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**Attachment 2**

**Crediting Service with a DoD or Coast Guard NAF for CSRS or FERS  
Immediate Retirement Under Public Law 107-107**

***COMPUTING ANNUITY ESTIMATES WHEN NAF SERVICE IS USED TO QUALIFY FOR  
IMMEDIATE RETIREMENT UNDER SECTION 1132 OF PUBLIC LAW 107-107***

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**ATTACHMENT 2 -- COMPUTING ANNUITY ESTIMATES WHEN NAF SERVICE IS USED TO QUALIFY FOR IMMEDIATE RETIREMENT UNDER SECTION 1132 OF PUBLIC LAW 107-107**

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## **COMPUTING ANNUITY ESTIMATES WHEN NAF SERVICE IS USED TO QUALIFY FOR IMMEDIATE RETIREMENT UNDER SECTION 1132 OF PUBLIC LAW 107-107**

### ***Overview of Computation***

The annuity of an employee who elects to use NAF service to qualify for immediate retirement equals the present value of the deferred annuity that the employee would receive without credit for the NAF service. The present value of a deferred annuity can be viewed as a deferred annuity that is reduced because the employee is receiving it early.

To compute the present value of the deferred annuity, you must first compute the gross monthly rate of the deferred annuity after all appropriate reductions for age, survivor elections, and unpaid deposits and redeposits. Generally, you will be able to compute the deferred annuity rate using the computer software you typically use to compute annuity estimates. However, you may have to do a manual computation if:

- a CSRS employee or a FERS employee entitled to a CSRS component owes a CSRS deposit for non-deductions service performed before October 1, 1982, (a pre-10/1/82 deposit), or
- a CSRS employee or a FERS employee entitled to a CSRS component owes a CSRS redeposit for refunded service that ended before October 1, 1990 (a pre-10/1/90 redeposit).

When you apply the reductions for the pre-10/1/82 deposit and the pre-10/1/90 redeposit, you must be careful to use the deposit and redeposit balances owed as of the date the immediate annuity begins and not the date the deferred annuity would normally begin. If your computer software is unable to use the appropriate deposit and redeposit balances when computing the deferred annuity, you must compute the deferred annuity manually.

In computing the gross monthly rate of a FERS deferred annuity, compute the rate as though the deferred annuity would begin:

- on the first day of the month after the employee's 62<sup>nd</sup> birthday if the employee has less than 10 years of creditable non-NAF service;
- on the first day of the month after the day the employee reaches his or her minimum retirement age if the employee has at least 10 years of creditable non-NAF service, but less than 20 years;
- on the first day of the month after the employee's 60<sup>th</sup> birthday if the employee has 20 years or more of creditable non-NAF service and the employee's 60<sup>th</sup> birthday does not fall on the first day of the month; or
- on the employee's 60<sup>th</sup> birthday if the employee has 20 years or more of creditable non-NAF service and the employee's 60<sup>th</sup> birthday falls on the first day of the month.

Once you have established the gross monthly rate of the deferred annuity, you must multiply that rate by the present value factor corresponding to the employee's age on the date you determined the deferred annuity would begin. The result equals the present value of the deferred annuity as of the date the deferred annuity would begin. To determine the current present value of the deferred annuity (the present value as of the date the immediate annuity begins), you must use a discount factor. The discount factor is a factor derived from the assumed rate of investment return earned by the Civil Service Retirement and Disability Fund, and the amount of time (years and full months) between the date the immediate annuity begins

and the date you determined the deferred annuity would begin. When you apply the discount factor, you are in essence reducing the deferred annuity because the employee is receiving it early. To determine the current present value of the deferred annuity, simply multiply the present value of the deferred annuity as of the date the deferred annuity would begin by the appropriate discount factor. Then divide the result by the present value factor corresponding to the employee's age as of the date the immediate annuity begins to obtain the gross monthly rate payable to the retiring employee.

We can summarize this computation using the following formula:

$$\frac{(\text{Gross Monthly Deferred Annuity}) \times (\text{PVF-Deferred}) \times (\text{Discount Factor})}{(\text{PVF-Immediate})}$$

(*PVF-Deferred* equals the present value factor based on the employee's age on the date you determined the deferred annuity would begin. *PVF-Immediate* equals the present value factor based on the employee's age on the date the immediate annuity actually begins.)

To compute the rate of the survivor annuity, simply substitute the survivor rate you obtain from the deferred computation for the employee's gross monthly deferred annuity rate in the above formula. The other numbers stay the same.

### ***Present Value Factors and Discount Factors***

A present value factor is a factor calculated by OPM's actuary using generally accepted actuarial standards and on the basis of assumptions used by the Board of Actuaries of the Civil Service Retirement System. We've included charts showing the current present value factors for CSRS and FERS retirees in Attachment 6 of this Benefits Administration Letter.

(Please note, the present value factors in the attachment are the new set of factors that went into effect on October 1, 2002. These factors are subject to change and we always announce changes to these factors at least 3 months before the effective date of the change in the Federal Register. Whenever these factors change in the future, always use the factors in effect as of the date the immediate annuity begins to complete the computation.)

As noted above, the discount factor is a factor derived from the assumed rate of investment return earned by the Civil Service Retirement and Disability Fund, and the amount of time between the beginning dates of the immediate and deferred annuities. As of October 1, 2002, the rate of investment return on the Civil Service Retirement and Disability Fund is assumed to be 6.75 percent. We've included a chart showing the discount factors based on the 6.75 percent rate in Attachment 6.

### ***Preparing to Compute an Annuity Estimate for a CSRS or CSRS Offset Employee Who Elects to Use NAF Service to Qualify for Immediate Retirement***

We've included a worksheet that you can use to compute the annuity of a CSRS or CSRS Offset employee who elects to use NAF service to qualify for immediate retirement. (Remember that you must show this annuity rate in Part 1 of the NAF service credit election form.) Before

completing the worksheet, however, there are a few things that you should do to make the computation easier to complete.

First, you can compute an estimate of the deferred annuity without credit for NAF service using your annuity estimate software. You need to determine the gross monthly rate after all appropriate reductions for survivor elections and unpaid deposits and redeposits. You also need to determine the survivor annuity rate if the employee elects survivor benefits.

*If the employee owes a deposit for non-deduction service performed before October 1, 1982, or a redeposit for refunded service that ended before October 1, 1990, the appropriate reductions should be based on the deposit and/or redeposit balance(s) as of the date the immediate annuity actually begins. Before computing the deferred annuity, compute the appropriate deposit and redeposit balances as of the date the immediate annuity begins. If your annuity estimate software allows you to insert those balances into the deferred annuity computation, compute the monthly deferred annuity. If your annuity estimate software doesn't allow you to insert those balances and actually projects additional interest on those balances for the period of time between the date the immediate annuity begins and the date the deferred annuity would normally begin, compute the **annual** deferred annuity rate without any reductions using your annuity estimate software. You will then need to compute the monthly rate manually using Part A of the worksheet.*

In addition to the deferred annuity, deposit, and redeposit computations, you will need to find the present value factor corresponding to the employee's age on the date the immediate annuity begins and the present value factor for age 62 (the date the deferred annuity would normally begin).

Finally, you will need to compute the total years and full months between the date the immediate annuity begins and the date the deferred annuity would normally begin. Then you will need to find the discount factor corresponding to the years and full months you computed.

We've included a *Data Sheet* with the annuity computation worksheet. The Data Sheet gives you a place to store all the information you need to compute the employee's actual annuity benefit.

### ***Computing an Annuity Estimate for a CSRS or CSRS Offset Employee Who Elects to Use NAF Service to Qualify for Immediate Retirement***

You can use the *CSRS Annuity Computation Using NAF Service Creditable Under Section 1132 of Public Law 107-107 – Worksheet* to compute the annuity benefit payable to the employee as of the date the immediate annuity begins. If you need to manually compute the gross monthly rate of the deferred annuity, start with Part A of the worksheet. If you've already determined the gross monthly deferred annuity rate using your annuity estimate software, you can start with Part B of the worksheet.

The worksheet guides you through the computation. In Part A, you simply apply the appropriate reductions to the deferred basic annual annuity to determine the gross monthly deferred annuity. In Part B, using the gross monthly deferred annuity rate, you compute the present value of the deferred annuity as of the date the immediate annuity begins, and then you

establish the gross monthly rate payable to the employee. If the employee elects a survivor annuity, you also establish the gross monthly survivor rate.

We've included two sample computations, Sharon and Michelle, to illustrate how to complete the worksheet.

SHARON -- BACKGROUND INFORMATION

Date of Birth:	06-27-1944
Retirement Date:	11-30-2002 (Regular Optional)
Date Immediate Annuity Begins:	12-01-2002
Age at Date Immediate Annuity Begins:	58y 05m 05d
Service History:	02-07-1967 to 09-17-1970 (Military) 3y 7m 11d 11-11-1974 to 04-28-1979 (NAFI): 4y 5m 18d 10-13-1979 to 11-30-2002 (CSRS) 23y 1m 18d Sick Leave Credit: 1406 hours -- 0y 8m 3d
Total Service Used to Determine Eligibility for Immediate Optional Retirement:	31y 2m 17d (includes NAFI service)
Total Service Used to Compute Deferred Annuity:	26y 8m (does not include NAFI service or unused sick leave)
Deposit Balance for Pre-10/1/82 Non-deduction Service (as of 12/01/02):	\$ N/A
Redeposit Balance for Refunded Service Ending Before 10/1/90 (as of 12/01/02):	\$ N/A
Survivor Election	Maximum Survivor Annuity
Gross Monthly Deferred Annuity After Survivor Election Reduction:	\$1,607.00 (computed from annuity estimate software)
Gross Monthly Survivor Rate (Based on Deferred Annuity Computation)	\$968.00 (computed from annuity estimate software)
Age at Date Deferred Annuity Would Normally Begin:	62y (06-27-2006)
Years and Full Months Between Date Immediate Annuity Begins and Date Deferred Annuity Would Begin (the Employee's 62 <sup>nd</sup> Birthday)	3y 6m

**CSRS ANNUITY COMPUTATION USING NAF SERVICE CREDITABLE  
UNDER SECTION 1132 OF PUBLIC LAW 107-107**

**DATA SHEET**

(Data Needed for Computation)

**Sharon**

<b>I. Immediate Annuity Information</b> (using NAF service to qualify for immediate retirement)	
A. Date Annuity Begins:	12/01/2002
B. Employees Age on Date Annuity Begins:	58y 5m 5d
C. Present Value Factor Corresponding to Employee's Age on Date Annuity Begins (from CSRS Present Value Factor Chart):	197.2
D. Unpaid Deposit Balance for Pre-10/1/82 Non-deduction Service:	\$ N/A
E. Unpaid Redeposit Balance for Refunded Service Ending Before 10/1/90:	\$ N/A

<b>II. Deferred Annuity Information</b> (not including credit for NAF service)	
<p><i>If employee owes either a CSRS deposit for pre-10/1/82 non-deduction service or a redeposit for refunded service that ended before 10/1/90, the reductions to the deferred annuity for unpaid deposit and redeposit should be based on the deposit and redeposit balances shown in Line I-D and I-E above. If your annuity estimate software can compute the monthly deferred annuity using the appropriate deposit/redeposit balances, use your software to compute the monthly annuity rate and survivor rate. Skip Line II-A and enter the monthly annuity rate and survivor rate in Lines II-B and II-C. If your annuity estimate software adds additional interest to the deposit and redeposit balances before computing the monthly deferred annuity rate, enter the Basic Annual Annuity (before any reductions) your annuity estimate software produces in Line II-A and skip Lines II-B and II-C. You will need to compute the monthly deferred annuity and survivor annuity manually in Part A of the NAF annuity estimate worksheet. If the deposit and redeposit balances in Line I-D and I-E above are both \$0.00, skip Line A and enter the deferred monthly annuity rate and survivor rate computed on your annuity estimate software in Lines II-B and II-C.</i></p>	
A. Basic Annual Annuity Before Any Reductions	\$ ----
B. Gross Monthly Annuity Rate (after all appropriate reductions)	\$ 1,607.00
C. Gross Monthly Annuity Survivor Rate (if applicable)	\$ 968.00
D. Present Value Factor Corresponding to Age 62 (from CSRS Present Value Factor Chart)	177.9
E. Total Years and Full Months Between Date Immediate Annuity Begins and Date Deferred Annuity Would Normally Begin (62 <sup>nd</sup> Birthday):	3y 6m
F. Discount Factor Corresponding to Total Years and Full Months Between the Date the Immediate Annuity Begins and the Date the Deferred Annuity Would Normally Begin (from Discount Factors Chart):	.795632

