for Social Security benefits. No cap.	Same as CPI used to determine COLAs for Social Security benefits. No cap.	CPI – capped at 4%.	Same as CSRS.	Not provided until age 62, except for disability, survivor benefits, and other special provision retirements.  For FERS or FERS Special benefits, if the increase in the CPI is 2 percent or less, COLA is equal to the CPI increase. If the CPI increase is more than 2 percent but no more than 3 percent, the COLA is 2 percent. If the CPI increase is more than 3 percent, the adjustment is 1 percent less than the CPI increase. The new amount is rounded down to the next whole dollar. <u>Note:</u> The minimum COLA increase is \$1.00.
<b>Social Security Offset</b>	No	Yes	Yes	Yes for annuity calculation prior to 1-1-01 when FERS formula adopted.	Yes	Yes	No
<b>Supplemental Plan for Executives</b>	No	No	No	No	No	Yes (but not portable for NAF-APF moves).	No
<b>Vesting</b>	5 years	5 years	5 years	5 years	5 years	5 years	5 years

## DoD Nonappropriated Fund (NAF) Component Retirement Plan and FERS Policy Reference Chart

	Army	CNIC	NEXCOM	Marine Corps	Air Force	AAFES	FERS
<b>Defined Benefit Retirement Plan</b>							
<b>Age and Years of Service Required to Retire without Reduction of Benefit for Age</b>	62/5; 60/20; or 55/30	62/5; 60/20; or 55/30	62/5; 60/20; or 55/30	62/5; 60/20; or 55/30	Age 65/any amount of service; 62/5; 60/20; or 55/30	62/5; 60/20; or 55/30	MRA+30; 60/20; or 62/5
<b>Optional Early Retirement Annuity (Reduced Benefit)</b>	Age 52/5 years or Age 50/20 years	Age 52/5 years	Age 52/5 years	Age 52/5 years	Age 52/5 years	Age 52/5 years	MRA+10
<b>Optional Early Retirement Reduction %</b>	4% each year under normal retirement age of 62.	Reduced by 1/3rd of 1% for each month (or 4% year) <62.	Reduced by 1/3rd of 1% for each month (or 4% year) <62.	Reduced by 1/3rd of 1% for each month (or 4% year) <62.	Reduced by 1/3rd of 1% for each month (or 4% year) <62.	4% each year <62.	5% each year under normal retirement age of 62.

## DoD Nonappropriated Fund (NAF) Component Retirement Plan and FERS Policy Reference Chart

	Army	CNIC	NEXCOM	Marine Corps	Air Force	AAFES	FERS
<b>Defined Benefit Retirement Plan</b>							
<b>Supplemental Retirement Benefit</b>	Supplemental early retirement benefit provided to employees who retire before age 62 and receive an early annuity. The Supplement continues until retiree reaches age 62 and becomes eligible for Social Security benefits. See the Army NAF retirement plan document for supplement calculation details.	Supplemental early retirement benefit provided to employees who retire before age 62 and receive an early annuity. The Supplement continues until retiree reaches age 62 and becomes eligible for Social Security benefits. See the CNIC NAF retirement plan document for supplement calculation details.	Supplemental early retirement benefit provided to employees who retire before age 62 and receive an early annuity. The Supplement continues until retiree reaches age 62 and becomes eligible for Social Security benefits. See the NEXCOM NAF retirement plan document for supplement calculation details.	Supplemental early retirement benefit provided to employees who retire before age 62 and receive an early annuity. The Supplement continues until retiree reaches age 62 and becomes eligible for Social Security benefits. See the Marine Corps NAF retirement plan document for supplement calculation details.	Supplemental early retirement benefit provided to employees who retire before age 62 and receive an early annuity. The Supplement continues until retiree reaches age 62 and becomes eligible for Social Security benefits. See the Air Force NAF retirement plan document for supplement calculation details.	Supplemental early retirement benefit provided to employees who retire before age 62 and receive an early annuity. The Supplement continues until retiree reaches age 62 and becomes eligible for Social Security benefits. See the AAFES NAF retirement plan document for supplement calculation details.	<p>FERS Annuity Supplement Eligibility Requirements:</p> <ul style="list-style-type: none"> <li>•At least 1 calendar year of FERS service and</li> <li>•Retires with entitlement to one type of the following types of immediate annuity: <ul style="list-style-type: none"> <li>- At or after the MRA with at least 30 years of service;</li> <li>- At age 60 with at least 20 years of service;</li> <li>- Under one of the special provisions for law enforcement officers, firefighters, air traffic controllers, or military reserve technicians;</li> <li>- At or after the MRA under discontinued service (involuntary) retirement provisions;</li> <li>- At or after the MRA under early retirement provisions (that is, a major RIF, reorganization, or transfer of function).</li> </ul> </li> </ul>

