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Subchapter 55A CSRS

Part 55A1 General Information

Section 55A1.1-1 Overview

A. Introduction	This subchapter covers the method of computing annuities for employees under the Civil Service Retirement System (CSRS) whose service includes part-time service performed on or after April 7, 1986, the enactment date of Public Law 99-272.
B. Topics Covered	This subchapter covers:

- The definition of part-time service and other terms related to part-time service computations;

- The method used to compute annuities that include part-time service performed on or after April 7, 1986; and

- The procedures the agency must follow to process the separation of an employee who has performed part-time service on or after April 7, 1986.

C. Organization of Subchapter

This subchapter has four parts.

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Section 55A1.1-1 Overview (Cont.)

C. Organization of Subchapter (Cont.)	NOTE 1: See subchapter 55B about computing annuities for employees with part-time service whose entire service is creditable under FERS and employees with a CSRS annuity component who transferred to FERS.
	NOTE 2: See subchapter 55C for examples of part-time annuity computations.
D. Statement of Authority	This subchapter is based on the laws and regulations cited below.
	• United States Code: 5 U.S.C. 8339(p); 38 U.S.C 7426
	• Code of Federal Regulations: 5 CFR 831.703, et seq.

Section 55A1.1-2 Definitions Applicable to Part-Time Employees

A. Part-Time Service   Part-time service is --

- Any actual service performed on a less than full-time basis by an individual whose appointment describes a regularly scheduled tour of duty; and

- Any period of time credited during nonpay status under CSRS that follows a period of part-time service without any intervening period of actual service.

NOTE 1:   This definition is not limited to part-time career employment because it includes part-time temporary employment as well.

NOTE 2:   Part-time service does not include intermittent or when actually employed (WAE) service, that is, less than full-time service under an appointment that does not specify a prescheduled regular tour of duty.

NOTE 3:   In determining eligibility for retirement, part-time service is creditable to the same extent as full-time service.

B. Full-Time Service   Full-time service is any actual service in which the employee is scheduled to work the number of hours and days required by the administrative workweek for his or her grade or class (normally 40 hours).

C. Temporary Service   Temporary service is service under an appointment limited to 1 year or less exclusive of intermittent service.

D. Tour of Duty   The tour of duty is the assigned number of hours and days during an administrative workweek (that is, 20 hours/week, 40 hours/week).

Section 55A1.1-2 Definitions Applicable to Part-Time Employees (Cont.)

E. CSRS Proration Factor

The CSRS proration factor is a fraction, expressed as a percentage rounded to the nearest percent. It is used in the computation of the post-April 6, 1986, annuity benefit to reflect the difference between full-time and part-time service performed after April 6, 1986. Compute it as follows:

$$\frac{\text{Actual Hours Worked from 4-7-86 to Date of Separation}}{\substack{\text{Total Full-Time Hours Possible from 4-7-86} \\ \text{to Date of Separation}}}$$

NOTE 1:   Do not include additional credit for unused sick leave in the fraction.

NOTE 2:   A special proration method is used for computing certain nondisability annuities that include credit for part-time service with the Department of Veterans Affairs, Veterans Health Administration (see section 55A3.1-2).

F. FERS Proration Factor

The FERS proration factor is used to compute FERS and FERS component annuities that include credit for part-time service. The factor reflects the difference between full-time and part-time service for the entire period of covered FERS service (including military service credited under FERS). Compute it as follows:

$$\frac{\text{Actual Hours Worked During All Creditable FERS Service}}{\substack{\text{Total Full-Time Hours Possible During All} \\ \text{Creditable FERS Service}}}$$

NOTE: A special proration method is used for computing certain nondisability annuities that include credit for part-time service with the Department of Veterans Affairs, Veterans Health Administration (see section 55B2.1-2B).

Part 55A2 Computing Annuities That Include Part-time Service Performed On or After April 7, 1986

Section 55A2.1-1 Computing the Combined Basic Annuity

A. General

The combined basic annuity of a CSRS employee who has any part-time service on or after April 7, 1986, is the sum of two separate computations --

- **A pre-April 7, 1986, basic annuity**, using the employee's total creditable service through April 6, 1986 (plus unused sick leave as of the date of the employee's separation); and

- **A post-April 6, 1986, basic annuity**, using the employee's service from April 7, 1986, through the date of separation, and leftover days from the length of service used to compute the pre-April 7, 1986, basic annuity. The result of this computation is prorated to reflect the difference between full-time and part-time service.

The procedures for computing the combined basic annuity are described in detail in paragraphs B through J below.

NOTE: The method of computation described in this part does not apply to certain employees whose service history includes part-time service in the Department of Veterans Affairs (VA). See Part 55A3.

B. Step 1: Compute Length of Service for the Pre-April 7, 1986, Basic Annuity

Using the methods described in Chapter 50, Computation of Annuity Under the General Formula, sections 50A2.1-2 and 50A2.1-3, determine the employee's total length of service through April 6, 1986, **including the employee's total unused sick leave as of the date of retirement.**

NOTE: Only whole years and months of service are used for computation purposes for the pre-April 7, 1986, basic annuity, **but leftover days will be added to the length of service used to compute the post-April 6, 1986, basic annuity**.

Section 55A2.1-1 Computing the Combined Basic Annuity (Cont.)

B. Step 1:   EXAMPLE: **Service History**
Compute Length
of Service for the   1-1-70 to 3-30-82   Full-Time 40 hrs/week
Pre-April 7, 1986,   4-1-82 to 12-31-88   Part-Time 32 hrs/week
Basic Annuity   1-1-89 to 6-30-94   Full-Time 40 hrs/week
(Cont.)

         Sick Leave = 1680 hours (9 months 20 days)

$$
\begin{array}{r}
07 \\
86 - 04 - \cancel{06} \\
-\ \underline{70 - 01 - 01} \\
16 - 03 - 06 \quad \text{CSRS Service}
\end{array}
$$

16 yrs	03 mos	06 days	CSRS Service
+	<u>09 mos</u>	<u>20 days</u>	Sick Leave
17 yrs	00 mos	(26 days carried forward)	

      17 years = Total creditable service for computation
                        purposes through
                        April 6, 1986.

Section 55A2.1-1 Computing the Combined Basic Annuity (Cont.)

C. Step 2:
Compute Length
of Service for the
Post-April 6,
1986, Basic
Annuity

1. Determine the employee's length of service from April 7, 1986, to the date of separation, using the methods described in Chapter 50, sections 50A2.1-2 and 50A2.1-3.

2. Add the left over days from the pre-April 7, 1986, length-of-service computation.

3. Drop left over days from total of 1 and 2 above.

EXAMPLE (continued from paragraph B above):

```
                    31
          94 - 06 - 30
        - 86 - 04 - 07
          08 - 02 - 24    CSRS Service


      8 yrs     02 mos   24 days    CSRS Service
    +                    26 days    Carried Forward
    _____

      8 yrs     03 mos   (20 days dropped)


        8 years 3 months   =   Total creditable service for computation
                               purposes on or after April 7, 1986.
```

Section 55A2.1-1 Computing the Combined Basic Annuity (Cont.)