**Note, if you entered the gross monthly annuity rates on lines II-B and II-C above, skip Part A of the CSRS Annuity Computation Using NAF Service worksheet and begin at Part B.**



## MICHELLE -- BACKGROUND INFORMATION

Date of Birth:	10-24-1956
Retirement Date:	11-30-2002 (Early Optional)
Date Immediate Annuity Begins:	12-01-2002
Age at Date Immediate Annuity Begins:	46y 01m 07d
Service History:	06-10-1975 to 06-09-1976 (Non-deduction) 1y 0m 0d 06-10-1976 to 06-09-1977 (Refunded) 1y 0m 0d 07-01-1977 to 09-30-1983 (NAFI): 6y 3m 0d 10-11-1983 to 11-30-2002 (CSRS) 19y 1m 20d Sick Leave Credit: 1406 hours -- 0y 8m 3d
Total Service Used to Determine Eligibility for Immediate (Early Optional) Retirement:	27y 4m 20d (includes NAFI service)
Deposit Balance for Pre-10/1/82 Non-deduction Service (as of 12/01/02):	\$2,195.00 (computed from annuity estimate software)
Redeposit Balance for Refunded Service that Ended Before 10/1/90 (as of 12/01/02):	\$2,329.00 (computed from annuity estimate software)
High-3 Average Salary:	\$65,000 (computed from annuity estimate software)
Survivor Election	Maximum Survivor Election
Total Service Used to Compute a Deferred Annuity:	21y 1m (does not include NAFI service or unused sick leave)
Age at Date Deferred Annuity Would Normally Begin:	62y (10-24-2018)
Basic Annual Deferred Annuity before any Reductions:	\$24,970.86 (computed from annuity estimate software)
Years and Full Months Between Date Immediate Annuity Begins and Date Deferred Annuity Would Begin (the Employee's 62 <sup>nd</sup> Birthday)	15y 10m

**CSRS ANNUITY COMPUTATION USING NAF SERVICE CREDITABLE  
UNDER SECTION 1132 OF PUBLIC LAW 107-107  
DATA SHEET  
(Data Needed for Computation)  
Michelle**

<b>I. Immediate Annuity Information</b> (using NAF service to qualify for immediate retirement)	
A. Date Annuity Begins:	12/01/02
B. Employees Age on Date Annuity Begins:	46y 1m 7d
C. Present Value Factor Corresponding to Employee's Age on Date Annuity Begins <i>(from CSRS Present Value Factor Chart)</i> :	254.0
D. Unpaid Deposit Balance for Pre-10/1/82 Non-deduction Service:	\$ 2,195.00
E. Unpaid Redeposit Balance for Refunded Service Ending Before 10/1/90:	\$ 2,329.00

<b>II. Deferred Annuity Information</b> (not including credit for NAF service)	
<p><i>If employee owes either a CSRS deposit for pre-10/1/82 non-deduction service or a redeposit for refunded service that ended before 10/1/90, the reductions to the deferred annuity for unpaid deposit and redeposit should be based on the deposit and redeposit balances shown in Line I-D and I-E above. If your annuity estimate software can compute the monthly deferred annuity using the appropriate deposit/redeposit balances, use your software to compute the monthly annuity rate and survivor rate. Skip Line II-A and enter the monthly annuity rate and survivor rate in Lines II-B and II-C. If your annuity estimate software adds additional interest to the deposit and redeposit balances before computing the monthly deferred annuity rate, enter the Basic Annual Annuity (before any reductions) your annuity estimate software produces in Line II-A and skip Lines II-B and II-C. You will need to compute the monthly deferred annuity and survivor annuity manually in Part A of the NAF annuity estimate worksheet. If the deposit and redeposit balances in Line I-D and I-E above are both \$0.00, skip Line A and enter the deferred monthly annuity rate and survivor rate computed on your annuity estimate software in Lines II-B and II-C.</i></p>	
A. Basic Annual Annuity Before Any Reductions	\$ 24,970.86
B. Gross Monthly Annuity Rate <i>(after all appropriate reductions)</i>	\$ ----
C. Gross Monthly Annuity Survivor Rate <i>(if applicable)</i>	\$ ----
D. Present Value Factor Corresponding to Age 62 <i>(from CSRS Present Value Factor Chart)</i>	177.9
E. Total Years and Full Months Between Date Immediate Annuity Begins and Date Deferred Annuity Would Normally Begin (62 <sup>nd</sup> Birthday):	15y 10m
F. Discount Factor Corresponding to Total Years and Full Months Between the Date the Immediate Annuity Begins and the Date the Deferred Annuity Would Normally Begin <i>(from Discount Factors Chart)</i> :	.355502

**Note, if you entered the gross monthly annuity rates on lines II-B and II-C above, skip Part A of the CSRS Annuity Computation Using NAF Service worksheet and begin at Part B.**

**CSRS ANNUITY COMPUTATION USING NAF SERVICE CREDITABLE UNDER  
SECTION 1132 OF PUBLIC LAW 107-107 -- WORKSHEET**

Michelle

<b>Part A: Computing the Gross Monthly Deferred Annuity Without Credit for NAF Service</b>		
1.	Deferred Basic Annual Annuity <i>(Before Any Reductions - from Line II-A of Data Sheet)</i>	\$ 24,970.86
2.	Unpaid Deposit Reduction <i>(10% of Unpaid Deposit Balance on Line I-D of Data Sheet:)</i>	- \$ 219.50
3.	Annuity Reduced for Unpaid Deposit <i>(Line 1 minus Line 2)</i>	\$ 24,751.36
4.	Reduction for Survivor Election <ul style="list-style-type: none"> <li>▪ Survivor Base: <u>\$24,751.36</u></li> <li>▪ Minus: <u>\$3,600.00</u> X .025 = <u>\$90.00</u></li> <li>▪ Base &gt; \$3,600 <u>\$21,151.36</u> X .10 = <u>+ \$2,115.14</u></li> </ul> <p align="right">Total Reduction <span style="font-size: 2em;">⇒</span></p>	\$ 2,205.14
5.	Annuity Reduced for Survivor Election <i>(Line 3 minus Line 4)</i>	\$ 22,546.22
6.	Gross Monthly Annuity <i>(Divide Line 5 by 12 and round to lower dollar):</i>	\$ 1,878.00
7.	Reduction for Unpaid Redeposit $\frac{\$ 2,329.00}{\text{Unpaid Redeposit from Line I-E of Data Sheet}} \div \frac{177.9}{\text{Present Value Factor for Age 62 from Line II-D of Data Sheet}} =$	\$ 14.00 <i>(Round to Higher Dollar)</i>
8.	Gross Monthly Annuity After Reduction for Unpaid Redeposit <i>(Line 6 minus Line 7)</i>	\$ 1,864.00
<b>Survivor Rate</b>		
9.	Survivor Base <i>(from Line 4)</i>	\$ 24,751.36
	Times 55%	X 55%
10.	Annual Survivor Benefit: <i>(Line 9 x 55% - round to nearer penny)</i>	\$ 13,613.25
11.	Monthly Survivor Benefit <i>(divide amount in Line 10 by 12 and round to lower dollar)</i>	\$ 1,134.00
<b>Part B: Immediate Annuity Computation (Present Value of Deferred Annuity)</b>		
12.	Deferred Gross Monthly Annuity Rate <i>(from Line 8 or Line II-B of Data Sheet)</i>	\$ 1,864.00
13.	Present Value Factor for Age 62 <i>(from Line II-D of Data Sheet)</i>	X 177.9
14.	Discount Factor Corresponding to the time between the dates the immediate and deferred annuities begin <i>(from Line II-F of Data Sheet)</i>	X .355502
15.	Present Value of Deferred Annuity <i>(Line 12 x Line 13 x Line 14, round to nearer penny)</i>	\$ 117,886.45
16.	Present Value Factor Based on Employee's current age <i>(from Line I-C of data sheet)</i>	÷ 254.0
17.	Gross monthly annuity reduced for NAF service <i>(divide Line 15 by Line 16 and round to lower dollar)</i>	\$ 464.00
<b>Survivor Annuity Computation:</b>		
18.	Gross Monthly Survivor Base <i>(from Line 11 or Line II-C of Data Sheet)</i>	\$ 1,134.00
19.	Present Value Factor for Age 62 <i>(from Line II-D of Data Sheet)</i>	X 177.9
20.	Discount Factor Corresponding to the time between the dates the immediate and deferred annuities begin <i>(from Line II-F of Data Sheet)</i>	X .355502
21.	Present Value of Survivor Annuity <i>(Line 18 x Line 19 x Line 20, round to nearer penny)</i>	\$ 71,718.48
22.	Present Value Factor Based on Employee's current age <i>(from Line I-C of data sheet)</i>	÷ 254.0
23.	Gross monthly survivor annuity reduced for NAF service <i>(divide Line 21 by Line 22 and round to lower dollar)</i>	\$ 282.00

***Preparing to Compute an Annuity Estimate for a FERS Employee (With No CSRS Component) Who Elects to Use NAF Service to Qualify for Immediate Retirement***

We've included a worksheet that you can use to compute the annuity of a FERS employee (with no CSRS component) who elects to use NAF service to qualify for immediate retirement. (Remember that you must show this annuity rate in Part 1 of the NAF service credit election form.) Before completing the worksheet, however, there are a few things that you should do to make the computation easier to complete.

First, you can compute an estimate of the deferred annuity without credit for NAF service using your annuity estimate software. You need to determine the gross monthly rate after all appropriate reductions for age and survivor elections. You also need to determine the survivor annuity rate if the employee elects survivor benefits. If the employee has more than 5 but less than 10 years of creditable non-NAF service, compute the deferred annuity assuming it would begin on the first of the month after the employee's 62<sup>nd</sup> birthday. (If the employee's 62<sup>nd</sup> birthday is on the first of the month, assume the deferred annuity would begin on the employee's 62<sup>nd</sup> birthday.) If the employee has at least 10 but less than 20 years of creditable non-NAF service, compute the deferred annuity assuming it would begin on the first day of the month after the employee reaches his or her minimum retirement age (MRA). (If the employee reaches the MRA on the first of the month, assume the deferred annuity would begin on the day the employee reaches the MRA.) If the employee has at least 20 years of creditable non-NAF service, compute the deferred annuity assuming it would begin on the first day of the month after the employee's 60<sup>th</sup> birthday. (If the employee's 60<sup>th</sup> birthday is on the first of the month, assume the deferred annuity would begin on the employee's 60<sup>th</sup> birthday.)

In addition to the deferred annuity computation, you will need to find the present value factor corresponding to the employee's age on the date the immediate annuity begins and the present value factor corresponding to the employee's age as of the date that you are using to compute the deferred annuity (that is, as of the date you are assuming the deferred annuity would begin).

Finally, you will need to compute the total years and full months between the date the immediate annuity begins and the date you are using to compute the deferred annuity. Then you will need to find the discount factor corresponding to the years and months you computed.

We've included a *Data Sheet* with the annuity computation worksheet. The Data Sheet gives you a place to store all the information you need to compute the employee's actual annuity benefit.

***Computing an Annuity Estimate for a FERS Employee (With No CSRS Component) Who Elects to Use NAF Service to Qualify for Immediate Retirement***

You can use the *FERS Annuity Computation Using NAF Service Creditable Under Section 1132 of Public Law 107-107 Worksheet – No CSRS Component* to compute the annuity benefit payable to the employee as of the date the immediate annuity begins. In the first part of the worksheet, using the gross monthly deferred annuity rate, you compute the present value of the deferred annuity as of the date the immediate annuity begins, and then you establish the gross monthly rate payable to the employee. In the bottom part of the worksheet, you establish the gross monthly survivor rate (provided the employee elects a survivor annuity).