## DoD Nonappropriated Fund (NAF) Component Retirement Plan and FERS Policy Reference Chart

	Army	CNIC	NEXCOM	Marine Corps	Air Force	AAFES	FERS
<b>Defined Benefit Retirement Plan</b>							
<b>Deferred Retirement (Separated employment &amp; vested)</b>	Age 52/5 years (Reduced) Age 62/5 years (Unreduced)	Age 52/5 years (Reduced) Age 62/5 years (Unreduced)	Age 52/5 years (Reduced) Age 62/5 years (Unreduced)	Age 52/5 years (Reduced) Age 62/5 years (Unreduced)	Age 52/5 years (Reduced) Age 62/5 years (Unreduced)	Age 52/5 years (Reduced) Age 62/5 years (Unreduced)	MRA+10 (Reduced) MRA+30 (Unreduced) Age 60/20 years (Unreduced) Age 62/5 years (Unreduced)
<b>Voluntary Early Retirement Authority (VERA) or Discontinued Service Retirement (DSR)</b>	Age 50/20 years or Any age/25 years	Age 50/20 years or Any age/25 years	Age 50/20 years or Any age/25 years	Age 50/20 years or Any age/25 years	Age 50/20 years or Any age/25 years	Age 50/20 years or Any age/25 years	Age 50/20 years or Any Age /25 years
<b>VERA or DSR Annuity Reduction or VERA</b>	Reduced 2% each year prior to age 55	Reduced .167% for each month (or 2% per year) prior to age 55	Reduced .167% for each month < age 55	2% each year < age 55	Reduced .167% for each month (or 2% per year) prior to age 55	2% each year < age 55	No Reduction.
<b>If a non-vested employee separates, is the refund distribution automatic, or at employee request?</b>	Upon Employee request.	Automatic	Upon employee request.	Refund is issued upon receipt of completed refund application by the participant.	Employee with less than 5 years of credited service receives an automatic refund of contributions.	Employees with less than 3 years in plan receive automatic refund.	Upon employee Request.
<b>For vested employee, is the refund automatic or kept for deferred annuity at employee request?</b>	Deferred unless a refund is requested. Employee must acknowledge they waive their annuity entitlement – before refund is processed.	Employee request	Refund not automatic election made by associate.	Deferred unless a refund is requested. Deferred annuity calculation provided. Participant must acknowledge they waive their annuity entitlement – before a refund is processed.	When employment ends with more than 5 years of credited service, the employee may take a refund or a deferred annuity.	Employee Election.	When employment ends with more than 5 years of credited service, the employee may take a refund or a deferred annuity.