D.	**Step 3: Compute the High-3 Average Pay for the Pre-April 7, 1986, Basic Annuity**	Compute the high-3 average pay for the pre-April 7, 1986, basic annuity by using **any** period of 3 consecutive years of the employee's service, **including service performed after April 6, 1986,** that will produce the highest average pay. The average pay computation for the pre-April 7, 1986, basic annuity is based on actual rates paid. The rates of basic pay for part-time service are prorated according to the employee's part-time tour of duty, including part-time service after April 6, 1986, that is included in the average pay computation. If the employee worked in excess of the scheduled tour of duty, use actual earnings to compute the average salary.
		NOTE: The 3-year period used to compute the high-3 average pay for pre-April 7, 1986, annuity need not be the same as the period used for the post-April 6, 1986, annuity (although in most cases they will be the same).
E.	**Step 4: Compute the Pre-April 7, 1986, Basic Annuity**	Using the pre-April 7, 1986, length of service and average salary obtained in steps 1 and 3 (paragraphs B and D, above), compute the pre-April 7, 1986, basic annuity under the general formula explained in Chapter 50, section 50A3.1-1, paragraph A.
		NOTE 1: If the length of service is 5 years or more, the CSRS General Formula Computation Chart, Chart 4, provided in Chapter 50, section 50C1.1-1, may be used to compute the pre-April 7, 1986, basic annuity.
		NOTE 2: If the length of service is less than 5 years, compute the pre-April 7, 1986, basic annuity by multiplying 1.5 percent of the high-3 average pay times the applicable factor for the length of service (using the 360 Day Factor Chart, Chart 1, provided in Chapter 50, section 50C1.1-1).

Section 55A2.1-1 Computing the Combined Basic Annuity (Cont.)

F.	**Step 5:** **Compute the CSRS Proration Factor**	1.	Compute the actual time worked, and the number of full-time hours that could have been worked, for all periods of service performed on or after April 7, 1986.

> NOTE 1: Include time worked in excess of the scheduled part-time tour of duty, not to exceed full-time credit, in the computation of the actual time worked.

> NOTE 2: Include periods of creditable time in a nonpay status in the computation of actual time worked. The "actual time worked" during nonpay status is based on the tour of duty in effect immediately before entry into the nonpay status.

2. Divide the total actual hours worked by the total full-time hours to obtain the CSRS proration factor. (Round to the nearest percent.)

NOTE: The CSRS Proration Factor Worksheet is provided in section 55C1.1-1.

Section 55A2.1-1 Computing the Combined Basic Annuity (Cont.)

G.	**Step 6:** **Compute the** **High-3 Average** **Pay for the Post-** **April 6, 1986,** **Basic Annuity**	Compute the high-3 average pay for the post-April 6, 1986, basic annuity by using **any** period of 3 consecutive years of the employee's service that will produce the highest average. The following rules determine what rates of pay to use in this computation.

•   **If all of the high-3 period falls after April 6, 1986** (as it will for most current employees), use only the full-time rates of basic pay for the position. In other words, for part-time service performed after April 6, 1986, use "deemed" full-time rates, the rates the employee would have received if the service had been full-time.

NOTE 1: **In rare circumstances when the high-3 period falls partly before April 7, 1986, and partly after April 6, 1986**, the average pay computation is based on a combination of methods. For any part of the high-3 period that falls before April 7, 1986, prorate basic pay according to the employee's part-time tour of duty or use actual earnings, whichever is higher. Use deemed full-time rates for any part of the high-3 period that falls after April 6, 1986.

NOTE 2: Do not use deemed full-time rates to compute anything other than the average pay for the Post-April 6, 1986, Basic Annuity. Prorate the employee's pay according to the part-time tour of duty in determining the following:

• A supplemental annuity (see Chapter 100, Reemployed Annuitants);

• The 80-percent limit on annuity (see Chapter 50);

Section 55A2.1-1 Computing the Combined Basic Annuity (Cont.)

G.	**Step 6:** **Compute the** **High-3 Average** **Pay for the Post-** **April 6, 1986,** **Basic Annuity** **(Cont.)**	• The minimum annuity amount for Air Traffic Controllers (see Chapter 46, Special Retirement Provisions for Law Enforcement Officers, Firefighters, Air Traffic Controllers, and National Guard Technicians); • The minimum annuity amount (both 40 percent and projected computations) for disability annuitants (see Chapter 60, Disability Retirement).
H.	**Step 7:** **Compute the** **Unreduced Post-** **April 6, 1986,** **Basic Annuity**	Compute the unreduced post-April 6, 1986, basic annuity by using the applicable steps of the general formula, and the high-3 average pay obtained in Step 6 (paragraph G, above). The amount of creditable service the employee performed **before April 7, 1986,** and the amount of **total** creditable service the employee performed, will determine which step(s) of the general formula (1.5%, 1.75%, 2.0%) apply to the post-April 6, 1986, computation. The computation may involve one, two, or all three of the percentage rates of the general formula. The procedure is explained in the following table.

Section 55A2.1-1 Computing the Combined Basic Annuity (Cont.)

H.   Step 7:   Compute the Unreduced Post-April 6, 1986, Basic Annuity (Cont.)

IF Service Used in the Pre-April 7, 1986 Computation Is:	**AND** The Total Combined CSRS Service, Including Sick Leave Credit, Is:	**THEN:**
Greater than or equal to 10 years.	⇒	Apply all of the Post-April 6, 1986, service to the 2% factor.
Greater than 5 years, but less than 10 years.	Less than or equal to 10 years.	Apply all of the Post-April 6, 1986, service to the 1.75% factor.
	Greater than 10 years.	• Subtract 10 years from the total combined CSRS service to obtain the amount of Post-April 6, 1986, service to be applied to the 2% factor, **AND** • Apply the balance of the Post-April 6, 1986, service to the 1.75% factor.
Less than 5 years.	Equal to 5 years exactly.	Apply all of the Post-April 6, 1986, service to the 1.5% factor.
	Greater than 5 years, but less than or equal to 10 years.	• Subtract 5 years from the total combined CSRS service to obtain the amount of Post-April 6, 1986, service that should be applied to the 1.75% factor, **AND** • Apply the balance of the Post-April 6, 1986, service to the 1.5% factor.
	Greater than 10 years.	• Subtract 10 years from the total combined CSRS service to obtain the amount of Post-April 6, 1986, service that should be applied to the 2% factor, **AND** • Apply 5 years of the Post-April 6, 1986, service to the 1.75% factor **AND** • Apply the balance of the Post-April 6, 1986, service to the 1.5% factor.

Section 55A2.1-1 Computing the Combined Basic Annuity (Cont.)

I.	**Step 8:** **Prorate the Post-April 6, 1986, Basic Annuity**	Prorate the amount obtained in Step 7 to reflect the difference between full-time and part-time service. This is done by multiplying the annual amount obtained in Step 7 by the CSRS Proration Factor obtained in Step 5 (paragraph F).
J.	**Step 9:** **Compute the Combined Basic Annuity**	Add the annual amounts obtained in Steps 4 and 8. This is the Combined Basic Annuity. See Chapter 50, section 50A3.1-3 for an explanation of the reductions that apply to the basic annuity.

Part 55A3 Computing Annuities That Include Part-Time Service With the Department of Veterans Affairs (VA), Veterans Health Administration (VHA)

Section 55A3.1-1 Introduction

A. General

A modified method of computation applies to some annuities that include credit for part-time > title 38 < service with the VHA (formerly the Department of Medicine and Surgery).

B. Applicability

The computations described in this part are based on 38 U.S.C. 7426, and apply only to current employees of *any agency* who, at any time in the past, were part-time employees of the VHA.

NOTE: Part 55A3 does not describe rules that apply to VHA employees who retired before September 20, 1986. Questions from individuals separated before that date should be referred to the Office of Personnel Management.

Section 55A3.1-2 Nondisability Retirees Who Had Part-Time VHA Service

A. Compute the Unreduced Basic Annuity	1. Determine the employee's total length of service to the date of separation, using the methods described in Chapter 50, sections 50A2.1-2 and 50A2.1-3, including total unused sick leave.
	2. Compute the high-3 average pay by using any period of 3 consecutive years of the employee's service that will produce the highest average, **using the full-time rates of basic pay for the position**. In other words, for any period of part-time service included in the high-3 computation, use the rates the employee would have received if the service had been full-time ("deemed" full-time rates).
	3. Compute the unreduced basic annuity, using the general formula. See Chapter 50, section 50A3.1-1A.
B. Prorate the Unreduced Basic Annuity	Prorate the unreduced basic annuity by multiplying the annual amount obtained in paragraph A, above, by the fraction that equals the actual hours worked during service with the VHA, plus all other creditable Federal service divided by the full calendar time the individual was a Federal employee.