We've included three sample computations, Lisa, Kelly, and Vanessa to illustrate how to complete the worksheet.

**Lisa -- Background Information  
FERS – No CSRS Component**

Date of Birth:	08-01-1951 <i>(Minimum Retirement Age (MRA) = 55y 8m)</i>
Retirement Date:	12-14-2002 (Discontinued Service)
Date Immediate Annuity Begins:	12-15-2002
Age at Date Immediate Annuity Begins:	51y 04m 14d
Service History:	05-23-1971 to 09-23-1979 (NAFI) 8y 4m 1d 06-06-1987 to 12-14-2002 (FERS) 15y 6m 9d
Total Service Used to Determine Eligibility for Immediate (Discontinued Service) Retirement:	23y 10m 10d (includes NAFI service)
Survivor Election	Maximum Election
Total Service Used to Compute a Deferred Annuity:	15y 6m (does not include NAFI service)
Date Used to Compute the Deferred Annuity:	04-01-2007 (MRA)
Age at Date Used to Compute Deferred Annuity:	55y 8m 1d
Gross Monthly Deferred Annuity (without NAF credit):	\$454.00 (computed from annuity estimate software)
Gross Monthly Survivor Rate Based From Deferred Computation:	\$252.00 (computed from annuity estimate software)
Years and Full Months Between Commencing Date of Immediate Annuity and Date Used to Compute Deferred Annuity:	4y 3m

**FERS ANNUITY COMPUTATION USING NAF SERVICE CREDITABLE  
UNDER SECTION 1132 OF PUBLIC LAW 107-107**

**DATA SHEET**

(Data Needed for Computation -- No CSRS Component)

**Lisa**

<b>I. Immediate Annuity Information</b> (using NAF service to qualify for immediate retirement)	
A. Date Annuity Begins:	12/15/2002
B. Employee's Age as of Date Annuity Begins:	51y 4m 14d
C. Present Value Factor Corresponding to Employee's Age as of Date Annuity Begins <i>(from FERS Present Value Factor Chart)</i>	168.2

<b>II. Deferred Annuity Information</b> (excluding credit for NAF service)	
A. Gross Monthly Annuity Rate <i>(after reduction for age and survivor election, if applicable):</i>	\$454.00
B. Gross Monthly Survivor Annuity Rate <i>(if applicable):</i>	\$252.00
C. Date Used to Compute the Deferred Annuity <i>(Use the earliest date the deferred annuity could begin unless the employee has at least 20 years of creditable non-NAF service, then use the first of the month after the employee's 60<sup>th</sup> birthday):</i>	04/01/2007
D. Employee's Age as of the Date Used to Compute the Deferred Annuity:	55y 8m 1d
E. Present Value Factor Corresponding to Employee's Age as of the Date Used to Compute the Deferred Annuity <i>(from FERS Present Value Factor Chart):</i>	167.0
F. Total Years and Full Months Between Date Immediate Annuity Begins and Date Used to Compute the Deferred Annuity:	4y 3m
G. Discount Factor Corresponding to Total Years and Full Months Between the Date the Immediate Annuity Begins and the Date Used to Compute the Deferred Annuity <i>(from Discount Factors Chart):</i>	.757594

**FERS ANNUITY COMPUTATION USING NAF SERVICE CREDITABLE  
UNDER SECTION 1132 OF PUBLIC LAW 107-107  
WORKSHEET -- NO CSRS COMPONENT**

Lisa

Immediate Annuity Computation <i>(Equals the Present Value of the Deferred Annuity)</i>		
1.	Deferred Monthly Annuity Rate <i>(From Line II-A of Data Sheet)</i>	\$ 454.00
2.	Present Value Factor Corresponding to Employee's Age as of the Date Used to Compute the Deferred Annuity <i>(from Line II-E of Data Sheet)</i>	X 167.0
3.	Discount Factor Corresponding to the Time Between the Beginning Date of the Immediate Annuity and the Date Used to Compute the Deferred Annuity <i>(from Line II-G of Data Sheet)</i>	X .757594
4.	Present Value of Deferred Annuity <i>(Line 1 x Line 2 x Line 3, round to nearer penny)</i>	\$ 57,439.26
5.	Present Value Factor Based on Employee's current age <i>(from Line I-C of data sheet)</i>	÷ 168.2
6.	Gross Monthly Annuity Reduced for NAF Service <i>(divide Line 4 by Line 5 and round to lower dollar)</i>	\$ 341.00
Survivor Annuity Computation:		
7.	Gross Monthly Survivor Annuity <i>(from line II-B of Data Sheet)</i>	\$ 252.00
8.	Present Value Factor Corresponding to Employee's Age as of the Date Used to Compute the Deferred Annuity <i>(from Line II-E of Data Sheet)</i>	X 167.0
9.	Discount Factor Corresponding to the Time Between the Beginning Date of the Immediate Annuity and the Date Used to Compute the Deferred Annuity <i>(from Line II-G of Data Sheet)</i>	X .757594
10.	Present Value of Survivor Annuity <i>(Line 7 x Line 8 x Line 9, round to nearer penny)</i>	\$ 31,882.59
11.	Present Value Factor Based on Employee's current age <i>(from Line I-C of data sheet)</i>	÷ 168.2
12.	Gross Monthly Survivor Annuity Reduced for NAF Service <i>(divide Line 10 by Line 11 and round to lower dollar)</i>	\$ 189.00

**KELLY -- BACKGROUND INFORMATION**  
**FERS – No CSRS Component**

Date of Birth:	04-29-1947
Retirement Date:	12-31-2002 (MRA+30 Regular Optional)
Date Immediate Annuity Begins:	01-01-2003
Age at Date Immediate Annuity Begins:	55y 08m 2d
Service History:	02-23-1970 to 09-11-1991 (NAFI) 21y 6m 19d 09-05-1993 to 12-31-2002 (FERS) 9y 4m 26d
Total Service Used to Determine Eligibility for Immediate (MRA+30) Retirement:	30y 11m 15d (includes NAFI service)
Survivor Election	Partial Election
Total Service Used to Compute a Deferred Annuity:	9y 4m (does not include NAFI service)
Date Used to Compute the Deferred Annuity:	05-01-2009 (first day of the month after the employee's 62 <sup>nd</sup> birthday)
Age at Date Used to Compute Deferred Annuity:	62y 0m 2d
Gross Monthly Deferred Annuity (without NAF credit):	\$366.00 (computed from annuity estimate software)
Gross Monthly Survivor Rate based on Deferred Computation	\$96.00 (computed from annuity estimate software)
Years and Full Months Between Commencing Date of Immediate Annuity and Date Used to Compute Deferred Annuity:	6y 4m

**FERS ANNUITY COMPUTATION USING NAF SERVICE CREDITABLE  
UNDER SECTION 1132 OF PUBLIC LAW 107-107  
DATA SHEET**

(Data Needed for Computation -- No CSRS Component)

**Kelly**

<b>I. Immediate Annuity Information</b> (using NAF service to qualify for immediate retirement)	
A. Date Annuity Begins:	01/01/2003
B. Employee's Age as of Date Annuity Begins:	55y 8m 2d
C. Present Value Factor Corresponding to Employee's Age as of Date Annuity Begins <i>(from FERS Present Value Factor Chart)</i>	167.0

<b>II. Deferred Annuity Information</b> (excluding credit for NAF service)	
A. Gross Monthly Annuity Rate <i>(after reduction for age and survivor election, if applicable)</i> :	\$ 366.00
B. Gross Monthly Survivor Annuity Rate <i>(if applicable)</i> :	\$ 96.00
C. Date Used to Compute the Deferred Annuity <i>(Use the earliest date the deferred annuity could begin unless the employee has at least 20 years of creditable non-NAF service, then use the first of the month after the employee's 60<sup>th</sup> birthday)</i> :	05-01-2009
D. Employee's Age as of the Date Used to Compute the Deferred Annuity:	62y 0m 2d
E. Present Value Factor Corresponding to Employee's Age as of the Date Used to Compute the Deferred Annuity <i>(from FERS Present Value Factor Chart)</i> :	165.6
F. Total Years and Full Months Between Date Immediate Annuity Begins and Date Used to Compute the Deferred Annuity:	6y 4m
G. Discount Factor Corresponding to Total Years and Full Months Between the Date the Immediate Annuity Begins and the Date Used to Compute the Deferred Annuity <i>(from Discount Factors Chart)</i> :	.661206

**FERS ANNUITY COMPUTATION USING NAF SERVICE CREDITABLE UNDER SECTION  
1132 OF PUBLIC LAW 107-107  
WORKSHEET -- NO CSRS COMPONENT**

**Kelly**

Immediate Annuity Computation <i>(Equals the Present Value of the Deferred Annuity)</i>		
1.	Deferred Monthly Annuity Rate <i>(From Line II-A of Data Sheet)</i>	\$ 366.00
2.	Present Value Factor Corresponding to Employee's Age as of Date Used to Compute the Deferred Annuity <i>(from Line II-E of Data Sheet)</i>	X 165.6
3.	Discount Factor Corresponding to the Time Between the Beginning Date of the Immediate Annuity and the Date Used to Compute the Deferred Annuity <i>(from Line II-G of Data Sheet)</i>	X .661206
4.	Present Value of Deferred Annuity <i>(Line 1 x Line 2 x Line 3, round to nearer penny)</i>	\$ 40,075.43
5.	Present Value Factor Based on Employee's Current Age <i>(from Line I-C of data sheet)</i>	÷ 167.0
6.	Gross Monthly Annuity Reduced for NAF Service <i>(divide Line 4 by Line 5 and round to lower dollar)</i>	\$ 239.00
Survivor Annuity Computation:		
7.	Gross Monthly Survivor Annuity <i>(from line II-B of Data Sheet)</i>	\$ 96.00
8.	Present Value Factor Corresponding to Employee's Age as of Date Used to Compute the Deferred Annuity <i>(from Line II-E of Data Sheet)</i>	X 165.6
9.	Discount Factor Corresponding to the Time Between the Beginning Date of the Immediate Annuity and the Date Used to Compute the Deferred Annuity <i>(from Line II-G of Data Sheet)</i>	X .661206
10.	Present Value of Survivor Annuity <i>(Line 7 x Line 8 x Line 9, round to nearer penny)</i>	\$ 10,511.59
11.	Present Value Factor Based on Employee's current age <i>(from Line I-C of data sheet)</i>	÷ 167.0
12.	Gross Monthly Survivor Annuity Reduced for NAF Service <i>(divide Line 10 by Line 11 and round to lower dollar)</i>	\$ 62.00

**VANESSA -- BACKGROUND INFORMATION**  
**FERS – No CSRS Component**

Date of Birth:	10-24-1953
Retirement Date:	12-31-2002 (Discontinued Service Retirement)
Date Immediate Annuity Begins:	01-01-2003
Age at Date Immediate Annuity Begins:	49y 02m 08d
Service History:	04-05-1975 to 10-12-1982 (NAFI) 6y 6m 8d 10-03-1982 to 10-02-1984 (FICA) 2y 0m 0d 10-03-1984 to 12-31-1986 (CSRS&FICA) 2y 2m 28d 01-01-1987 to 12-31-2002 (FERS) 16y 0m 0d
FERS Deposit for Non-Deduction (FICA) Service:	Deposit Paid in Full
Total Service Used to Determine Eligibility for Immediate (Discontinued Service) Retirement:	26y 9m 6d (includes NAFI service)
Survivor Election	Full Survivor Benefit
Total Service Used to Compute a Deferred Annuity:	20y 2m (does not include NAFI service)
Date Used to Compute the Deferred Annuity:	11-01-2013 (first day of month after employee's 60 <sup>th</sup> birthday)
Age at Date Used to Compute Deferred Annuity:	60y 0m 8d
Gross Monthly Deferred Annuity (without NAF credit):	\$1,077.00 (computed from annuity estimate software)
Gross Monthly Survivor Rate based on Deferred Computation	\$598.00 (computed from annuity estimate software)
Years and Full Months Between Commencing Date of Immediate Annuity and Date Used to Compute Deferred Annuity:	10y 10m