## DoD Nonappropriated Fund (NAF) Component Retirement Plan and FERS Policy Reference Chart

	Army	CNIC	NEXCOM	Marine Corps	Air Force	AAFES	FERS
<b>Defined Benefit Retirement Plan</b>							
<b>Credit APF service for NAF immediate annuity in the same manner as NAF service is credited for a CSRS or FERS immediate annuity? *</b>	No	No	No	No	No	No	N/A
<b>RESTRICTIONS for EMPLOYMENT OF ANNUITANTS</b>	<p>Annuitant forfeits monthly annuity if reemployed in a RFT or RPT position.</p> <p>Re-enrolls in Retirement Plan.</p> <p>Retires later with additional creditable service.</p>	<p>Annuitants may be reemployed to the flexible category for maximum of 19 hours per week (988 hours per year). Annuitants may be reemployed to the Regular category with justification and approval by CNIC FFR and Services Support Director (N94). If employment is approved, annuity ceases and employee may be reinstated to all benefit plans with the exception of the Retirement Plan.</p>	<p>Exempt and non-exempt annuitants may be reemployed to the flexible category with approval of headquarters code Human Resources and the CEO</p> <p>Annuitants may be reemployed to the Regular category with justification and approval by NEXCOM.</p> <p>If employment approved, annuity ceases and employee is reinstated in all benefit plans.</p>	<p>If re-hired in a RFT or RPT position, annuity payments cease and the re-hired annuitant may re-enroll in the Retirement Plan.</p> <p>Annuitants rehired in Flex category retain annuity benefit.</p>	<p>Annuity payments cease if a rehired annuitant is appointed to a RFT or RPT category. Employee is eligible to re-enroll in the Retirement Plan. If a rehired annuitant is appointed to a Flex category, employee retains annuity benefit.</p>	<p>Ineligible for reemployment after retirement or after beginning to receive a Terminated Vested Pension.</p> <p>Exception is for Intermittent casual or on-call employment of temporary timeframe and employment not agreed to prior to retirement and limited to previous salary.</p>	<p>Annuitant receives full annuity and full salary and does not earn a new entitlement to a Supplemental or Re-determined Annuity. With one exception, DSR Reemployed Annuitants are provided the opportunity to elect retirement contributions and earn further retirement credit, as appropriate, or receive full salary and annuity. The reemployed annuitant will have 90 days from the date of notification to elect retirement deduction.</p>

\* P.L. 107-107 Section 1132 does not apply to NAF retirement plans. DoD policy in DoDI 1400.25 (Volume 1408, paragraph 4.5.b.(3)) provides discretionary authority for Components to provide NAF retirement credit for APF service in the same manner as NAF service is credited towards CSRS and FERS immediate annuity.

## DoD Nonappropriated Fund (NAF) Component Retirement Plan and FERS Policy Reference Chart

	Army	CNIC	NEXCOM	Marine Corps	Air Force	AAFES	FERS
<b>Defined Benefit Retirement Plan</b>							
<b>RETIREMENT DATA CODES</b>	Code 5 for “Other Retirement System” <u>AND</u> use the following retirement system indicator: A	Code 5 for “Other Retirement System” <u>AND</u> use the following retirement system indicator: B	Code 5 for “Other Retirement System” <u>AND</u> use the following retirement system indicator: C	Code 5 for “Other Retirement System” <u>AND</u> use the following retirement system indicator: E	Code 5 for “Other Retirement System” <u>AND</u> use the following retirement system indicator: D	Code 5 for “Other Retirement System” <u>AND</u> use the following retirement system indicator: F	CSRS = 1 FERS = K FERS-RAE = KR FERS-FRAE = KF
<b>Eligible Employment Category</b>	Same as defined benefit eligibility.	Same as defined benefit eligibility.	Same as defined benefit eligibility.	Same as defined benefit eligibility.	Same as defined benefit eligibility.	Regularly scheduled, permanent full and part-time employees (part-time = 20 hours or more)*  *Note: NAF-APF retirement portability election regulations require defined benefit plan participation at the time of the move. Therefore, an AAFES part-time employee who is only eligible to participate in the 401(k) is not eligible for a NAF-APF retirement portability election).	All FERS “covered” (pay into the FERS retirement fund) employees are eligible. FICA Only (only pay into Social Security) are ineligible.