NOTE 1:   All creditable Federal service in this instance means all service before and after April 7, 1986, including military service.

NOTE 2:   Part-time service other than > title 38 < part-time VHA service is treated as full-time service in both the numerator and the denominator of the fraction.

NOTE 3:   Use the CSRS Proration Factor Worksheet in section 55C1.1-1 to compute the CSRS Proration Factor. However, always enter "1" in column G for periods of non-VHA > title 38 < part-time service (see NOTE 1).

See Chapter 50, section 50A3.1-3, for an explanation of the applicable reductions in the basic annuity.

Section 55A3.1-3 Disability Retirees Who Had Part-Time VHA Service

A. Rule > The annuity of an employee who had part-time VHA service, and who retires for disability is not computed in the manner described in section 55A3.1-2.

A CSRS disability annuity based on the earned annuity computation is computed under the rules set out in Part 55A2.

A CSRS disability annuity based on the guaranteed minimum annuity computation is computed using a high-3 average pay that is derived from actual rates paid. The CSRS proration factor discussed in Parts 55A1 and 55A2 is not used to compute the guaranteed minimum annuity.

(Part 61A2 of Chapter 61 describes how a CSRS disability annuity is computed.) <

Section 55A3.1-4 Effect of VHA Part-Time Service on Survivor Annuities

A. Rule

The spousal survivor annuity of an employee who dies in service, and who had part-time VHA service is 55 percent of an annuity computed under the rules set out in > section 55A3.1-3. <   The method described in section 55A3.1-2 does not apply.

Part 55A4 Procedures

Section 55A4.1-1 Agency Responsibility

**A. Standard Form
   2806**

For each employee whose service includes part-time service on or after April 7, 1986, the agency must indicate the following information on Standard Form (SF) 2806, Individual Retirement Record:

1. Column 4, "Remarks":

    •   The employee's part-time tour of duty (for example, 20 hours per week, 32 hours per week); and

    •   The hours equal to a full-time tour of duty for the employee. (Normally, 40 hours per week.)

2. Under Column 8, "Remarks," show the hours worked for each calendar year.

    NOTE: Each time an employee's tour of duty changes, an SF 50 must be processed to indicate the change. See The Guide to Processing Personnel Actions manual for information about processing SF 50's for changes in tour of duty.

Subchapter 55B FERS

Part 55B1 General Information

Section 55B1.1-1 Overview

A. Introduction   This subchapter covers the computation of annuity for employees under the
                         Federal Employees Retirement System (FERS) whose creditable service
                         includes part-time employment.

                         This subchapter explains how FERS differs from CSRS. It refers readers to
                         the CSRS rule that applies, or gives the FERS rule if it is different.

B. Organization of   The FERS subchapter has four parts.
   Subchapter

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55B4	Computing Annuities That Include Part-Time Service With the Department of Veterans Affairs (VA), Veterans Health Administration (VHA)	24

                         NOTE: Subchapter 55C contains examples of computations of FERS
                                   annuities that include part-time service.

C. Applicable CSRS   The following section and part of subchapter 55A apply under FERS:
   Provisions

                         •   Section 55A1.1-2   Definitions

                         •   Part 55A4   Procedures

                         EXCEPTION: SF 3100 replaces SF 2806 in Part 55A4, Procedures.

D. Statement of   This subchapter is based on the laws and regulations cited below.
   Authority

                         •   United States Code: 5 U.S.C. 8415(e); 38 U.S.C. 7426

                         •   Code of Federal Regulations: 5 CFR 842.407

Section 55B1.1-2 Introduction

A. General Rules

The following rules apply to part-time service annuity computations under FERS.

- The date, April 7, 1986, has no significance for the part-time annuity computation;

- The computation is similar to a post-April 6, 1986, part-time service computation under CSRS, even if part of the creditable service falls prior to April 7, 1986;

- Unlike the CSRS part-time computation, which often requires the computation of two different high-3 average pays, the FERS part-time computation uses only one high-3 average pay. The high-3 average pay used in the annuity computation is based on full-time or deemed full-time pay rates;

- All periods of service are used in determining the FERS proration factor, including service before April 7, 1986; and

- The entire annuity is prorated to reflect the difference between part-time and full-time service.

NOTE: See part 55B3 for rules involving FERS part-time annuity computations that involve a CSRS component.

Part 55B2 Computing FERS Annuities That Include Part-Time Service

Section 55B2.1-1 Computing the Basic Annuity

A. Step 1: Compute the Length of Service	Using the methods described in Chapter 50, sections 50A2.1-2 and 50A2.1-3, determine the employee's total length of FERS or FERS component service.

B. Step 2: Compute the FERS Proration Factor

1. Compute the actual time worked, and the number of full-time hours that could have been worked, for all periods of civilian and military service creditable under FERS.

   NOTE 1: Include time worked in excess of the scheduled part-time tour of duty, not to exceed full-time credit, in the computation of the actual time worked.

   NOTE 2: Include periods of creditable time in a nonpay status in the computation of actual time worked. The "actual time worked" during nonpay status is based on the tour of duty in effect immediately before entry into the nonpay status.

2. Divide the total actual hours worked by the total full-time hours to obtain the FERS proration factor. (Round to the nearest percent.)

   NOTE: The FERS Proration Factor Worksheet is provided in section 55C1.1-1.

C. Step 3: Compute the High-3 Average Pay

Compute the high-3 average pay for the basic annuity by using any period of 3 consecutive years of the employee's service that will produce the highest average. Use only the full-time rates of basic pay for the position. In other words, use "deemed" full-time rates, the rates the employee would have received if the service had been full-time.

NOTE 1: See Chapter 50 for general instructions about how to compute a high-3 average pay and an explanation of basic pay rates.

NOTE 2: Use deemed full-time rates to compute only the basic annuity. Prorate the employee's pay according to the part-time tour of duty in determining the following:

- A supplemental annuity (see Chapter 100);

- The final salary (or high-3 average salary) portion of the basic employee death benefit (see Chapter 70, Spouse Benefits - Death of an Employee);

- The disability benefit based on either 60 percent or 40 percent of the high-3 average salary (see Chapter 60).

Section 55B2.1-1 Computing the Basic Annuity (Cont.)

D. Step 4: Compute the Unreduced Basic Annuity	Compute the unreduced basic annuity in accordance with Chapter 50, section 50B3.1-1.
E. Step 5: Prorate the Unreduced Basic Annuity	Prorate the amount obtained in Step 4 to reflect the difference between full-time and part-time service. This is done by multiplying the annual amount obtained in Step 4 by the FERS proration factor computed in Step 2.

> Note: For disability annuity compuations based on either 60 percent or 40 percent of an employee's high-3 average pay:
> - ! the high-3 average pay is computed using actual rates paid -- i.e. the rates of pay for part-time service are prorated according to the employee's part-time tour of duty;
> - ! the FERS proration factor is not used. <

Part 55B3 Computation With a CSRS Component

Section 55B3.1-1 Computation With a CSRS Component

A. General Rule

1. If the FERS annuity includes a CSRS annuity component, and the employee performed part-time service credited in the FERS component, and/or part-time service performed after April 6, 1986, credited in the CSRS component:

    • The CSRS annuity component is computed as described in subchapter 55A; and

    • The FERS annuity component is computed as described in section 55B1.1-2.

    NOTE: Any period of service, including service covered by FERS, can be used in determining the high-3 average pay for a CSRS component.