**FERS ANNUITY COMPUTATION USING NAF SERVICE CREDITABLE  
UNDER SECTION 1132 OF PUBLIC LAW 107-107  
DATA SHEET**

(Data Needed for Computation -- No CSRS Component)

**Vanessa**

<b>I. Immediate Annuity Information</b> (using NAF service to qualify for immediate retirement)	
A. Date Annuity Begins:	01/01/2003
B. Employee's Age as of Date Annuity Begins:	49y 2m 8d
C. Present Value Factor Corresponding to Employee's Age as of Date Annuity Begins <i>(from FERS Present Value Factor Chart)</i>	169.8

<b>II. Deferred Annuity Information</b> (excluding credit for NAF service)	
A. Gross Monthly Annuity Rate <i>(after reduction for age and survivor election, if applicable)</i> :	\$ 1,077.00
B. Gross Monthly Survivor Annuity Rate <i>(if applicable)</i> :	\$ 598.00
C. Date Used to Compute the Deferred Annuity <i>(Use the earliest date the deferred annuity could begin unless the employee has at least 20 years of creditable non-NAF service, then use the first of the month after the employee's 60<sup>th</sup> birthday)</i> :	11-01-2013
D. Employee's Age as of the Date Used to Compute the Deferred Annuity:	60y 0m 8d
E. Present Value Factor Corresponding to Employee's Age as of the Date Used to Compute the Deferred Annuity <i>(from FERS Present Value Factor Chart)</i> :	167.3
F. Total Years and Full Months Between Date Immediate Annuity Begins and Date Used to Compute the Deferred Annuity:	10y 10m
G. Discount Factor Corresponding to Total Years and Full Months Between the Date the Immediate Annuity Begins and the Date Used to Compute the Deferred Annuity <i>(from Discount Factors Chart)</i> :	.492812

**FERS ANNUITY COMPUTATION USING NAF SERVICE CREDITABLE UNDER SECTION  
1132 OF PUBLIC LAW 107-107  
WORKSHEET -- NO CSRS COMPONENT**

**Vanessa**

Immediate Annuity Computation <i>(Equals the Present Value of the Deferred Annuity)</i>		
1.	Deferred Monthly Annuity Rate <i>(From Line II-A of Data Sheet)</i>	\$ 1,077.00
2.	Present Value Factor Corresponding to Employee's Age as of Date Used to Compute the Deferred Annuity <i>(from Line II-E of Data Sheet)</i>	X 167.3
3.	Discount Factor Corresponding to the Time Between the Beginning Date of the Immediate Annuity and the Date Used to Compute the Deferred Annuity <i>(from Line II-G of Data Sheet)</i>	X .492812
4.	Present Value of Deferred Annuity <i>(Line 1 x Line 2 x Line 3, round to nearer penny)</i>	\$ 88,795.90
5.	Present Value Factor Based on Employee's Current Age <i>(from Line I-C of data sheet)</i>	÷ 169.8
6.	Gross Monthly Annuity Reduced for NAF Service <i>(divide Line 4 by Line 5 and round to lower dollar)</i>	\$ 522.00
Survivor Annuity Computation:		
7.	Gross Monthly Survivor Annuity <i>(from line II-B of Data Sheet)</i>	\$ 598.00
8.	Present Value Factor Corresponding to Employee's Age as of Date Used to Compute the Deferred Annuity <i>(from Line II-E of Data Sheet)</i>	X 167.3
9.	Discount Factor Corresponding to the Time Between the Beginning Date of the Immediate Annuity and the Date Used to Compute the Deferred Annuity <i>(from Line II-G of Data Sheet)</i>	X .492812
10.	Present Value of Survivor Annuity <i>(Line 7 x Line 8 x Line 9, round to nearer penny)</i>	\$ 49,303.57
11.	Present Value Factor Based on Employee's current age <i>(from Line I-C of data sheet)</i>	÷ 169.8
12.	Gross Monthly Survivor Annuity Reduced for NAF Service <i>(divide Line 10 by Line 11 and round to lower dollar)</i>	\$ 290.00

**Preparing to Compute an Annuity Estimate for a FERS Employee (With a CSRS Component) Who Elects to Use NAF Service to Qualify for Immediate**

We've included a worksheet that you can use to compute the annuity of a FERS employee (with a CSRS Component) who elects to use NAF service to qualify for immediate retirement. (Remember that you must show this annuity rate in Part 1 of the NAF service credit election form.) Before completing the worksheet, however, there are a few things that you should do to make the computation easier to complete.

First, you can compute an estimate of the deferred annuity without credit for NAF service using your annuity estimate software. You need to determine the gross monthly rate after all appropriate reductions for age, survivor elections, and CSRS deposits and redeposits. You need to know the monthly rate of each component. You also need to determine the survivor annuity rate if the employee elects survivor benefits. (The survivor rate does not have a CSRS component.) If the employee has more than 5 but less than 10 years of creditable non-NAF service, compute the deferred annuity assuming it would begin on the first of the month after the employee's 62<sup>nd</sup> birthday. (If the employee's 62<sup>nd</sup> birthday is on the first of the month, assume the deferred annuity would begin on the employee's 62<sup>nd</sup> birthday.) If the employee has at least 10 but less than 20 years of creditable non-NAF service, compute the deferred annuity assuming it would begin on the first day of the month after the employee reaches his or her minimum retirement age (MRA). (If the employee reaches the MRA on the first of the month, assume the deferred annuity would begin on the day the employee reaches the MRA.) If the employee has at least 20 years of creditable non-NAF service, compute the deferred annuity assuming it would begin on the first day of the month after the employee's 60<sup>th</sup> birthday. (If the employee's 60<sup>th</sup> birthday is on the first of the month, compute the deferred annuity assuming it would begin on the employee's 60<sup>th</sup> birthday.)

*If the employee owes a CSRS deposit for non-deduction service performed before October 1, 1982, or a CSRS redeposit for refunded service that ended before October 1, 1990, the appropriate reductions should be based on the deposit and/or redeposit balance(s) as of the date the immediate annuity actually begins. Before computing the deferred annuity, compute the appropriate deposit and redeposit balances as of the date the immediate annuity begins. If your annuity estimate software allows you to insert those balances into the deferred annuity computation, compute the monthly deferred annuity. If your annuity estimate software doesn't allow you to insert those balances and actually projects additional interest on those balances for the period of time between the date the immediate annuity begins and the date you use to compute the deferred annuity, you will need to compute the annuity rate manually using the Part A of the worksheet. You will need to know the high-3 average salary, the CSRS retirement factor that corresponds to the amount of creditable CSRS component service, the FERS retirement factor that corresponds to the amount of creditable FERS component service, and if applicable, the MRA+10 reduction factor. We've included the various charts you might need in Attachment 6.*

In addition to the deferred annuity computation, you will need to find the present value factors corresponding to the employee's age on the date the immediate annuity begins and the present value factors corresponding to the employee's age as of the date that you are using to compute the deferred annuity (that is, as of the date you are assuming the deferred annuity would begin).

You will need to find the CSRS present value factor and the FERS present value factor for each age.

Finally, you will need to compute the total years and full months between the date the immediate annuity begins and the date the deferred annuity could begin. Then you will need to find the discount factor corresponding to the years and months you computed.

We've included a *Data Sheet* with the annuity computation worksheet. The Data Sheet gives you a place to store all the information you need to compute the employee's actual annuity benefit.

### ***Computing an Annuity Estimate for a FERS Employee (With A CSRS Component) Who Elects to Use NAF Service to Qualify for Immediate Retirement***

You can use the *FERS Annuity Computation Using NAF Service Creditable Under Section 1132 of Public Law 107-107 Worksheet – FERS Annuity With CSRS Component* to compute the annuity benefit payable to the employee as of the date the immediate annuity begins. If you need to manually compute the gross monthly rate of the deferred annuity, start with Part A of the worksheet. If you've already determined the gross monthly deferred annuity rate using your annuity estimate software, you can start with Part B of the worksheet.

The worksheet guides you through the computation. In Part A, you begin by computing each component separately using the information you've collected on the Data Sheet. You will then combine the benefits and complete the computation. In Part B, using the gross monthly deferred CSRS component rate and FERS component rate, you compute the present value of each component as of the date the immediate annuity begins, and then you establish the gross monthly rate of each component that is payable to the employee. In Part C, you establish the gross monthly survivor rate (provided the employee elects a survivor annuity).

We've included three sample computations, Tom, Mary Ann, and Lee, to illustrate how to complete the worksheet.

## TOM -- BACKGROUND INFORMATION

Date of Birth:	10-16-1948 <i>(Minimum Retirement Age (MRA) = 55y 2m)</i>
Retirement Date:	10-31-2002 (Early Optional)
Annuity Commencing Date:	11-01-2002
Age at Commencing Date:	54y 0m 16d
Service History:	09-24-1972 to 12-08-1982 (CSRS): 10y 2m 15d 02-23-1986 to 08-24-1992 (NAF): 6y 6m 2d 10-30-1995 to 10-31-2002 (Offset/FERS) 7y 0m 1d
Total Service Used to Determine Eligibility for Immediate (Early Optional) Retirement:	23y 8m 18d (includes NAFI service)
Total Service Used to Compute a Deferred Annuity:	CSRS Component: 10y 2m (not including NAF service) FERS Component: 7y 0m (not including NAF service)
Survivor Election	Maximum Election
Date Used to Compute Deferred Annuity:	01-01-2004 <i>(first of month after reaching MRA)</i>
Age at Date Used to Compute Deferred Annuity:	55y 2m 16d
Gross Monthly Deferred Annuity After Appropriate Reductions:	CSRS Component: \$535.00 <i>(from annuity estimate software)</i> FERS Component: \$226.00 <i>(from annuity estimate software)</i>
Gross Monthly Survivor Rate	\$423.00 <i>(from annuity estimate software)</i>
Years and Full Months Between Date Immediate Annuity Begins and Date Used to Compute Deferred Annuity:	1y 2m

**FERS ANNUITY COMPUTATION USING NAF SERVICE CREDITABLE  
UNDER SECTION 1132 OF PUBLIC LAW 107-107**

**DATA SHEET**

(Data Needed for FERS Computation **With** A CSRS Component)

Tom

<b>I. Immediate Annuity Information</b> (using NAF service to qualify for immediate retirement)	
Present Value Factors Corresponding to Employee's Age on Date Annuity Begins	
A. Date Annuity Begins:	11/01/2002
B. Employee's Age on Date Annuity Begins:	54y 0m 16d
C. CSRS Present Value Factor <i>(from CSRS Present Value Factor Chart)</i> :	216.2
D. FERS Present Value Factor <i>(from FERS Present Value Factor Chart)</i> :	167.3
Unpaid CSRS Deposit/Redeposit Balances as of Date Immediate Annuity Begins	
E. Unpaid Deposit Balance for Pre-10/1/82 Non-deduction Service:	\$ 0.00
F. Unpaid Redeposit Balance for Refunded Service Ending Before 10/1/90:	\$ 0.00
<b>II. Deferred Annuity Information</b> (excluding credit for NAF service)	
A. Date Used to Compute Deferred Annuity <i>(Use the Earliest Date Deferred Annuity Could Begin Unless Employee Has 20 Years Non-NAF Service, Then Use First of Month After Employee's 60<sup>th</sup> Birthday)</i> :	01/01/2004
B. Employee's Age as of Date Used to Compute the Deferred Annuity:	55y 2m 16d
C. CSRS Present Value Factor Corresponding to Employee's Age as of Date Used to Compute Deferred Annuity <i>(From CSRS Present Value Factor Chart)</i> :	211.4
D. FERS Present Value Factor Corresponding to Employee's Age as of Date Used to Compute Deferred Annuity <i>(From FERS Present Value Factor Chart)</i> :	167.0
E. Total Years and Full Months Between Date Immediate Annuity Begins and Date of Deferred Annuity Could Begin:	1y 2m
F. Discount Factor Corresponding to Total Years and Full Months Between the Beginning Dates of the Immediate and Deferred Annuities <i>(From Discount Factors Chart)</i> :	.926625
If the Deposit and Redeposit balances in Lines I-E and I-F above are both \$0.00, Complete G Through I and then proceed to Part B of the Worksheet. Otherwise, skip to line J.	
G. Deferred Gross Monthly CSRS Component <i>(after reductions for age and survivor election as appropriate)</i>	\$ 535.00
H. Deferred Gross Monthly FERS Component <i>(after reductions for age and survivor election as appropriate)</i>	\$ 226.00
I. Deferred Gross Monthly Survivor Rate	\$ 423.00
If Employee Owes either a CSRS Pre-10/1/82 Deposit or a CSRS Redeposit for Refunded Service Ending Before 10/1/90 Complete J Through O and then proceed to Part A of the Worksheet.	
J. High-3 Average Salary	\$ -----
K. Total Service Used In CSRS Component <i>(years/months, excluding sick leave)</i>	-----
L. CSRS Retirement Factor Corresponding to CSRS Component Service <i>(from CSRS Retirement Factor Chart)</i> :	-----
M. Total Service Used In FERS Component <i>(years/months)</i>	-----
N. FERS Retirement Factor Corresponding to FERS Component Service <i>(from FERS 1% Retirement Factor Chart)</i> :	-----
O. MRA+10 Reduction Factor <i>(From MRA+10 Reduction Factor Chart, if applicable)</i> :	-----