## DoD Nonappropriated Fund (NAF) Component Retirement Plan and FERS Policy Reference Chart

	Army	CNIC	NEXCOM	Marine Corps	Air Force	AAFES	FERS
<b>Defined Contribution Plan (401k) or TSP</b>							
<b>Automatic Enrollment</b>	All eligible new hires/rehires are given the opportunity to sign an auto-enrollment letter and start payroll deductions. Employee deductions are at 1% of gross unless the employee requests a higher deferral election. Employees who do not sign the auto-enrollment letter within 30 days can still join the plan at any time.	No	No	All new hires/rehires are auto-enrolled after 30 days at 1% of salary. Employees have the option to opt out at any time or increase contributions. (FLEX status employees not eligible for automatic enrollment)	All new hires/rehires are auto-enrolled after 30 days at 1% of salary. Once auto enrolled employees have the option to zero their contribution or increase contributions.	Automatic enrollment after 30 days at 3% of gross income. Employees have the option to opt out within the first 30 days, or make changes to their contributions at any time after enrollment.	All new hires/rehires are auto-enrolled at 5% of salary. Employees have the option to opt out at any time or increase contributions.
<b>Waiting Period</b>	No	No	No	No	Yes - Eligible after 30 days.	No	No
<b>Maximum Employee Contribution</b>	NTE such amounts permitted under IRS limits.  Contribute 1% - 92% of gross salary.	1% to 100% up to the maximum IRS limits.	May contribute between 1% and 90% of total eligible compensation up to the maximum annual IRS limits.	1% to 85% of salary up to IRS limits.	May contribute between 1% and 92% of total eligible compensation up to the maximum annual IRS limits.	1% to 99% if eligible participant compensation supports the deduction, and up to the applicable maximum 401(k) limit.	Employee may elect up to 100% of pay up to the IRS limit, and up to the IRS limit for Catch-Up contributions if age 50 or older.

## DoD Nonappropriated Fund (NAF) Component Retirement Plan and FERS Policy Reference Chart

	Army	CNIC	NEXCOM	Marine Corps	Air Force	AAFES	FERS
<b>Defined Contribution Plan (401k) or TSP</b>							
<b>Employer Matching/ Contributions</b>	<p>100% match of employee contribution of up to 2% of pay.</p> <p>2.5% match for 3% employee contribution and 3% match for 4% and above contributions.</p> <p>MAX of 3% match.</p>	<p>100% match of employee contribution.</p> <p>Up to MAX of 3% match.</p>	<p>Matches Employee contribution at a rate of 50 cents for each dollar contributed up to 6% of covered compensation.</p> <p>MAX of 3% match.</p>	<p>100% match of Employee contribution up to 3% of gross pay.</p> <p>50% match on 4 - 5% contributions.</p> <p>Receive additional 1% if also participates in Retirement Plan; MAX of 5% match.</p> <p>Employer match not applicable to FLEX status employees.</p>	<p>100% match of employee contribution of up to 2% of pay.</p> <p>2.5% match of 3% contribution and 3% match for 4% or more.</p> <p>MAX of 3% match.</p>	<p>No Employer match.</p>	<p>Automatic Agency contribution of 1% of employee's basic pay.</p> <p>Agency makes matching contributions to FERS employee accounts based on the first 5% of employee contributions.</p>
<b>Vesting of Employer Match</b>	<p>3 years regular service</p> <p>Automatically upon death, approved disability, or age 62.</p>	<p>After 1 year.</p> <p>Automatically upon death, approved disability, or age 62.</p>	<p>3 years in plan.</p> <p>Partial vesting at one year (25%) and two years (50%).</p>	<p>1 year until 1/1/2015; 3 year cliff effective 1/1/2015</p>	<p>3 years of Air Force NAF regular service.</p> <p>Upon death, age 65, or disabled.</p>	<p>N/A</p>	<p>After 3 years automatically vested in the agency automatic 1% contribution.</p>
<b>Loan Program</b>	<p>Yes</p>	<p>No (IRS Hardship Withdrawals only)</p>	<p>Yes</p>	<p>Yes</p>	<p>Yes</p>	<p>Yes</p>	<p>Yes</p>
<b>Complete a new 401(k) or TSP election form if employee changes positions within NAF or moves to the APF?</b>	<p>Yes. Employee must complete a new Army NAF 401(k) enrollment form. For portability moves to APF, the employee must complete a DA Form 7426.</p>	<p>Yes. Employee must complete a new CNIC NAF 401(k) enrollment form.</p>	<p>Yes. Employee must complete a new NEXCOM NAF 401(k) enrollment form.</p>	<p>No. Previously elected employee contribution rate continues.</p>	<p>Yes. Employee must complete a new Air Force NAF 401(k) enrollment form.</p>	<p>Yes. Employee must complete a new AAFES NAF 401(k) enrollment form.</p>	<p>Yes. All new hires/rehires are auto-enrolled at 5% of basic salary. Employees have the option to opt out at any time or increase contributions.</p>