2. If the CSRS component includes part-time service performed after April 6, 1986, but the FERS component does not include part-time service, do not prorate the FERS annuity component.

3. If the FERS component includes part-time service, but the CSRS component does not include part-time service performed after April 6, 1986:

    • Prorate the FERS annuity component, as explained in section 55B2.1-1D, to reflect the difference between part-time and full-time service performed during creditable FERS service. Use the FERS Proration Factor Worksheet in section 55C1.1-1.

    • Use the rules described in subchapter 55A to compute the CSRS component of the annuity. Compute the post-April 6, 1986, high-3 average pay using deemed full-time rates, but do not prorate the post-April 6, 1986, benefit.

    NOTE 1:   If the employee only performed part-time service prior to April 7, 1986, and that service is credited in the CSRS component, the computation rules outlined in this Chapter will not apply. Compute the annuity following the rules for a regular annuity computation outlined in Chapter 50.

    NOTE 2:   Subchapter 55C contains an example of FERS part-time annuity computation that includes a CSRS annuity component.

Part 55B4 Computing Annuities That Include Part-Time Service With the Department of Veterans Affairs (VA), Veterans Health Administration (VHA)

Section 55B4.1-1 Computing FERS Annuities That Include Credit for Part-Time Service With the Department of Veterans Affairs (VA), Veterans Health Administration (VHA)

A. Compute the Unreduced Basic Annuity

Follow the steps described in section 55B2.1-1A, B, and C to compute the unreduced basic annuity.

B. Prorate the Unreduced Basic Annuity

Prorate the unreduced basic annuity by multiplying the annual amount obtained in paragraph A, above, by the fraction that equals the actual hours worked during service with the VHA, plus all other creditable Federal service, divided by the full calendar time the individual was a Federal employee.

NOTE 1:   Part-time service other than > title 38 < part-time VHA service is treated as full-time service in both the numerator and the denominator of the fraction.

NOTE 2:   Use the FERS Proration Factor Worksheet in section 55C1.1-1 to compute the FERS Proration Factor. However, always enter "1" in column G for periods of non-VHA > title 38 < part-time service (see NOTE 1).

See Chapter 50, section 50B3.1-3, for an explanation of the applicable reductions in the basic annuity.

Subchapter 55C Worksheets and Examples

This subchapter contains the following worksheets for local reproduction, and examples:

Section 55C1.1-1 Proration Factor Worksheets
CSRS and FERS Proration Factor Worksheets

Section 55C1.1-2 Computation Worksheets for Local Reproduction
CSRS Part-Time Computation
Computation of Pre-April 7, 1986 CSRS Service Credit
Computation of Post-April 6, 1986 CSRS Service Credit
Pre-April 7, 1986 Basic Annuity Computation
Pre-April 7, 1986 Basic Annuity Benefit
Post-April 6, 1986 Basic Annuity Computation
Post-April 6, 1986 Basic Annuity Benefit
Computation of CSRS Total Basic Annuity
Computation of Reduction for Unpaid Redeposit CSRS Employees
FERS Part-Time Annuity Computation
FERS Part-Time Basic Annuity
Computation of FERS Monthly Annuity

Section 55C1.1-3 CSRS Examples
Example 1:   CSRS Employee Who Changes From Part-Time to Full-Time 3 Years Before
              Retirement
Example 2:   CSRS Employee With Same Average Salary Period, But Different Average Salaries
Example 3:   CSRS Employee With Different Average Salary Periods

Section 55C1.1-4 FERS Examples
Example A: FERS Employee With Part-Time Service, No CSRS Component
Example B: FERS Employee With Part-Time Service, CSRS Component With Less Than 5 Years
              Service Before April 7, 1986
Example C: FERS Transfer Employee With Part-Time Service in Both Components, Same Average
              Salary Period, Different Pre-April 7, 1986 Average Salary
Example D: FERS Transfer Employee With Part-Time Service in CSRS Component Only, Same
              Average Salary Period, Same Average Salaries
Example E: FERS Transfer Employee With Part-Time Service in FERS Component Only, Different
              Average Salary Periods, Different Average Salaries

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Section 55C1.1-1 CSRS Proration Factor Worksheet

Columns

A, B: Beginning and ending dates of all periods of creditable service on or after April 7, 1986. Each change in tour of duty should be treated as a separate period of service. Periods of full-time and intermittent service should also be entered separately. (See section 55A3.1-2 for special procedures that apply to nondisability retirees who had part-time service with the Department of Veterans Affairs, Veterans Health Administration.)

C: Total calendar time in years, months, and days for each period of service (or tour).

D: Time factor for each period. Use the 360 Day Factor Chart, Chart 1, in Chapter 50, section 50C1.1-1.

E: The yearly multiplier--2087 in most cases.

F: The product of D x E (round up). This represents the equivalent full-time hours for the period, that is, the number of hours that would have been worked if the tour of duty had been full-time.

G: The employee's tour of duty. Enter the tour as described on the employee's service record--either a fraction or a decimal that represents the ratio of part-time to full-time service. If the employing agency provides actual hours worked during part-time service or for intermittent service, skip this step, and enter the hours in column H.

H: The product of F and G (round up).

A From			B To			C Total Time			D Time Factor	E Multiplier	F Full-Time Hrs (DxE)	G Tour	H Hours Worked (FxG)
Yr	Mo	Day	Yr	Mo	Day	Yrs	Mos	Days					
									Totals----------				

PRORATION FACTOR (total column H ÷ total column F) = _____ ROUNDED TO NEAREST PERCENT

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Section 55C1.1-1 FERS Proration Factor Worksheet

Columns

A, B: Beginning and ending dates of all periods of service creditable under FERS. Each change in tour of duty should be treated as a separate period of service. Periods of full-time and intermittent service should also be entered separately. (See section 55A3.1-2 for special procedures that apply to nondisability retirees who had part-time service with the Department of Veterans Affairs, Veterans Health Administration.)

C: Total calendar time in years, months, and days for each period of service (or tour).

D: Time factor for each period. Use the 360 Day Factor Chart, Chart 1, in Chapter 50, section 50C1.1-1.

E: The yearly multiplier, in most cases, is 2080 for service performed before March 1, 1986, and 2087 for service performed on or after March 1, 1986.

F: The product of D x E (round up). This represents the equivalent full-time hours for the period, that is, the number of hours that would have been worked if the tour of duty had been full-time.

G: The employee's tour of duty. Enter the tour as described on the employee's service record--either a fraction or a decimal that represents the ratio of part-time to full-time service. If the employing agency provides actual hours worked during part-time service or for intermittent service, skip this step, and enter the hours in column H.

H: The product of F and G (round up).

A From			B To			C Total Time			D Time Factor	E Multiplier	F Full-Time Hrs (DxE)	G Tour	H Hours Worked (FxG)
Yr	Mo	Day	Yr	Mo	Day	Yrs	Mos	Days					
								Totals--------					

PRORATION FACTOR (total column H ÷ total column F) = _____ ROUNDED TO NEAREST PERCENT

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Section 55C1.1-2 Computation Worksheets for Local Reproduction

CSRS PART-TIME COMPUTATION

		YR - **MO** - **DY**

Name: _____   **Date of Retirement**: _____

Date of Birth: _____

Age: _____

TYPES OF SERVICE SHOWN
G CSRS
G CSRS COMPONENT OF FERS TRANSFEREE

COMPUTATION OF PRE-APRIL 7, 1986 CSRS SERVICE CREDIT

A	B	C	D (Do not list noncreditable periods of service)		
STARTING YR-MO-DY	ENDING YR-MO-DY	COVERED/REFUNDED/ NONDEDUCTION/MILITARY	YRS	MOS	DAYS
		TOTAL CIVILIAN/MILITARY			
		UNUSED SICK LEAVE			
		TOTAL PRE-4/7/86 CREDITABLE SERVICE			
		TOTAL PRE-4/7/86 SERVICE FOR COMPUTATION PURPOSES			

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Section 55C1.1-2 Computation Worksheets for Local Reproduction (Cont.)