**FERS ANNUITY COMPUTATION USING NAF SERVICE CREDITABLE  
UNDER SECTION 1132 OF PUBLIC LAW 107-107  
WORKSHEET – FERS ANNUITY WITH CSRS COMPONENT**

Tom

<b>Part A. Computing the Gross Monthly Deferred Annuity Without Credit for NAF Service</b>	<b>NA</b>
<b>CSRS Component</b>	
1. High-3 Average Salary <i>(from Line II-J of Data Sheet)</i>	\$
2. CSRS Retirement Factor <i>(from Line II-L of Data Sheet)</i>	X
3. CSRS Component Basic Annuity <i>(Line 1 x Line 2, round to nearer penny)</i>	\$
4. Reduction for Unpaid Deposit <i>(10% of deposit balance on line I-E of Data Sheet)</i>	- \$
5. CSRS Component Reduced for Unpaid Deposit: <i>(line 3 minus line 4)</i>	\$
6. FERS MRA+10 Reduction Factor <i>(from Line II-O of Data Sheet)</i>	x
7. CSRS Component Reduced for MRA+10 Age Reduction <i>(Line 5 x Line 6, round to nearer penny)</i>	\$
8. FERS Survivor Election Factor <i>(.9 for maximum, .95 for partial, 1.0 for no survivor election)</i>	x
9. CSRS Component After Reduction for Survivor Election: <i>(Line 7 x Line 8, round to nearer penny)</i>	\$
<b>Deferred Annuity Computation -- FERS Component</b>	
10. High-3 Average Salary <i>(from Line II-J of Data Sheet)</i>	\$
11. FERS Retirement Factor <i>(from line II-N of Data Sheet)</i>	x
12. FERS Component Basic Annuity <i>(Line 10 x Line 11, round to nearer penny)</i>	\$
13. FERS MRA+10 Reduction Factor <i>(from Line II-O of Data Sheet)</i>	x
14. FERS Component Reduced for MRA+10 Age Reduction <i>(Line 12 x Line 13, round to nearer penny)</i>	\$
15. FERS Survivor Election Factor <i>(.9 for maximum, .95 for partial, 1.0 for no survivor election)</i>	x
16. FERS Component After Reduction for Survivor Election <i>(Line 14 x Line 15, round to nearer penny)</i>	\$
<b>Combined Benefits</b>	
17. Combined Annual Annuity <i>(Line 9 plus Line 16)</i>	\$
18. Combined Monthly Annuity <i>(Line 17 ÷ 12, rounded to lower dollar)</i>	\$
19. CSRS Component Monthly Annuity Before Redeposit Reduction <i>(Line 9 ÷ 12, rounded to lower dollar)</i>	- \$
20. FERS Component Monthly Annuity <i>(Line 18 minus Line 19)</i>	\$
<b>Reduction to CSRS Component for Unpaid Redeposit for Refunded Service Ending Before 10/01/90</b>	
21. Unpaid Redeposit Balance for Refunded Service Ending Before 10/01/90 <i>(From Line I-F of Data Sheet)</i>	\$
22. Present Value Factor for Age When Deferred Annuity Could Begin <i>(From Line II-C of Data Sheet)</i>	÷
23. Reduction for Unpaid Redeposit <i>(Line 21 divided by Line 22, round to the higher dollar)</i>	\$
<b>Monthly Annuity Rates Payable – CSRS and FERS Components</b>	
24. CSRS Component Monthly Annuity <i>(Line 19 minus Line 23)</i>	\$
25. FERS Component Monthly Annuity <i>(From Line 20)</i>	\$
<b>Survivor Annuity Computation</b>	
26. Combined Annuity Before Survivor Reduction <i>(Line 7 plus Line 14)</i>	\$
27. Survivor Election <i>(50% or 25% of Annuity)</i>	x
28. Annual Survivor Benefit <i>(Line 26 x Line 27)</i>	\$
29. Monthly Survivor Benefit <i>(Line 28 ÷ 12, rounded to lower dollar)</i>	\$

**CREDITING NAF UNDER PL 107-107 -- FERS WITH CSRS COMPONENT COMPUTATION CONTINUED**

**Tom**

Part B – Immediate Annuity Computation (Equals Present Value of Deferred Annuity)	
CSRS Component	
30. CSRS Component Monthly Annuity (from Line 24 or Line II-G of Data Sheet)	\$535.00
31. CSRS Present Value Factor Based on Employee’s Age on Date Deferred Annuity Could Begin (from line II-C of Data Sheet)	x 211.4
32. Discount Factor Corresponding to the time between the dates the immediate and deferred annuities begin (from line II-F of Data Sheet)	x .926625
33. Present Value of Deferred Annuity -- CSRS Component (Line 30 x Line 31 x Line 32, round to nearer penny)	\$104,800.36
34. CSRS Present Value Factor Based on Employee’s Age as of the Date the Immediate Annuity Begins (from Line I-C of Data Sheet)	÷ 216.2
35. Gross Monthly CSRS Component Payable (Line 33 ÷ Line 34, round to lower dollar)	\$484.00
FERS Component	
36. FERS Component Monthly Annuity (from line 25 or Line II-H of Data Sheet)	\$226.00
37. FERS Present Value Factor Based on Employee’s Age as of Date Deferred Annuity Could Begin (from line II-D of Data Sheet)	x 167.0
38. Discount Factor Corresponding to the time between the dates the immediate annuity and the deferred annuity begin (from line II-F of Data Sheet)	x .926625
39. Present Value of Deferred Annuity -- FERS Component (Line 36 x Line 37 x Line 38, round to nearer penny)	\$34,972.68
40. FERS Present Value Factor Based on Employee’s Age on the Date the Immediate Annuity Begins (from line I-D of Data Sheet)	÷ 167.3
41. Gross Monthly FERS Component Payable (Line 39 ÷ Line 40, round to lower dollar)	\$209.00
Combined Benefit – Gross Monthly Annuity Payable if NAF Service is Used to Qualify for Immediate Retirement	
42. Gross Monthly Annuity Payable (Line 35 + Line 41)	\$693.00
Part C – Survivor Annuity Computation (Equals Present Value of Survivor Annuity)	
43. Gross Monthly Survivor Annuity from Deferred Annuity Computation (from Line 29 or Line II-I of Data Sheet)	\$423.00
44. FERS Present Value Factor Based on Employee’s Age as of Date Deferred Annuity Could Begin (from line II-D of Data Sheet)	x 167.0
45. Discount Factor Corresponding to the time between the dates the immediate annuity and the deferred annuity begin (from line II-F of Data Sheet)	x .926625
46. Present Value of Deferred Survivor Annuity (Line 43 x Line 44 x Line 45, round to nearer penny)	\$65,457.72
47. FERS Present Value Factor Based on Employee’s Age on Date the Immediate Annuity Begins (from line I-D of Data Sheet)	÷ 167.3
48. Gross Monthly Survivor Annuity (Line 46 ÷ Line 47, round to lower dollar)	\$391.00

## MARY ANN -- BACKGROUND INFORMATION

Date of Birth:	12-12-1953 <i>(Minimum Retirement Age (MRA) = 56y)</i>
Retirement Date:	11-15-2002 (Discontinued Service)
Date Immediate Annuity Begins:	11-16-2002
Age at Date Immediate Annuity Begins:	48y 11m 04d
Service History:	05-23-1971 to 09-23-1972 (CSRS Non-Ded.) 1y 4m 1d 09-24-1972 to 12-08-1982 (CSRS-Refunded): 10y 2m 15d 02-23-1983 to 08-24-1992 (NAF): 9y 6m 2d 10-30-1995 to 11-15-2002 (Offset-FERS) 7y 0m 16d Sick Leave Credit: 33 hours -- 0y 0m 6d
Total Service Used to Determine Eligibility for Immediate (Discontinued Service) Retirement:	28y 1m 14d (includes NAFI service)
Deposit Balance for Pre-10/1/82 Non-deduction Service (as of 11/16/02):	\$825.00
Redeposit Balance for Pre-10/1/90 Refunded Service (as of 11/16/02):	\$21,725.00
High-3 Average Salary:	\$71,350
Survivor Election	Maximum Election
Total Service Used to Compute a Deferred Annuity:	CSRS Component: 11y 6m <i>(does not include NAFI service or unused sick leave credit)</i> FERS Component: 7y 0 m
Date Used to Compute Deferred Annuity:	01-01-2010 <i>(first of month after reaching MRA)</i>
Age at Date Used to Compute Deferred Annuity:	56y 0m 19d
Years and Full Months Between Commencing Date of Immediate Annuity and Date Used to Compute Deferred Annuity	7y 1m

**FERS ANNUITY COMPUTATION USING NAF SERVICE CREDITABLE  
UNDER SECTION 1132 OF PUBLIC LAW 107-107**

**DATA SHEET**

(Data Needed for FERS Computation **With** A CSRS Component)

Mary Ann

<b>I. Immediate Annuity Information</b> (using NAF service to qualify for immediate retirement)	
Present Value Factors Corresponding to Employee's Age on Date Annuity Begins	
A. Date Annuity Begins:	11/16/2002
B. Employee's Age on Date Annuity Begins:	48y 11m 4d
C. CSRS Present Value Factor <i>(from CSRS Present Value Factor Chart)</i> :	244.8
D. FERS Present Value Factor <i>(from FERS Present Value Factor Chart)</i> :	171.0
Unpaid CSRS Deposit/Redeposit Balances as of Date Immediate Annuity Begins	
E. Unpaid Deposit Balance for Pre-10/1/82 Non-deduction Service:	\$ 825.00
F. Unpaid Redeposit Balance for Refunded Service Ending Before 10/1/90:	\$ 21,725.00
<b>II. Deferred Annuity Information</b> (excluding credit for NAF service)	
A. Date Used to Compute Deferred Annuity <i>(Use the Earliest Date Deferred Annuity Could Begin Unless Employee Has At Least 20 Years of Non-NAF Service, Then Use First of Month After Employee's 60<sup>th</sup> Birthday )</i> :	01/01/2010
B. Employee's Age as of Date Used to Compute Deferred Annuity:	56y 0m 19d
C. CSRS Present Value Factor Corresponding to Employee's Age as of Date Used To Compute Deferred Annuity <i>(From CSRS Present Value Factor Chart)</i> :	206.6
D. FERS Present Value Factor Corresponding to Employee's Age as of Date Used to Compute Deferred Annuity <i>(From FERS Present Value Factor Chart)</i>	166.7
E. Total Years and Full Months Between Date Immediate Annuity Begins and Date Used to Compute Deferred Annuity:	7y 1m
F. Discount Factor Corresponding to Total Years and Full Months Between the Beginning Date of the Immediate and Date Used to Compute Deferred Annuity <i>(From Discount Factors Chart)</i> :	.629594
If the Deposit and Redeposit balances in Lines I-E and I-F above are both \$0.00, Complete G Through I and then proceed to Part B the Worksheet. Otherwise, skip to line J.	
G. Deferred Gross Monthly CSRS Component <i>(after reductions for age and survivor election as appropriate)</i>	\$ -----
H. Deferred Gross Monthly FERS Component <i>(after reductions for age and survivor election as appropriate)</i>	\$ -----
I. Deferred Gross Monthly Survivor Rate	\$ -----
If Employee Owes either a CSRS Pre-10/1/82 Deposit or a CSRS Redeposit for Refunded Service Ending Before 10/1/90 Complete J Through O and then proceed to Part A of the Worksheet.	
J. High-3 Average Salary	\$ 71,350.00
K. Total Service Used In CSRS Component <i>(years/months, excluding sick leave)</i>	11y 6m
L. CSRS Retirement Factor Corresponding to CSRS Component Service <i>(from CSRS Retirement Factor Chart)</i> :	.192500
M. Total Service Used In FERS Component <i>(years/months)</i>	7y 0m
N. FERS Retirement Factor Corresponding to FERS Component Service <i>(from FERS 1% Retirement Factor Chart)</i> :	.070000
O. MRA+10 Reduction Factor <i>(From MRA+10 Reduction Factor Chart, if applicable)</i> :	.704167