## DoD Nonappropriated Fund (NAF) Component Retirement Plan and FERS Policy Reference Chart

	Army	CNIC	NEXCOM	Marine Corps	Air Force	AAFES	FERS
<b>Defined Contribution Plan (401k) or TSP</b>							
<b>Participant fees</b>	<p>Participant fees are charged through accounts. Fees are assessed when a participant requests a loan.</p> <p>Participants pay fees from investments.</p> <p>Fees are a flat fee; not based on account balances.</p>	<p>Participants pay an annual flat dollar fee in quarterly increments.</p> <p>Participants pay an investment expense fee, which varies based on each investment they select.</p>	<p>Asset based + 10 basis points (except for IFX Guaranteed Income Flex Fund – included in expense ratio).</p>	<p>A bundled approach is employed through expense ratios in investable funds of plan assets to fund services not limited to: recordkeeping, trustee, plan changes, participant communication and workshops.</p>	<p>Participants pay fees from assets/investments. The fee is 18 basis points (bps) per year; charged on a quarterly basis. A flat percentage of 4.5 bps is charged to each participant’s account balance per quarter. The fee is pro-rated across the participant’s investment holdings.</p>	<p>Participants pay fees directly from their account for loans and withdrawals. Participants pay fees from assets/investments.</p> <p>A bundle pricing model is utilized. Plan recordkeeping cost is offset through revenue share.</p> <p>Participant fees are paid through their account balance and based on the management expense ratio of the funds they are invested in. Funds in the Plan have varying expense ratios.</p>	<p>Participants pay fees from account balance of assets/investments. Fees are based on a percentage of account balance.</p> <p>The total plan fees consist of the sum of net administrative expenses (gross administrative expenses minus forfeitures and loan fees) and investment management fees.</p> <p>For instance, in 2022, the TSP’s total plan fees in the G Fund were approximately 5.7 basis points (5.7 basis points in net administrative expenses + 0.0 basis points in investment management expenses). 5.7 basis points mean 0.057% or 57 cents per \$1,000 of account balance.</p>
<b>Third Party Administrator</b>	Fidelity Investments	Principal	Empower	Fidelity Investments	Principal	Fidelity Investments	BlackRock Institutional Trust Company, N.A. & State Street Global Advisors Trust Company