COMPUTATION OF POST-APRIL 6, 1986 CSRS SERVICE CREDIT

TYPES OF SERVICE SHOWN

G CSRS

G CSRS COMPONENT OF FERS
     TRANSFEREE

A	B	C	D (Do not list noncreditable periods of service)		
STARTING YR-MO-DY	**ENDING YR-MO-DY**	**COVERED/REFUNDED/ NONDEDUCTION/MILITARY**	**YRS**	**MOS**	**DAYS**
TOTAL CIVILIAN/MILITARY					
EXCESS DAYS FROM PRE-4/7/86 SERVICE					
TOTAL POST-4/6/86 CREDITABLE SERVICE					
TOTAL POST-4/6/86 SERVICE FOR COMPUTATION PURPOSES					

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Section 55C1.1-2 Computation Worksheets for Local Reproduction (Cont.)

PRE-APRIL 7, 1986 BASIC ANNUITY COMPUTATION

PRE-APRIL 7, 1986 AVERAGE SALARY*

A FROM			B TO			C ANNUAL BASIC PAY	D TOTAL TIME			E TIME FACTORS	F SALARY EARNED (C x E)
YR	MO	DAY	YR	MO	DAY		YRS	MOS	DAYS		
					TOTALS				**	

$_____$ ÷ 3 = $_____

 Total Salary Earned   **High-3 Average Salary**

*   **High-3 period is usually the last 3 years, but see section 50A2.1-4.**

** **Factors should total 3, but may be slightly more or less because of rounding.**

PRE-APRIL 7, 1986 BASIC ANNUITY BENEFIT

High-3 Average Salary	$
Retirement Factor ( ) yrs. ( ) mos. (See section 50C1.1-1, Chart 4*)	x
Pre-4/7/86 Basic Annuity	$

*To determine the retirement factor when pre-April 7, 1986, service is less than 5 years, multiply 1.5 percent by the time factor for pre-April 7, 1986, service (see section 50C1.1-1, Chart 1).

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Section 551.1-2 Computation Worksheets for Local Reproduction (Cont.)

POST-APRIL 6, 1986 BASIC ANNUITY COMPUTATION

POST-APRIL 6, 1986 AVERAGE SALARY*

A FROM			B TO			C ANNUAL BASIC PAY	D TOTAL TIME			E TIME FACTORS	F SALARY EARNED (C x E)
YR	MO	DAY	YR	MO	DAY		YRS	MOS	DAYS		
					TOTALS				**	

$\rule{8cm}{0.4pt}$ ÷ **3** = $\rule{8cm}{0.4pt}$
   Total Salary Earned   **High-3 Average Salary**

*   **High-3 period is usually the last 3 years, but see section 50A2.1-4.**

** **Factors should total 3, but may be slightly more or less because of rounding.**

POST-APRIL 6, 1986 BASIC ANNUITY BENEFIT

POST-APRIL 6, 1986 RETIREMENT FACTOR	
.015 X $\rule{3cm}{0.4pt}$ = $\rule{2.5cm}{0.4pt}$ Length of Service	
.0175 X $\rule{3cm}{0.4pt}$ = + $\rule{2.5cm}{0.4pt}$ Length of Service	
.02 X $\rule{3cm}{0.4pt}$ = + $\rule{2.5cm}{0.4pt}$ Length of Service	
Total	
Post-4/6/86 High-3 Average Salary	x $
Post-4/6/86 Basic Annuity Before Proration	= $
CSRS Proration Factor	x
Post-4/6/86 Basic Annuity Benefit	= $

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Section 55C1.1-2 Computation Worksheets for Local Reproduction (Cont.)

COMPUTATION OF CSRS TOTAL BASIC ANNUITY

Pre-4/7/86 Basic Annuity	$
Post-4/6/86 Basic Annuity	+ $
Total CSRS Basic Annuity	$
Reductions are made for:	
1) **Under age 55 (See section 50C1.1-1, Chart 5)**	x
Reduced Annuity	$
2) **Non-deposit for service prior to 10-1-82 (subtract 10% of deposit due)**	- $
Reduced Annuity *	$
3) **Survivor Annuity:** **Base selected by retiree** $_____ **Amount up to $3600** $_____ x .025 = $_____ **Plus amount over $3600** $_____ x .10 = $_____	
Total Reduction = $	- $
Annual Annuity	$
MONTHLY ANNUITY (Divide by 12, round down to next lower dollar)	$

*CSRS component for FERS transferee.

SURVIVOR ANNUITY COMPUTATION

Amount designated as survivor base	$
Spouse or former spouse entitled to 55% of survivor base	x .55
Annual Survivor Annuity	$
MONTHLY ANNUITY (Divide by 12, round down to next lower dollar)	$

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Section 55C1.1-2 Computation Worksheets for Local Reproduction (Cont.)

COMPUTATION OF REDUCTION

FOR UNPAID REDEPOSIT

CSRS EMPLOYEES

Monthly Annuity Otherwise Payable	$
Subtract Monthly Reduction: (Round to next higher dollar)	
Redeposit Owed $_____ ÷ **CSRS PVF*** _____ =	- $
CSRS MONTHLY ANNUITY REDUCED FOR UNPAID REDEPOSIT	$

*Present Value Factor (see Chapter 53, Section 53C1.1-1).

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Section 55C1.1-2 Computation Worksheets for Local Reproduction

FERS PART-TIME ANNUITY COMPUTATION

YR - MO - DY

Name: _____   Date of Retirement: _____

Date of Birth: _____

Age: _____

COMPUTATION OF FERS SERVICE CREDIT

A	B	C	D (Do not list noncreditable periods of service)		
STARTING YR-MO-DY	ENDING YR-MO-DY	COVERED/REFUNDED/ NONDEDUCTION/MILITARY	YRS	MOS	DAYS
TOTAL CIVILIAN/MILITARY					
TOTAL SERVICE FOR COMPUTATION PURPOSES					

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Section 55C1.1-2 Computation Worksheets for Local Reproduction (Cont.)

FERS PART-TIME BASIC ANNUITY

HIGH-3 AVERAGE SALARY*

A FROM			B TO			C ANNUAL BASIC PAY	D TOTAL TIME			E TIME FACTORS	F SALARY EARNED (C x E)
YR	MO	DAY	YR	MO	DAY		YRS	MOS	DAYS		
					TOTALS				**	

$_____ ÷ **3** = $_____

   Total Salary Earned   **High-3 Average Salary**

*   **High-3 period is usually the last 3 years, but see section 50A2.1-4.**

** **Factors should total 3, but may be slightly more or less because of rounding.**

FERS BASIC ANNUITY BENEFIT

High-3 Average Salary	$
Retirement Factor ( ) yrs. ( ) mos. (See section 50C1.1-1, Chart 6 or 7)	X
Basic Annuity Before Proration	$
FERS Proration Factor	X
FERS Basic Annuity	$

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Section 55C1.1-2 Computation Worksheets for Local Reproduction (Cont.)

COMPUTATION OF FERS MONTHLY ANNUITY

FERS Basic Annuity		$
CSRS Annuity After Reduction Made for Non-Deposit for Service Prior to 10-1-82*	+	$
Total FERS Basic Annuity		$
Reductions are made for:		
1) **Under age 62 (not 60/20 or 55/30)** (See section 50C1.1-1, Chart 8)	x	
Reduced Annuity		$
2) **Survivor Annuity:** **Base selected by retiree** $_____ **(full or one-half)** x_____.10_____ **Total reduction** $_____		
	-	$
Annual Annuity		$
MONTHLY ANNUITY (Divide by 12, round down to next lower dollar)		$

*For FERS Transferees. (Applicable if FERS annuity includes a CSRS component.)