**FERS ANNUITY COMPUTATION USING NAF SERVICE CREDITABLE  
UNDER SECTION 1132 OF PUBLIC LAW 107-107  
WORKSHEET – FERS ANNUITY WITH CSRS COMPONENT**

MARY ANN

<b>Part A. Computing the Gross Monthly Deferred Annuity Without Credit for NAF Service</b>	
<b>CSRS Component</b>	
1. High-3 Average Salary <i>(from Line II-J of Data Sheet)</i>	\$71,350.00
2. CSRS Retirement Factor <i>(from Line II-L of Data Sheet)</i>	X .192500
3. CSRS Component Basic Annuity <i>(Line 1 x Line 2, round to nearer penny)</i>	\$13,734.88
4. Reduction for Unpaid Deposit <i>(10% of deposit balance on line I-E of Data Sheet)</i>	- \$82.50
5. CSRS Component Reduced for Unpaid Deposit: <i>(line 3 minus line 4)</i>	\$13,652.38
6. FERS MRA+10 Reduction Factor <i>(from Line II-O of Data Sheet)</i>	x .704167
7. CSRS Component Reduced for MRA+10 Age Reduction <i>(Line 5 x Line 6, round to nearer penny)</i>	\$9,613.56
8. FERS Survivor Election Factor <i>(.9 for maximum, .95 for partial, 1.0 for no survivor election)</i>	x .9
9. CSRS Component After Reduction for Survivor Election: <i>(Line 7 x Line 8, round to nearer penny)</i>	\$8,652.20
<b>Deferred Annuity Computation -- FERS Component</b>	
10. High-3 Average Salary <i>(from Line II-J of Data Sheet)</i>	\$71,350.00
11. FERS Retirement Factor <i>(from line II-N of Data Sheet)</i>	x .070000
12. FERS Component Basic Annuity <i>(Line 10 x Line 11, round to nearer penny)</i>	\$4,994.50
13. FERS MRA+10 Reduction Factor <i>(from Line II-O of Data Sheet)</i>	x .704167
14. FERS Component Reduced for MRA+10 Age Reduction <i>(Line 12 x Line 13, round to nearer penny)</i>	\$3,516.96
15. FERS Survivor Election Factor <i>(.9 for maximum, .95 for partial, 1.0 for no survivor election)</i>	x .9
16. FERS Component After Reduction for Survivor Election <i>(Line 14 x Line 15, round to nearer penny)</i>	\$3,165.26
<b>Combined Benefits</b>	
17. Combined Annual Annuity <i>(Line 9 plus Line 16)</i>	\$11,817.46
18. Combined Monthly Annuity <i>(Line 17 ÷ 12, rounded to lower dollar)</i>	\$984.00
19. CSRS Component Monthly Annuity Before Redeposit Reduction <i>(Line 9 ÷ 12, rounded to lower dollar)</i>	- \$721.00
20. FERS Component Monthly Annuity <i>(Line 18 minus Line 19)</i>	\$263.00
<b>Reduction to CSRS Component for Unpaid Redeposit for Refunded Service Ending Before 10/01/90</b>	
21. Unpaid Redeposit Balance for Refunded Service Ending Before 10/01/90 <i>(From Line I-F of Data Sheet)</i>	\$21,725.00
22. Present Value Factor for Age When Deferred Annuity Could Begin <i>(From Line II-C of Data Sheet)</i>	÷ 206.6
23. Reduction for Unpaid Redeposit <i>(Line 21 divided by Line 22, round to the higher dollar)</i>	\$106.00
<b>Monthly Annuity Rates Payable – CSRS and FERS Components</b>	
24. CSRS Component Monthly Annuity <i>(Line 19 minus Line 23)</i>	\$615.00
25. FERS Component Monthly Annuity <i>(From Line 20)</i>	\$263.00
<b>Survivor Annuity Computation</b>	
26. Combined Annuity Before Survivor Reduction <i>(Line 7 plus Line 14)</i>	\$13,130.52
27. Survivor Election <i>(50% or 25% of Annuity)</i>	x .50
28. Annual Survivor Benefit <i>(Line 26 x Line 27)</i>	\$6,565.26
29. Monthly Survivor Benefit <i>(Line 28 ÷ 12, rounded to lower dollar)</i>	\$547.00

**CREDITING NAF UNDER PL 107-107 -- FERS WITH CSRS COMPONENT COMPUTATION CONTINUED**

**Mary Ann**

<b>Part B – Immediate Annuity Computation (Equals Present Value of Deferred Annuity)</b>	
<b>CSRS Component</b>	
30. CSRS Component Monthly Annuity (from Line 24 or Line II-G of Data Sheet)	\$615.00
31. CSRS Present Value Factor Based on Employee’s Age on Date Deferred Annuity Could Begin (from line II-C of Data Sheet)	x 206.6
32. Discount Factor Corresponding to the Time Between the Date the Immediate and Deferred Annuities Begin (from line II-F of Data Sheet)	x .629594
33. Present Value of Deferred Annuity -- CSRS Component (Line 30 x Line 31 x Line 32, round to nearer penny)	\$79,995.58
34. CSRS Present Value Factor Based on Employee’s Age as of the Date the Immediate Annuity Begins (from Line I-C of Data Sheet)	÷ 244.8
35. Gross Monthly CSRS Component Payable (Line 33 ÷ Line 34, round to lower dollar)	\$326.00
<b>FERS Component</b>	
36. FERS Component Monthly Annuity (from line 25 or Line II-H of Data Sheet)	\$263.00
37. FERS Present Value Factor Based on Employee’s Age as of Date Deferred Annuity Could Begin (from line II-D of Data Sheet)	x 166.7
38. Discount Factor Corresponding to the Time Between the Dates the Immediate and Deferred Annuities Begin (from line II-F of Data Sheet)	x .629594
39. Present Value of Deferred Annuity -- FERS Component (Line 36 x Line 37 x Line 38, round to nearer penny)	\$27,602.72
40. FERS Present Value Factor Based on Employee’s Age on the Date the Immediate Annuity Begins (from line I-D of Data Sheet)	÷ 171.0
41. Gross Monthly FERS Component Payable (Line 39 ÷ Line 40, round to lower dollar)	\$161.00
<b>Combined Benefit – Gross Monthly Annuity Payable if NAF Service is Used to Qualify for Immediate Retirement</b>	
42. Gross Monthly Annuity Payable (Line 35 + Line 41)	\$487.00
<b>Part C – Survivor Annuity Computation (Equals Present Value of Survivor Annuity)</b>	
43. Gross Monthly Survivor Annuity from Deferred Annuity Computation (from Line 29 or Line II-I of Data Sheet)	\$547.00
44. FERS Present Value Factor Based on Employee’s Age as of Date Deferred Annuity Could Begin (from line II-D of Data Sheet)	x 166.7
45. Discount Factor Corresponding to the time between the immediate and deferred commencing dates (from line II-F of Data Sheet)	x .629594
46. Present Value of Deferred Survivor Annuity (Line 43 x Line 44 x Line 45, round to nearer penny)	\$57,409.47
47. FERS Present Value Factor Based on Employee’s Age on Date the Immediate Annuity Begins (from line I-D of Data Sheet)	÷ 171.0
48. Gross Monthly Survivor Annuity (Line 46 ÷ Line 47, round to lower dollar)	\$335.00

## LEE -- BACKGROUND INFORMATION

Date of Birth:	10-16-1956 <i>(Minimum Retirement Age (MRA) = 56y)</i>
Retirement Date:	04-30-2003 (Early Optional)
Annuity Commencing Date:	05-01-2003
Age at Commencing Date:	46y 6m 16d
Service History:	09-24-1974 to 12-08-1981 (NAF): 7y 2m 15d 02-23-1982 to 08-24-1994 (CSRS): 12y 6m 2d 10-30-1995 to 04-30-2003 (Offset/FERS) 7y 6m 1d
Total Service Used to Determine Eligibility for Immediate (Early Optional) Retirement:	27y 2m 18d (includes NAFI service)
Total Service Used to Compute a Deferred Annuity:	CSRS Component: 12y 6m (not including NAF service) FERS Component: 7y 6m (not including NAF service) <i>Total: 20y 0m</i>
High-3 Average Salary:	\$62,500
Survivor Election	Maximum Election
Date Used to Compute Deferred Annuity:	11-01-2016 ( <i>first day<sup>f</sup> of month after age 60</i> )
Age at Date Used to Compute Deferred Annuity:	60y 0m 16d
Gross Monthly Deferred Annuity After Appropriate Reductions:	CSRS Component: \$996.00 ( <i>from annuity estimate software</i> ) FERS Component: \$351.00 ( <i>from annuity estimate software</i> )
Gross Monthly Survivor Rate	\$748.00 ( <i>from annuity estimate software</i> )
Years and Full Months Between Date Immediate Annuity Begins and Date Used to Compute Deferred Annuity:	13y 6m

**FERS ANNUITY COMPUTATION USING NAF SERVICE CREDITABLE  
UNDER SECTION 1132 OF PUBLIC LAW 107-107**

**DATA SHEET**

(Data Needed for FERS Computation **With** A CSRS Component)

Lee

<b>I. Immediate Annuity Information</b> (using NAF service to qualify for immediate retirement)	
Present Value Factors Corresponding to Employee's Age on Date Annuity Begins	
A. Date Annuity Begins:	05/01/2003
B. Employee's Age on Date Annuity Begins:	46y 6m 16d
C. CSRS Present Value Factor <i>(from CSRS Present Value Factor Chart)</i> :	254.0
D. FERS Present Value Factor <i>(from FERS Present Value Factor Chart)</i> :	172.5
Unpaid CSRS Deposit/Redeposit Balances as of Date Immediate Annuity Begins	
E. Unpaid Deposit Balance for Pre-10/1/82 Non-deduction Service:	\$ 0.00
F. Unpaid Redeposit Balance for Refunded Service Ending Before 10/1/90:	\$ 0.00
<b>II. Deferred Annuity Information</b> (excluding credit for NAF service)	
A. Date Used to Compute Deferred Annuity <i>(Use the Earliest Date Deferred Annuity Could Begin Unless Employee Has 20 Years Non-NAF Service, Then Use First of Month After Employee's 60<sup>th</sup> Birthday)</i> :	11/01/2016
B. Employee's Age as of Date Used to Compute the Deferred Annuity:	60y 0m 16d
C. CSRS Present Value Factor Corresponding to Employee's Age as of Date Used to Compute Deferred Annuity <i>(From CSRS Present Value Factor Chart)</i> :	187.9
D. FERS Present Value Factor Corresponding to Employee's Age as of Date Used to Compute Deferred Annuity <i>(From FERS Present Value Factor Chart)</i> :	167.3
E. Total Years and Full Months Between Date Immediate Annuity Begins and Date of Deferred Annuity Could Begin:	13y 6m
F. Discount Factor Corresponding to Total Years and Full Months Between the Beginning Dates of the Immediate and Deferred Annuities <i>(From Discount Factors Chart)</i> :	.414032
If the Deposit and Redeposit balances in Lines I-E and I-F above are both \$0.00, Complete G Through I and then proceed to Part B the Worksheet. Otherwise, skip to line J.	
G. Deferred Gross Monthly CSRS Component <i>(after reductions for age and survivor election as appropriate)</i>	\$ 996.00
H. Deferred Gross Monthly FERS Component <i>(after reductions for age and survivor election as appropriate)</i>	\$ 351.00
I. Deferred Gross Monthly Survivor Rate	\$ 748.00
If Employee Owes either a CSRS Pre-10/1/82 Deposit or a CSRS Redeposit for Refunded Service Ending Before 10/1/90 Complete J Through O and then proceed to Part A of the Worksheet.	
J. High-3 Average Salary	\$ -----
K. Total Service Used In CSRS Component <i>(years/months, excluding sick leave)</i>	-----
L. CSRS Retirement Factor Corresponding to CSRS Component Service <i>(from CSRS Retirement Factor Chart)</i> :	-----
M. Total Service Used In FERS Component <i>(years/months)</i>	-----
N. FERS Retirement Factor Corresponding to FERS Component Service <i>(from FERS 1% Retirement Factor Chart)</i> :	-----
O. MRA+10 Reduction Factor <i>(From MRA+10 Reduction Factor Chart, if applicable)</i> :	-----