## DoD Nonappropriated Fund (NAF) Component Retirement Plan and FERS Policy Reference Chart

NAF Component Employers: Army, CNIC, NEXCOM, Marine Corps, Air Force, and AAFES		FERS
Post Retirement Benefit Eligibility		
<b>Health Insurance</b>	<p>Eligibility:</p> <ul style="list-style-type: none"> <li>--Must be enrolled in a DoD NAF Health Benefit Program (HBP) medical/dental plan on the day before retirement.</li> <li>--Must have 15 years of cumulative participation in DoD NAF medical/dental plan.</li> <li>--FEHB participation will be credited towards 15 year participation requirement, if employee moves between DoD positions without a break in service of more than 3 days. (15 year participation requirement waived for involuntary moves, if employee had 5 years continuous FEHB enrollment).</li> <li>--Employees with proof of honorable Military Service, i.e., DD Form 214, "DoD Certificate of Release or Discharge from Active Duty," will receive credit towards satisfying the PRM requirement of 15 years on a year-for-year basis. Credit will not exceed 5 years and will not require an employee contribution. Employees who want to receive credit must provide proof of honorable Military Service within 90 days of retirement.</li> <li>--Must receive an immediate annuity (NAF, or CSRS/FERS for NAF employees who elected to remain covered by CSRS or FERS under a portability election).</li> <li>--Those employees who are enrolled in FEHB Post-Retirement Medical (PRM) coverage are ineligible to enroll in NAF HBP PRM unless NAF Health Benefits Program (HBP) PRM enrollment is based solely on qualifying NAF HBP participation.</li> </ul> <p>Premiums: Fully-Insured Plan – Medicare Advantage with Prescription Drug Plan for CONUS retirees and dependents age 65+ and enrolled in Medicare Parts A&amp;B. For pre-65 retirees and OCONUS, retirees pay 30% of the DoD NAF HBP-established premium (same percentage as NAF employees).</p>	<ul style="list-style-type: none"> <li>--Must be entitled to retire on an immediate annuity; <i><b>and</b></i></li> <li>--Must have been continuously enrolled (or covered as a family member) in any FEHB plan(s) for the 5 years of service immediately before the date the annuity starts, or for the full period(s) of service since the first opportunity to enroll (if less than 5 years).</li> </ul> <p>Employees are not required to have been an enrollee continuously, but must have been continuously covered by an FEHB enrollment. This includes:</p> <ul style="list-style-type: none"> <li>--Time covered as a family member under another person's FEHB enrollment;</li> <li>--Time covered under the Uniformed Services Health Benefits Program (also known as TRICARE or CHAMPUS) or CHAMPVA as long as the employee was covered under an FEHB enrollment at the time of retirement. (Must enroll in FEHB within 60 days after loss of coverage under the Uniformed Services Health Benefits Program or CHAMPVA for that time to be considered as part of continuous FEHB coverage.)</li> </ul> <p>NOTE: Service as a Nonappropriated Fund employee does not count in determining continuous coverage since it is not Federal service and not subject to FEHB coverage.</p>



## DoD Nonappropriated Fund (NAF) Component Retirement Plan and FERS Policy Reference Chart

	Army	CNIC	NEXCOM	Marine Corps	Air Force	AAFES	FERS
<b>Post Retirement Benefit Eligibility</b>							
<b>Life Insurance</b>	<p>Requires participation in the plan for the 5-year period immediately preceding retirement and an immediate annuity request. At age, 66, 67, and 68 the value will decrease 25% per year. If you retire with less than 5 years participation, but were participating in the Plan the day immediately preceding retirement on an immediate annuity, you will be insured for \$2,000 Basic Life on a non-contributory basis.</p> <p>Coverage is free to retiree. Army NAF pays all premiums.</p> <p>Coverage decreases 25% until age 68.</p>	<p>Partial coverage eligibility = Age 52 or older and 5 continuous years of coverage in CNIC Life Insurance Plan only.</p> <p>Full coverage = Age 62-66 and 15 continuous years of coverage in CNIC Life Insurance Plan only.</p> <p>Retirees pay active optional costs. Retiree pays 100% of premium.</p> <p>If full benefit, amount of coverage decreases 25% at ages, 66, 67, and 68. If partial benefit, no decrease in coverage.</p>	<p>Optional Life: Must have 15 years of cumulative participation in DoD NAF plan.</p> <p>Basic Life: Must have 15 years of cumulative participation in DoD NAF plan.</p> <p>Upon retirement, retirees stop paying premiums if they meet the eligibility requirements for taking life insurance into retirement. Employer pays 100% of the cost of coverage.</p> <p>For basic life, coverage decreases 25% at 66, 25% at 67, 25% at 68. Full paid up annuity of 25% thereafter.</p> <p>Optional life coverage drops to 25% at retirement.</p>	<p>Must be enrolled in a Life plan on the day before retirement.</p> <p>Must receive immediate annuity.</p> <p>Must have 15 years of cumulative participation in Life plan to be eligible to continue.</p> <p>Retirees pay the same Basic life rate, but only those retiring on unreduced annuity get the same premium split as when they are actively employed (50% / 50%). Those that are eligible to continue basic group life into retirement but retire on a reduced annuity pay 100% of premium. All Retirees pay 100% of premium for supplemental life and dependent life.</p>	<p>Must be enrolled in a Life plan on the day before retirement.</p> <p>Must be at least 52, the minimum age requirement.</p> <p>Must meet 5 year minimum participation requirement</p> <p>Retirees pay the same premium as actives. Employer pays 46% of monthly premium; Retiree pays remainder directly to life carrier. Calculate premiums based on monthly coverage per \$1,000s.</p> <p>Premiums do not cease at a certain age. Life insurance coverage reduces by 25% at age 66, 67, and 68. The fully reduced amount will be 25% of the original coverage.</p>	<p>Employee must participate in the Basic Life plan for 15 years, be a participant at the time of retirement and retire with an immediate annuity to receive Basic Life coverage at no premium cost.</p> <p>At age 66, 67, and 68 the value will decrease 25% per year.</p> <p>If employee doesn't meet the above requirements, they may convert their policy to an individual policy and pay the premiums directly to the carrier.</p>	<p>Must retire on an immediate annuity and had the coverage for:</p> <p>-- 5 years of service immediately before the start date of the annuity or, for annuitants retiring under FERS who postpone receiving their annuity, the 5 years immediately before their separation date for annuity purposes.</p> <p>NOTE: Must meet the 5 years/all opportunity requirement for Basic and each type of Optional insurance to continue it into retirement.</p> <p>Retirees pay the same premium as actives.</p>