SURVIVOR ANNUITY COMPUTATION

Survivor Base Selected (full or one-half)		$
Spouse or former spouse entitled to 50% of survivor base	x	.50
Annual Survivor Annuity		$
MONTHLY SURVIVOR ANNUITY (Divide by 12, round down to next lower dollar)		$

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Section 55C1.1-3 CSRS Examples

Example 1:   **CSRS Employee Who Changes From Part-Time to Full-Time**
3 Years Before Retirement

Name:	Cindy Dawson
Type of Retirement:	Early Optional
Date of Retirement:	3-31-95
Date of Birth:	1-9-41
Age at Retirement:	54 years 2 months 22 days
Military Service:	9-17-59 to 9-16-63
Civilian Service:	

5-04-64 to 7-19-67	Refunded	40 hrs/week
9-23-70 to 12-15-71	Nondeduction	24 hrs/week
12-16-71 to 1-11-92	Paid	24 hrs/week
1-12-92 to 3-31-95	Paid	40 hrs/week

Unused Sick Leave: 665 hours

Unpaid Civilian Deposit: $1,028.00

Unpaid Redeposit: $2,746.00

Survivor Benefits: Based on Full Annuity

Salary Information:

Effective Date	Full-Time Rate	Actual Rate Paid
1-13-91	$26,309.00	$15,785.40 (24/40)
1-12-92	$27,098.00	$27,098.00 (40/40)
1-10-93	$29,930.00	$29,930.00
7-11-93	$30,895.00	$30,895.00
1-9-94	$34,024.00	$34,024.00
1-8-95	$35,087.00	$35,087.00

1. Compute the pre-April 7, 1986, creditable CSRS service following the
    procedures outlined in Chapter 50.

    NOTE 1: Apply unused sick leave credit to pre-April 7, 1986, creditable
             service.

    NOTE 2: Add excess days to post-April 6, 1986, creditable CSRS service in
             Step 2 for computation purposes.

    Pre-April 7, 1986, Creditable Service: 23 years 0 months (25 days)

Section 55C1.1-3 CSRS Examples (Cont.)

Example 1: (Cont.)   2.   Compute the post-April 6, 1986, creditable CSRS service following the
procedures outlined in Chapter 50. Include excess days from the pre-April 7,
1986, service.

Post-April 6, 1986 Service: 8 years 11 months 24 days
Pre-April 7, 1986 Excess Days: 25 days

Total Post-April 6, 1986
Creditable Service: 9 years 0 months (19 days)

NOTE: Drop excess days resulting after this step.

3.   Compute the pre-April 7, 1986, high-3 average salary following the
procedures outlined in Chapter 50. **Use only actual rates paid.**

Pre-April 7, 1986, High-3 Average Salary: $31,115.00

NOTE: Use any 3 years of consecutive service in an employee's career to
determine the highest 3 years of pay. The high-3 period is not
limited to pre-April 7, 1986, service.

4.   Compute the pre-April 7, 1986, basic annuity.

a.   Enter the high-3 average salary ($31,115.00).

b.   Enter the years and months of total pre-April 7, 1986, service for
computations purposes (23 years 0 months).

c.   Use the CSRS General Formula Computation Chart (Chart 4) provided in
section 50C1.1-1 to obtain the retirement factor for 23 years 0 months
service (.422500).

d.   Multiply the high-3 average salary by the retirement factor to obtain the
pre-April 7, 1986, basic annuity.

Pre-April 7, 1986, Basic Annuity: $13,146.09
($31,115 X .422500 = $13,146.09).

5.   Compute the proration factor for the post-April 6, 1986, basic annuity
following the instructions on the CSRS Proration Factor Worksheet.

CSRS Proration Factor: .74

Section 55C1.1-3 CSRS Examples (Cont.)

Example 1: (Cont.)

6. Compute the post-April 6, 1986, high-3 average salary following the procedures outlined in Chapter 50. Consider actual rates paid through April 6, 1986, and **full-time salary rates, regardless of tour, from April 7, 1986, until retirement.**

Post-April 6, 1986, High-3 Average Salary: $31,115.00

NOTE: Use any 3 years of consecutive service in an employee's career to determine the highest 3 years of pay. Although the 3-year period used to compute the post-April 6, 1986, average salary may be different from the 3 year period used to compute the pre-April 7, 1986, average salary, the 3-year period used to compute both average salaries is the same in this example. The actual high-3 average salaries, while usually different, are also the same in this example.

7. Compute the post-April 6, 1986, basic annuity.

a. Determine the post-April 6, 1986, retirement factor. Apply the post-April 6, 1986, service to the appropriate tier of the annuity formula (1.5%, 1.75%, 2%), and total the results.

Post-April 6, 1986 Retirement Factor: .18
(2% X 9.0 = .18)

NOTE: All of the post-April 6, 1986, service is applied to the 2 percent tier of the formula in this example because the service used in the pre-April 7, 1986, computation exceeds 10 years.

b. Enter the post-April 6, 1986, average salary ($31,115), and multiply it by the post-April 6, 1986, retirement factor (.18) to obtain the basic annuity before proration (round to the nearest penny).

Post-April 6, 1986, Basic
Annuity Before Proration: $5,600.70
(.18 X $31,115.00 = $5,600.70)

c. Enter the CSRS proration factor (.74) and multiply it by the basic annuity before proration ($5,600.70) to obtain the post-April 6, 1986, annuity (round to the nearest penny).

Section 55C1.1-3 CSRS Examples (Cont.)

Example 1: (Cont.)   **Post-April 6, 1986, Basic Annuity Benefit: $4,144.52**
($5,600.70 X .74 = $4,144.52)

8. Compute the total CSRS annuity.

   a. Add the pre-April 6, 1986, basic annuity ($13,146.09) to the post-April 6,
       1986, basic annuity ($4,144.52) to obtain the combined basic annuity.

       Combined Basic Annuity: $17,290.61
       ($13,146.09 + $4,144.52 = $17,290.61)

   b. Compute the annuity reduced for age following the procedures outlined in
       Chapter 50.

       Annuity reduced for age: $17,031.25

   c. Compute the annuity reduced for unpaid deposit for civilian service prior to
       10-1-82 following the procedures outlined in Chapter 50.

       Annuity Reduced for Unpaid Deposit: $16,928.45

   d. Compute the annuity reduced for survivor election following the
       procedures outlined in Chapter 50.

       Annuity Reduced for Survivor Election
          - Annual Rate: $15,505.60
          - Monthly Rate: $1,292.00

   e. Compute the monthly annuity reduced for unpaid redeposit following the
       procedures outlined in Chapter 50.

       **Monthly Annuity Reduced
       for Unpaid Redeposit: $1,279.00**

9. Compute the survivor monthly annuity rate following the procedures outlined
    in Chapter 50.

    Monthly Survivor Annuity: $775.00

Section 55C1.1-3 CSRS Examples Example 1: (Cont.)