**FERS ANNUITY COMPUTATION USING NAF SERVICE CREDITABLE  
UNDER SECTION 1132 OF PUBLIC LAW 107-107  
WORKSHEET – FERS ANNUITY WITH CSRS COMPONENT**

Lee

<b>Part A. Computing the Gross Monthly Deferred Annuity Without Credit for NAF Service</b>	<b>NA</b>
<b>CSRS Component</b>	
1. High-3 Average Salary <i>(from Line II-J of Data Sheet)</i>	\$
2. CSRS Retirement Factor <i>(from Line II-L of Data Sheet)</i>	X
3. CSRS Component Basic Annuity <i>(Line 1 x Line 2, round to nearer penny)</i>	\$
4. Reduction for Unpaid Deposit <i>(10% of deposit balance on line I-E of Data Sheet)</i>	- \$
5. CSRS Component Reduced for Unpaid Deposit: <i>(line 3 minus line 4)</i>	\$
6. FERS MRA+10 Reduction Factor <i>(from Line II-O of Data Sheet)</i>	x
7. CSRS Component Reduced for MRA+10 Age Reduction <i>(Line 5 x Line 6, round to nearer penny)</i>	\$
8. FERS Survivor Election Factor <i>(.9 for maximum, .95 for partial, 1.0 for no survivor election)</i>	x
9. CSRS Component After Reduction for Survivor Election: <i>(Line 7 x Line 8, round to nearer penny)</i>	\$
<b>Deferred Annuity Computation -- FERS Component</b>	
10. High-3 Average Salary <i>(from Line II-J of Data Sheet)</i>	\$
11. FERS Retirement Factor <i>(from line II-N of Data Sheet)</i>	x
12. FERS Component Basic Annuity <i>(Line 10 x Line 11, round to nearer penny)</i>	\$
13. FERS MRA+10 Reduction Factor <i>(from Line II-O of Data Sheet)</i>	x
14. FERS Component Reduced for MRA+10 Age Reduction <i>(Line 12 x Line 13, round to nearer penny)</i>	\$
15. FERS Survivor Election Factor <i>(.9 for maximum, .95 for partial, 1.0 for no survivor election)</i>	x
16. FERS Component After Reduction for Survivor Election <i>(Line 14 x Line 15, round to nearer penny)</i>	\$
<b>Combined Benefits</b>	
17. Combined Annual Annuity <i>(Line 9 plus Line 16)</i>	\$
18. Combined Monthly Annuity <i>(Line 17 ÷ 12, rounded to lower dollar)</i>	\$
19. CSRS Component Monthly Annuity Before Redeposit Reduction <i>(Line 9 ÷ 12, rounded to lower dollar)</i>	- \$
20. FERS Component Monthly Annuity <i>(Line 18 minus Line 19)</i>	\$
<b>Reduction to CSRS Component for Unpaid Redeposit for Refunded Service Ending Before 10/01/90</b>	
21. Unpaid Redeposit Balance for Refunded Service Ending Before 10/01/90 <i>(From Line I-F of Data Sheet)</i>	\$
22. Present Value Factor for Age When Deferred Annuity Could Begin <i>(From Line II-C of Data Sheet)</i>	÷
23. Reduction for Unpaid Redeposit <i>(Line 21 divided by Line 22, round to the higher dollar)</i>	\$
<b>Monthly Annuity Rates Payable – CSRS and FERS Components</b>	
24. CSRS Component Monthly Annuity <i>(Line 19 minus Line 23)</i>	\$
25. FERS Component Monthly Annuity <i>(From Line 20)</i>	\$
<b>Survivor Annuity Computation</b>	
26. Combined Annuity Before Survivor Reduction <i>(Line 7 plus Line 14)</i>	\$
27. Survivor Election <i>(50% or 25% of Annuity)</i>	x
28. Annual Survivor Benefit <i>(Line 26 x Line 27)</i>	\$
29. Monthly Survivor Benefit <i>(Line 28 ÷ 12, rounded to lower dollar)</i>	\$

**CREDITING NAF UNDER PL 107-107 -- FERS WITH CSRS COMPONENT COMPUTATION CONTINUED**

**Lee**

Part B – Immediate Annuity Computation (Equals Present Value of Deferred Annuity)	
CSRS Component	
30. CSRS Component Monthly Annuity (from Line 24 or Line II-G of Data Sheet)	\$996.00
31. CSRS Present Value Factor Based on Employee’s Age on Date Deferred Annuity Could Begin (from line II-C of Data Sheet)	x 187.9
32. Discount Factor Corresponding to the time between the dates the immediate and deferred annuities begin (from line II-F of Data Sheet)	x .414032
33. Present Value of Deferred Annuity -- CSRS Component (Line 30 x Line 31 x Line 32, round to nearer penny)	\$77,485.43
34. CSRS Present Value Factor Based on Employee’s Age as of the Date the Immediate Annuity Begins (from Line I-C of Data Sheet)	÷ 254.0
35. Gross Monthly CSRS Component Payable (Line 33 ÷ Line 34, round to lower dollar)	\$305.00
FERS Component	
36. FERS Component Monthly Annuity (from line 25 or Line II-H of Data Sheet)	\$351.00
37. FERS Present Value Factor Based on Employee’s Age as of Date Deferred Annuity Could Begin (from line II-D of Data Sheet)	x 167.3
38. Discount Factor Corresponding to the time between the dates the immediate annuity and the deferred annuity begin (from line II-F of Data Sheet)	x .414032
39. Present Value of Deferred Annuity -- FERS Component (Line 36 x Line 37 x Line 38, round to nearer penny)	\$24,312.91
40. FERS Present Value Factor Based on Employee’s Age on the Date the Immediate Annuity Begins (from line I-D of Data Sheet)	÷ 172.5
41. Gross Monthly FERS Component Payable (Line 39 ÷ Line 40, round to lower dollar)	\$140.00
Combined Benefit – Gross Monthly Annuity Payable if NAF Service is Used to Qualify for Immediate Retirement	
42. Gross Monthly Annuity Payable (Line 35 + Line 41)	\$445.00
Part C – Survivor Annuity Computation (Equals Present Value of Survivor Annuity)	
43. Gross Monthly Survivor Annuity from Deferred Annuity Computation (from Line 29 or Line II-I of Data Sheet)	\$748.00
44. FERS Present Value Factor Based on Employee’s Age as of Date Deferred Annuity Could Begin (from line II-D of Data Sheet)	x 167.3
45. Discount Factor Corresponding to the time between the dates the immediate annuity and the deferred annuity begin (from line II-F of Data Sheet)	x .414032
46. Present Value of Deferred Survivor Annuity (Line 43 x Line 44 x Line 45, round to nearer penny)	\$51,812.13
47. FERS Present Value Factor Based on Employee’s Age on Date the Immediate Annuity Begins (from line I-D of Data Sheet)	÷ 172.5
48. Gross Monthly Survivor Annuity (Line 46 ÷ Line 47, round to lower dollar)	\$300.00

***Blank Worksheets***

We've included blank worksheets and data sheets for your convenience. You can reproduce the appropriate worksheet to compute estimates for employees who elect to use NAF service to qualify for immediate retirement.

**CSRS ANNUITY COMPUTATION USING NAF SERVICE CREDITABLE  
UNDER SECTION 1132 OF PUBLIC LAW 107-107**

**DATA SHEET**

(Data Needed for Computation)

<b>I. Immediate Annuity Information</b> (using NAF service to qualify for immediate retirement)	
A. Date Annuity Begins:	
B. Employees Age on Date Annuity Begins:	
C. Present Value Factor Corresponding to Employee's Age on Date Annuity Begins ( <i>from CSRS Present Value Factor Chart</i> ):	
D. Unpaid Deposit Balance for Pre-10/1/82 Non-deduction Service:	\$
E. Unpaid Redeposit Balance for Refunded Service Ending Before 10/1/90:	\$

<b>II. Deferred Annuity Information</b> (not including credit for NAF service)	
<p><i>If employee owes either a CSRS deposit for pre-10/1/82 non-deduction service or a redeposit for refunded service that ended before 10/1/90, the reductions to the deferred annuity for unpaid deposit and redeposit should be based on the deposit and redeposit balances shown in Line I-D and I-E above. If your annuity estimate software can compute the monthly deferred annuity using the appropriate deposit/redeposit balances, use your software to compute the monthly annuity rate and survivor rate. Skip Line II-A and enter the monthly annuity rate and survivor rate in Lines II-B and II-C. If your annuity estimate software adds additional interest to the deposit and redeposit balances before computing the monthly deferred annuity rate, enter the Basic Annual Annuity (before any reductions) your annuity estimate software produces in Line II-A and skip Lines II-B and II-C. You will need to compute the monthly deferred annuity and survivor annuity manually in Part A of the NAF annuity estimate worksheet. If the deposit and redeposit balances in Line I-D and I-E above are both \$0.00, skip Line A and enter the deferred monthly annuity rate and survivor rate computed on your annuity estimate software in Lines II-B and II-C.</i></p>	
A. Basic Annual Annuity Before Any Reductions	\$
B. Gross Monthly Annuity Rate ( <i>after all appropriate reductions</i> )	\$
C. Gross Monthly Annuity Survivor Rate ( <i>if applicable</i> )	\$
D. Present Value Factor Corresponding to Age 62 ( <i>from CSRS Present Value Factor Chart</i> )	
E. Total Years and Full Months Between Date Immediate Annuity Begins and Date Deferred Annuity Would Normally Begin (62 <sup>nd</sup> Birthday):	
F. Discount Factor Corresponding to Total Years and Full Months Between the Date the Immediate Annuity Begins and the Date the Deferred Annuity Would Normally Begin ( <i>from Discount Factor Chart</i> ):	

**Note, if you entered the gross monthly annuity rates on lines II-B and II-C above, skip Part A of the CSRS Annuity Computation Using NAF Service worksheet and begin at Part B.**



**FERS ANNUITY COMPUTATION USING NAF SERVICE CREDITABLE  
UNDER SECTION 1132 OF PUBLIC LAW 107-107  
DATA SHEET**

(Data Needed for Computation -- No CSRS Component)

<b>I. Immediate Annuity Information</b> (using NAF service to qualify for immediate retirement)	
A. Date Annuity Begins:	
B. Employee's Age as of Date Annuity Begins:	
C. Present Value Factor Corresponding to Employee's Age as of Date Annuity Begins <i>(from FERS Present Value Factor Chart)</i>	

<b>II. Deferred Annuity Information</b> (excluding credit for NAF service)	
A. Gross Monthly Annuity Rate <i>(after reduction for age and survivor election, if applicable)</i> :	\$
B. Gross Monthly Survivor Annuity Rate <i>(if applicable)</i> :	\$
C. Date Deferred Annuity Could Begin <i>(Use the Earliest Date Deferred Annuity Could Begin)</i> :	
D. Employee's Age as of Earliest Date Deferred Annuity Could Begin:	
E. Present Value Factor Corresponding to Employee's Age as of Earliest Date Deferred Annuity Could Begin <i>(from FERS Present Value Factor Chart)</i> :	
F. Total Years and Full Months Between Date Immediate Annuity Begins and Date Deferred Annuity Could Begin:	
G. Discount Factor Corresponding to Total Years and Full Months Between the Date the Immediate Annuity Begins and the Date the Deferred Annuity Could Begin <i>(from Discount Factor Chart)</i> :	