## DoD Nonappropriated Fund (NAF) Component Retirement Plan and FERS Policy Reference Chart

	Army	CNIC	NEXCOM	Marine Corps	Air Force	AAFES	FERS
<b>Post Retirement Benefit Eligibility</b>							
<b>Life Insurance Continued</b>				<p>Retiree premiums never cease. Premiums do change based on retiree's age and when coverage volume changes.</p> <p>Retiree insurance limits reduce 25% of initial volume at age 66, 67 and finally at age 68. Final volume remains at 25% of initial volume for life.</p>			<p>The Government's share of the cost of the Basic insurance is an amount equal to 1/2 of the retiree's withholding (which means 1/3rd of the total premium). The current government share per 1,000 is \$ 0,0800 biweekly and \$ 0.1733 monthly. The employing office sends life insurance withholdings and contributions to OPM on the same date it pays its payroll. OPM credits the total amount reported for life insurance to the Employee's Life Insurance Fund.</p>



## DoD Nonappropriated Fund (NAF) Component Retirement Plan and FERS Policy Reference Chart

	Army	CNIC	NEXCOM	Marine Corps	Air Force	AAFES	FERS
<b>Post Retirement Benefit Eligibility</b>							
<b>Life Insurance Continued</b>							<p>The retiree's premium will cease the second month after age 65, unless the retiree elected one of the alternative reduction schedules. If the retiree elected the 50 percent reduction or no reduction schedule, the retiree will continue to have premium deductions.</p> <p>Retiree coverage reduces the second month after the retiree's 65th birthday, or the second month after retirement, whichever is later.</p>

## DoD Nonappropriated Fund (NAF) Component Retirement Plan and FERS Policy Reference Chart

Contact Information							
	Army	CNIC	NEXCOM	Marine Corps	Air Force	AAFES	FERS
<b>Policy</b>	HQ, Department of the Army Office of the Asst. G-1 (CP) Attn: DAPE-CPN, NAF HR Policy & Programs Division 6010 6th Street Building 1465 Mail Stop 5595 Fort Belvoir, VA 22060 (703) 806-3097 (DSN 656)	Commander Naval Installation Command 5720 Integrity Drive Millington, TN 38055-6530 (901) 874-6716 (DSN 882)	Navy Exchange Service Command Attn: Code H  3280 Virginia Beach Blvd Virginia Beach, VA 23452-5799 (757) 631-3543	HQMC, United States Marine Corps MRG, NAF Business Services and Support Division 3044 Catlin Ave. Quantico, VA 22134-5099 (703) 432-0421 (DSN 378)	Air Force Services Center NAF Policy & Installation Support Branch AFSVC/VIHR 2216 Hughes Avenue, Suite 156 JBSA Lackland AFB, TX 78236-9854 (210) 395-7656 (DSN 969)	Headquarters, Army and Air Force Exchange Service ATTN: HRSC-Portability P.O. Box 660202 Dallas, TX 75266-0202 214-312-6190 (DSN 967) portability@aafes.com	Benefits, Wage, & NAF Policy Directorate, Defense Civilian Personnel Advisory Service (DCPAS) 4800 Mark Center Drive, Suite 05G21 Alexandria, VA 22305-1100 (703) 882-5197  <a href="mailto:dodhra.mc-alex.dcpas.mbx.benefits-contacts@mail.mil">dodhra.mc-alex.dcpas.mbx.benefits-contacts@mail.mil</a>