CSRS PART-TIME COMPUTATION

                                                        YR - MO - DY

Name: Cindy Dawson   **Date of Retirement**:   95 - 03 - 31

                                             Date of Birth: 41 - 01 - 09

                                                   Age: 54 - 02 - 22

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┌─────────────────────────────────────┐
│ TYPES OF SERVICE SHOWN               │
│                                      │
│ ☒  CSRS                              │
│                                      │
│ G  CSRS COMPONENT OF FERS            │
│    TRANSFEREE                        │
└─────────────────────────────────────┘
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COMPUTATION OF PRE-APRIL 7, 1986 CSRS SERVICE CREDIT

A	B	C	D (Do not list noncreditable periods of service)		
STARTING YR-MO-DY	**ENDING YR-MO-DY**	**COVERED/REFUNDED/ NONDEDUCTION/MILITARY**	**YRS**	**MOS**	**DAYS**
59-9-17	63-9-16	Military	4	0	0
64-5-4	67-7-19	Refunded	3	2	16
70-9-23	71-12-15	Nondeduction	1	2	23
71-12-16	86-4-6	Paid	14	3	21
		TOTAL CIVILIAN/MILITARY	22	9	0
		UNUSED SICK LEAVE		3	25
		TOTAL PRE-4/7/86 CREDITABLE SERVICE	23	0	25
		TOTAL PRE-4/7/86 SERVICE FOR COMPUTATION PURPOSES	23	0	25*

Section 55C1.1-3 CSRS Examples Example 1: (Cont.)