**FERS ANNUITY COMPUTATION USING NAF SERVICE CREDITABLE  
UNDER SECTION 1132 OF PUBLIC LAW 107-107  
WORKSHEET -- NO CSRS COMPONENT**

Immediate Annuity Computation <i>(Equals the Present Value of the Deferred Annuity)</i>		
1.	Deferred Monthly Annuity Rate <i>(From Line II-A of Data Sheet)</i>	\$
2.	Present Value Factor Corresponding to Employee's Age as of Date Deferred Annuity Begins <i>(from Line II-E of Data Sheet)</i>	X
3.	Discount Factor Corresponding to the time between the beginning dates of the immediate and deferred annuities <i>(from Line II-G of Data Sheet)</i>	X
4.	Present Value of Deferred Annuity <i>(Line 1 x Line 2 x Line 3, round to neared penny)</i>	\$
5.	Present Value Factor Based on Employee's current age <i>(from Line I-C of data sheet)</i>	÷
6.	Gross monthly annuity reduced for NAF service <i>(divide Line 4 by Line 5 and round to lower dollar)</i>	\$
Survivor Annuity Computation:		
7.	Gross Monthly Survivor Annuity <i>(from line II-B of Data Sheet)</i>	\$
8.	Present Value Factor Corresponding to Employee's Age as of Date Deferred Annuity Begins <i>(from Line II-E of Data Sheet)</i>	X
9.	Discount Factor Corresponding to the time between the beginning dates of the immediate and deferred annuities <i>(from Line II-G of Data Sheet)</i>	X
10.	Present Value of Survivor Annuity <i>(Line 7 x Line 8 x Line 9, round to nearer penny)</i>	\$
11.	Present Value Factor Based on Employee's current age <i>(from Line I-C of data sheet)</i>	÷
12.	Gross monthly survivor annuity reduced for NAF service <i>(divide Line 10 by Line 11 and round to lower dollar)</i>	\$

**FERS ANNUITY COMPUTATION USING NAF SERVICE CREDITABLE  
UNDER SECTION 1132 OF PUBLIC LAW 107-107**

**DATA SHEET**

(Data Needed for FERS Computation **With** A CSRS Component)

<b>I. Immediate Annuity Information</b> (using NAF service to qualify for immediate retirement)	
Present Value Factors Corresponding to Employee's Age on Date Annuity Begins	
A. Date Annuity Begins:	
B. Employee's Age on Date Annuity Begins:	
C. CSRS Present Value Factor <i>(from CSRS Present Value Factor Chart)</i> :	
D. FERS Present Value Factor <i>(from FERS Present Value Factor Chart)</i> :	
Unpaid CSRS Deposit/Redeposit Balances as of Date Immediate Annuity Begins	
E. Unpaid Deposit Balance for Pre-10/1/82 Non-deduction Service:	\$
F. Unpaid Redeposit Balance for Refunded Service Ending Before 10/1/90:	\$
<b>II. Deferred Annuity Information</b> (excluding credit for NAF service)	
A. Date Deferred Annuity Could Begin <i>(Use the Earliest Date Deferred Annuity Could Begin)</i> :	
B. Employee's Age as of Date Deferred Annuity Could Begin:	
C. CSRS Present Value Factor Corresponding to Employee's Age as of Date Deferred Annuity Could Begin <i>(From CSRS Present Value Factor Chart)</i> :	
D. FERS Present Value Factor Corresponding to Employee's Age as of Date Deferred Annuity Could Begin <i>(From FERS Present Value Factor Chart)</i> :	
E. Total Years and Full Months Between Date Immediate Annuity Begins and Date of Deferred Annuity Could Begin:	
F. Discount Factor Corresponding to Total Years and Full Months Between the Beginning Dates of the Immediate and Deferred Annuities <i>(From Discount Factor Chart)</i> :	
If the Deposit and Redeposit balances in Lines I-E and I-F above are both \$0.00, Complete G Through I and then proceed to Part B of the Worksheet. Otherwise, skip to line J.	
G. Deferred Gross Monthly CSRS Component <i>(after reductions for age and survivor election as appropriate)</i>	\$
H. Deferred Gross Monthly FERS Component <i>(after reductions for age and survivor election as appropriate)</i>	\$
I. Deferred Gross Monthly Survivor Rate	\$
If Employee Owes either a CSRS Pre-10/1/82 Deposit or a CSRS Redeposit for Refunded Service Ending Before 10/1/90 Complete J Through O and then proceed to Part A of the Worksheet.	
J. High-3 Average Salary	\$
K. Total Service Used In CSRS Component <i>(years/months, excluding sick leave)</i>	
L. CSRS Retirement Factor Corresponding to CSRS Component Service <i>(from CSRS Retirement Factor Chart)</i> :	
M. Total Service Used In FERS Component <i>(years/months)</i>	
N. FERS Retirement Factor Corresponding to FERS Component Service <i>(from FERS 1% Retirement Factor Chart)</i> :	
O. MRA+10 Reduction Factor <i>(From MRA+10 Reduction Factor Chart, if applicable)</i> :	

**FERS ANNUITY COMPUTATION USING NAF SERVICE CREDITABLE  
UNDER SECTION 1132 OF PUBLIC LAW 107-107  
WORKSHEET – FERS ANNUITY WITH CSRS COMPONENT**

<b>Part A. Computing the Gross Monthly Deferred Annuity Without Credit for NAF Service</b>	
<b>CSRS Component</b>	
1. High-3 Average Salary <i>(from Line II-J of Data Sheet)</i>	\$
2. CSRS Retirement Factor <i>(from Line II-L of Data Sheet)</i>	x
3. CSRS Component Basic Annuity <i>(Line 1 x Line 2, round to nearer penny)</i>	\$
4. Reduction for Unpaid Deposit <i>(10% of deposit balance on line I-E of Data Sheet)</i>	- \$
5. CSRS Component Reduced for Unpaid Deposit: <i>(line 3 minus line 4)</i>	\$
6. FERS MRA+10 Reduction Factor <i>(from Line II-O of Data Sheet)</i>	x
7. CSRS Component Reduced for MRA+10 Age Reduction <i>(Line 5 x Line 6, round to nearer penny)</i>	\$
8. FERS Survivor Election Factor <i>(.9 for maximum, .95 for partial, 1.0 for no survivor election)</i>	x
9. CSRS Component After Reduction for Survivor Election: <i>(Line 7 x Line 8, round to nearer penny)</i>	\$
<b>Deferred Annuity Computation -- FERS Component</b>	
10. High-3 Average Salary <i>(from Line II-J of Data Sheet)</i>	\$
11. FERS Retirement Factor <i>(from line II-N of Data Sheet)</i>	x
12. FERS Component Basic Annuity <i>(Line 10 x Line 11, round to nearer penny)</i>	\$
13. FERS MRA+10 Reduction Factor <i>(from Line II-O of Data Sheet)</i>	x
14. FERS Component Reduced for MRA+10 Age Reduction <i>(Line 12 x Line 13, round to nearer penny)</i>	\$
15. FERS Survivor Election Factor <i>(.9 for maximum, .95 for partial, 1.0 for no survivor election)</i>	x
16. FERS Component After Reduction for Survivor Election <i>(Line 14 x Line 15, round to nearer penny)</i>	\$
<b>Combined Benefits</b>	
17. Combined Annual Annuity <i>(Line 9 plus Line 16)</i>	\$
18. Combined Monthly Annuity <i>(Line 17 ÷ 12, rounded to lower dollar)</i>	\$
19. CSRS Component Monthly Annuity Before Redeposit Reduction <i>(Line 9 ÷ 12, rounded to lower dollar)</i>	- \$
20. FERS Component Monthly Annuity <i>(Line 18 minus Line 19)</i>	\$
<b>Reduction to CSRS Component for Unpaid Redeposit for Refunded Service Ending Before 10/01/90</b>	
21. Unpaid Redeposit Balance for Refunded Service Ending Before 10/01/90 <i>(From Line I-F of Data Sheet)</i>	\$
22. Present Value Factor for Age When Deferred Annuity Could Begin <i>(From Line II-C of Data Sheet)</i>	÷
23. Reduction for Unpaid Redeposit <i>(Line 21 divided by Line 22, round to the higher dollar)</i>	\$
<b>Monthly Annuity Rates Payable – CSRS and FERS Components</b>	
24. CSRS Component Monthly Annuity <i>(Line 19 minus Line 23)</i>	\$
25. FERS Component Monthly Annuity <i>(From Line 20)</i>	\$
<b>Survivor Annuity Computation</b>	
26. Combined Annuity Before Survivor Reduction <i>(Line 7 plus Line 14)</i>	\$
27. Survivor Election <i>(50% or 25% of Annuity)</i>	x
28. Annual Survivor Benefit <i>(Line 26 x Line 27)</i>	\$
29. Monthly Survivor Benefit <i>(Line 28 ÷ 12, rounded to lower dollar)</i>	\$

**CREDITING NAF UNDER PL 107-107 -- FERS WITH CSRS COMPONENT COMPUTATION CONTINUED**

<b>Part B – Immediate Annuity Computation (Equals Present Value of Deferred Annuity)</b>	
<b>CSRS Component</b>	
30. CSRS Component Monthly Annuity (from Line 24 or Line II-G of Data Sheet))	\$
31. CSRS Present Value Factor Based on Employee’s Age on Date Deferred Annuity Could Begin (from line II-C of Data Sheet)	x
32. Discount Factor Corresponding to the Time Between the Dates the Immediate and Deferred Annuities Begin (from line II-F of Data Sheet)	x
33. Present Value of Deferred Annuity -- CSRS Component (Line 30 x Line 31 x Line 32, round to nearer penny)	\$
34. CSRS Present Value Factor Based on Employee’s Age as of the Date the Immediate Annuity Begins (from Line I-C of Data Sheet)	÷
35. Gross Monthly CSRS Component Payable (Line 33 ÷ Line 34, round to lower dollar)	\$
<b>FERS Component</b>	
36. FERS Component Monthly Annuity (from line 25 or Line II-H of Data Sheet)	\$
37. FERS Present Value Factor Based on Employee’s Age as of Date Deferred Annuity Could Begin (from line II-D of Data Sheet)	x
38. Discount Factor Corresponding to the Time Between the Dates the Immediate and Deferred Annuities Begin (from line II-F of Data Sheet)	x
39. Present Value of Deferred Annuity -- FERS Component (Line 36 x Line 37 x Line 38, round to nearer penny)	\$
40. FERS Present Value Factor Based on Employee’s Age on the Date the Immediate Annuity Begins (from line I-D of Data Sheet)	÷
41. Gross Monthly FERS Component Payable (Line 39 ÷ Line 40, round to lower dollar)	\$
<b>Combined Benefit – Gross Monthly Annuity Payable if NAF Service is Used to Qualify for Immediate Retirement</b>	
42. Gross Monthly Annuity Payable (Line 35 + Line 41)	\$
<b>Part C – Survivor Annuity Computation (Equals Present Value of Survivor Annuity)</b>	
43. Gross Monthly Survivor Annuity from Deferred Annuity Computation (from Line 29 or Line II-I of Data Sheet)	\$
44. FERS Present Value Factor Based on Employee’s Age as of Date Deferred Annuity Could Begin (from line II-D of Data Sheet)	
45. Discount Factor Corresponding to the Time Between the Dates the Immediate and Deferred Annuities Begin (from line II-F of Data Sheet)	
46. Present Value of Deferred Survivor Annuity (Line 43 x Line 44 x Line 45, round to nearer penny)	\$
47. FERS Present Value Factor Based on Employee’s Age on Date the Immediate Annuity Begins (from line I-D of Data Sheet)	÷
48. Gross Monthly Survivor Annuity (Line 46 ÷ Line 47, round to lower dollar)	\$