## DoD Nonappropriated Fund (NAF) Component Retirement Plan and FERS Policy Reference Chart

Contact Information Continued							
	Army	CNIC	NEXCOM	Marine Corps	Air Force	AAFES	FERS
<b>Benefits</b>	HQ IMCOM G9 - NAF Personnel Services 2405 Gun Shed Rd., Bldg. 2261 Attn: Portability Benefits JBSA Fort Sam Houston, TX 78234 (210) 466-1635 (DSN 450)	Commander Naval Installation Command Morale, Welfare & Recreation 5720 Integrity Drive, Bldg. 457 Millington, TN 38055- 6540 (901) 874-2278 (Retirement/401K/ Portability) 901-874-4876 (Health/Life) (DSN 882)	Navy Exchange Service Command Attn: Code HB 3280 Virginia Beach Blvd Virginia Beach, VA 23452-5799 (757) 631-3543	Headquarters, U.S. Marine Corps MRG, NAF Business Services and Support Division 3044 Catlin Avenue Quantico, VA 22134- 5099 (703) 432-0418 (DSN 378)	Air Force Services Center NAF Benefits and Insurance Branch AFSVC/VIHB 2216 Hughes Avenue, Suite 156 JBSA Lackland AFB, TX 78236-9854 (210) 395-7438 (DSN 969)	Headquarters, Army and Air Force Exchange Service ATTN: FA-T (Benefits) P. O. Box 650428 Dallas TX 75265-0428 1-800-519-3381	Benefits, Wage, & NAF Policy Directorate, Defense Civilian Personnel Advisory Service (DCPAS) 4800 Mark Center Drive, Suite 05G21 Alexandria, VA 22350-1100 (703) 882-5197 <a href="mailto:dodhra.mc-alex.dcpas.mbx.benefits@mail.mil">dodhra.mc-alex.dcpas.mbx.benefits@mail.mil</a>
<b>Payroll</b>	Defense Financial Accounting Services, Texarkana NAF Financial Services P.O. Box 6111 Texarkana, TX 75505- 6111 (903-334-1408) (DSN 829)	Commander Naval Installation Command 5720 Integrity Drive Millington, TN 38055- 6580 (901) 874-6919 (DSN 882)	Navy Exchange Service Command Attn: Code FC 3280 Virginia Beach Blvd Virginia Beach, VA 23452-5799 (757) 631-3652	Headquarters, U.S. Marine Corps MRG, NAF Business Services and Support Division 3044 Catlin Avenue Quantico, VA 22134- 5099 (703) 432-0423 (DSN 378)	Air Force Services Center Shared Service Center Expenditures Branch AFSVC/WISEP 2216 Hughes Avenue, Suite 156 JBSA Lackland AFB, TX 78236-9854 (210) 395-7535 (DSN 969)	Headquarters, Army and Air Force Exchange Service ATTN: HRSC- Portability P.O. Box 660202 Dallas, TX 75266- 0202 (214) 312-6190 (DSN 967) portability@aafes.com	DFAS-Indianapolis 8899 East 56 <sup>th</sup> Street Indianapolis, IN 46249-0875 Phone: 1-800-729- 3277 Email: <a href="https://corpweb1.dfas.mil/civpaywf/coversheet">https://corpweb1.dfas.mil/civpaywf/coversheet</a> Fax: 1-866-401-5849 *Employees to contact agency customer service representative first.