COMPUTATION OF POST-APRIL 6, 1986 CSRS SERVICE CREDIT

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TYPES OF SERVICE SHOWN

☑  CSRS

G   CSRS COMPONENT OF FERS
    TRANSFEREE
```

A	B	C	D (Do not list noncreditable periods of service)		
STARTING YR-MO-DY	ENDING YR-MO-DY	COVERED/REFUNDED/ NONDEDUCTION/MILITARY	YRS	MOS	DAYS
86-4-7	95-3-31	Paid	8	11	24
TOTAL CIVILIAN/MILITARY			8	11	24
EXCESS DAYS FROM PRE-4/7/86 SERVICE					25*
TOTAL POST-4/6/86 CREDITABLE SERVICE			9	0	19
TOTAL POST-4/6/86 SERVICE FOR COMPUTATION PURPOSES			9	0	

Section 55C1.1-3 CSRS Examples Example 1: (Cont.)

PRE-APRIL 7, 1986 BASIC ANNUITY COMPUTATION

PRE-APRIL 7, 1986 AVERAGE SALARY*

A FROM			B TO			C ANNUAL BASIC PAY	D TOTAL TIME			E TIME FACTORS	F SALARY EARNED (C x E)
YR	MO	DAY	YR	MO	DAY		YRS	MOS	DAYS		
'92	4	1	'93	1	9	27,098		9	9	.775000	21,000.95
'93	1	10	'93	7	10	29,930		6	1	.502778	15,048.15
'93	7	11	'94	1	8	30,895		5	28	.494444	15,275.85
'94	1	9	'95	1	7	34,024		11	29	.997222	33,929.48
'95	1	8	'95	3	31	35,087		2	23	.230556	8,089.52
					TOTALS	3	0	0	** 3.000000	93,343.95

$_____93,343.95_____   ÷ **3** = $_____31,115.00_____

    Total Salary Earned   **High-3 Average Salary**

*   **High-3 period is usually the last 3 years, but see section 50A2.1-4.**

**   **Factors should total 3, but may be slightly more or less because of rounding.**

PRE-APRIL 7, 1986 BASIC ANNUITY BENEFIT

High-3 Average Salary	**$**	31,115.00
Retirement Factor (23) yrs. (0) mos. (See section 50C1.1-1, Chart 4)*	**x**	.4225
Pre-4/7/86 Basic Annuity	**$**	13,146.09

*To determine the retirement factor when pre-April 7, 1986, service is less than 5 years, multiply 1.5 percent by the time factor for pre-April 7, 1986, service (see section 50C1.1-1, Chart 1).

Section 55C1.1-3 CSRS Examples Example 1: (Cont.)

CSRS Proration Factor Worksheet

Columns

A, B: Beginning and ending dates of all periods of creditable service on or after April 7, 1986. Each change in tour of duty should be treated as a separate period of service. Periods of full-time and intermittent service should also be entered separately. (See section 55A3.1-2 for special procedures that apply to nondisability retirees who had part-time service with the Department of Veterans Affairs, Veterans Health Administration.)

C: Total calendar time in years, months, and days for each period of service (or tour).

D: Time factor for each period. Use the 360 Day Factor Chart, Chart 1, in Chapter 50, section 50C1.1-1.

E: The yearly multiplier--2087 in most cases.

F: The product of D x E (round up). This represents the equivalent full-time hours for the period, that is, the number of hours that would have been worked if the tour of duty had been full-time.

G: The employee's tour of duty. Enter the tour as described on the employee's service record--either a fraction or a decimal that represents the ratio of part-time to full-time service. If the employing agency provides actual hours worked during part-time service or for intermittent service, skip this step, and enter the hours in column H.

H: The product of F and G (round up).

A From			B To			C Total Time			D Time Factor	E Multiplier	F Full-Time Hrs (DxE)	G Tour	H Hours Worked (FxG)
Yr	Mo	Day	Yr	Mo	Day	Yrs	Mos	Days					
'86	4	7	'92	1	11	5	9	5	5.763889	2087	12,030	24/40	7,218
'92	1	12	'95	3	31	3	2	19	3.219444	2087	6,719	40/40	6,719
										Totals------	18,749		13,937

PRORATION FACTOR (total column H ÷ total column F) = _____.74_____ ROUNDED TO NEAREST PERCENT

Section 55C1.1-3 CSRS Examples Example 1 (Cont.)

POST-APRIL 6, 1986 BASIC ANNUITY COMPUTATION

POST-APRIL 6, 1986 AVERAGE SALARY*

A FROM			B TO			C ANNUAL BASIC PAY	D TOTAL TIME			E TIME FACTORS	F SALARY EARNED (C x E)
YR	MO	DAY	YR	MO	DAY		YRS	MOS	DAYS		
'92	4	1	'93	1	9	27,098		9	9	.775000	21,000.95
'93	1	10	'93	7	10	29,930		6	1	.502778	15,048.15
'93	7	11	'94	1	8	30,895		5	28	.494444	15,275.85
'94	1	9	'95	1	7	34,024		11	29	.997222	33,929.48
'95	1	8	'95	3	31	35,087		2	23	.230556	8,089.52
					TOTALS	3	0	0	** 3.000000	93,343.95

$\underline{\hspace{1cm} 93,343.95 \hspace{1cm}}$ $\div$ **3 =** $\$\underline{\hspace{1cm} 31,115.00 \hspace{1cm}}$

Total Salary Earned   **High-3 Average Salary**

* **High-3 period is usually the last 3 years, but see section 50A2.1-4.**

** **Factors should total 3, but may be slightly more or less because of rounding.**

POST-APRIL 6, 1986 BASIC ANNUITY BENEFIT

POST-APRIL 6, 1986 RETIREMENT FACTOR	
.015 X $\underline{\hspace{2cm}}$ = $\underline{\hspace{2cm}}$ Length of Service	
.0175 X $\underline{\hspace{2cm}}$ = + $\underline{\hspace{2cm}}$ Length of Service	
.02 X $\underline{\text{9.000000}}$ = + $\underline{\text{.18}}$ Length of Service	
Total	.18
Post-4/6/86 High-3 Average Salary	x $31,115.00
Post-4/6/86 Basic Annuity Before Proration	= $5,600.70
CSRS Proration Factor	x .74
Post-4/6/86 Basic Annuity Benefit	= $4,144.52

Section 55C1.1-3 CSRS Examples Example 1: (Cont.)

COMPUTATION OF CSRS TOTAL BASIC ANNUITY

Pre-4/7/86 Basic Annuity	**$**	13,146.09
Post-4/6/86 Basic Annuity	**+ $**	4,144.52
Total CSRS Basic Annuity	**$**	17,290.61
Reductions are made for:		
1) **Under age 55 (see section 50C1.1-1, Chart 5)**	**x**	.985
Reduced Annuity	**$**	17,031.25
2) **Non-deposit for service prior to 10-1-82 (subtract 10% of deposit due)**	**-**	102.80
Reduced Annuity *	**$**	16,928.45
3) **Survivor Annuity:** **Base selected by retiree** $16,928.45 **Amount up to $3600** 3,600.00 **x .025** = $ 90.00 **Plus amount over $3600** 13,328.45 **x .10** = 1,332.85		
Total Reduction = $	**-**	1,422.85
Annual Annuity	**$**	15,505.60
MONTHLY ANNUITY (Divide by 12, round down to next lower dollar)	**$**	1,292.00

*CSRS component for FERS transferee.

SURVIVOR ANNUITY COMPUTATION

Amount designated as survivor base	**$**	16,928.45
Spouse or former spouse entitled to 55% of survivor base	**x**	.55
Annual Survivor Annuity	**$**	9,310.65
MONTHLY ANNUITY (Divide by 12, round down to next lower dollar)	**$**	775.00

Section 55C1.1-3 CSRS Examples Example 1: (Cont.)

COMPUTATION OF REDUCTION

FOR UNPAID REDEPOSIT

CSRS EMPLOYEES

Monthly Annuity Otherwise Payable	$ 1,292.00
Subtract Monthly Reduction: (Round to next higher dollar)	
Redeposit Owed $ 2,746.00 ÷ CSRS PVF* 218.6 =	- 13.00
CSRS MONTHLY ANNUITY REDUCED FOR UNPAID REDEPOSIT	$ 1,279.00

*Present Value Factor (see Chapter 53, section 53C1.1-1).

Section 55C1.1-3 CSRS Examples (Cont.)

Example 2:	CSRS Employee With Same Average Salary Period, But Different Average Salaries

Name:	Pat Mason
Type of Retirement:	Involuntary
Date of Retirement:	9-29-94
Date of Birth:	7-12-39
Age at Separation:	55 years 2 months 18 days
Military Service:	10-15-60 to 8-17-64
Civilian Service:	
12-15-67 to 6-27-70	Nondeduction 40 hrs/week
3-4-75 to 10-9-89	Paid 24 hrs/week
10-10-89 to 9-29-94	Paid 28 hrs/week
Unused Sick Leave:	1226 hours
Unpaid Civilian Deposit:	$2,329.00
Survivor Benefits:	Did Not Elect Survivor Annuity

Salary Information:

Effective Date	Full-Time Rate	Actual Rate Paid
1-12-91	$26,834.00	$18,783.80 (28/40)
1-11-92	$29,721.00	$20,804.70
1-10-93	$32,825.00	$22,977.50
11-21-93	$33,790.00	$23,653.00
1-9-94	$36,150.00	$25,305.00

1. Compute the pre-April 6, 1986, creditable CSRS service following the procedures outlined in Chapter 50.

    NOTE 1: Apply unused sick leave credit to pre-April 7, 1986, creditable service.

    NOTE 2: Add excess days to post-April 6, 1986, creditable CSRS service in Step 2 for computation purposes.

    Pre-April 7, 1986, Creditable Service: 18 years 0 months (21 days).

Section 55C1.1-3 CSRS Examples (Cont.)

Example 2: (Cont.)

2. Compute the post-April 6, 1986, creditable CSRS service following the procedures outlined in Chapter 50. Include excess days from the pre-April 7, 1986, service.

    Post-April 6, 1986 Service: 8 years 5 months 23 days
    Pre-April 7, 1986 Excess Days: 21 days

    Total Post-April 6, 1986
    Creditable Service: 8 years 6 months (14 days)

    NOTE: Drop excess days resulting after this step.

3. Compute the pre-April 7, 1986, high-3 average salary following the procedures outlined in Chapter 50. **Use only actual rates paid.**

    Pre-April 7, 1986, High-3 Average Salary: $22,456.00

    NOTE: Use any 3 years of consecutive service in an employee's career to determine the highest 3 years of pay. The high-3 period is not limited to pre-April 7, 1986, service.

4. Compute the pre-April 7, 1986, basic annuity.

    a. Enter the high-3 average salary ($22,456.00).

    b. Enter the years and months of total pre-April 7, 1986, service for computation purposes (18 years 0 months).

    c. Use the CSRS General Formula Computation chart (Chart 4) provided in section 50C1.1-1 to obtain the retirement factor for 23 years 0 months service (.322500).

    d. Multiply the high-3 average salary ($22,456) by the retirement factor (.322500) to obtain the pre-April 7, 1986 basic annuity.

    Pre-April 7, 1986, Basic Annuity: $7,242.06
    ($22,456.00 X .3225 = $7,242.06)

Section 55C1.1-3 CSRS Examples (Cont.)

Example 2 (Cont.):   5. Compute the proration factor for the post-April 6, 1986, basic annuity following the instructions on the CSRS Proration Factor Worksheet.

CSRS Proration Factor = .66

6. Compute the post-April 6, 1986, high-3 average salary following the procedures outlined in Chapter 50. Consider actual rates paid through April 6, 1986, and **full-time salary rates, regardless of tour, from April 7, 1986, until retirement.**

Post-April 6, 1986, High-3 Average Salary: $32,079.00

NOTE: Use any 3 years of consecutive service in an employee's career to determine the highest 3 years of pay. In this example, the 3-year period used to compute the post-April 6, 1986, average salary is the same as the 3-year period used to compute the pre-April 7, 1986, average salary.

7. Compute the post-April 6, 1986, basic annuity.

a. Determine the post-April 6, 1986, retirement factor. Apply the post-April 6, 1986, service to the appropriate tier of the annuity formula (1.5%, 1.75%, 2%), and total the results.

Post-April 6, 1986, Retirement Factor: .17
(2% X 8.5 = .17)

NOTE: All of the post-April 6, 1986, service is applied to the 2 percent tier of the formula, in this example, because the service used in the pre-April 7, 1986, computation exceeds 10 years. The time factor for 8 years 6 months (8.5) was obtained from the 360 Day Factor Chart, Chart 1, provided in Chapter 50, section 50C1.1-1A.

b. Enter the post-April 6, 1986, average salary ($32,079), and multiply it by the post-April 6, 1986, retirement factor (.17) to obtain the

Section 55C1.1-3 CSRS Examples (Cont.)

Example 2: (Cont.)   basic annuity before proration (round to the nearest penny).

Post-April 6, 1986, Basic Annuity
Before Proration: $5,453.43
(.17 X $32,079.00 = $5,453.43)

c. Enter the CSRS proration factor (.66) and multiply it by the basic annuity before proration ($5,453.43) to obtain the post-April 6, 1986, annuity (round to the nearest penny).

Post-April 6, 1986, Basic Annuity Benefit: $3,599.26
($5,453.43 X .66 = $3,599.26)

8. Compute the total CSRS annuity.

a. Add the pre-April 7, 1986, basic annuity ($7,242.06) to the post-April 6, 1986, basic annuity ($3,599.26) to obtain the combined basic annuity.

Combined Basic Annuity: $10,841.32
($7,242.06 + $3,599.26 = $10,841.32)

b. Compute the annuity reduced for unpaid deposit for civilian service prior to 10-1-82 following the procedures outlined in Chapter 50.

Annuity Reduced for Unpaid Deposit: $10,608.42

NOTE: The reduction for age does not apply in this example.

c. Compute the monthly annuity.

Monthly Annuity: $884.00

NOTE: The reduction for survivor annuity does not apply in this example.

Section 55C1.1-3 CSRS Examples Example 2: (Cont.)

CSRS PART-TIME COMPUTATION

YR - MO - DY

Name: <u>Pat Mason</u>   **Date of Retirement**: <u>94 - 09 - 29</u>

Date of Birth: <u>39 - 07 - 12</u>

Age: <u>55 - 02 - 18</u>

TYPES OF SERVICE SHOWN

☒ CSRS

G CSRS COMPONENT OF FERS
TRANSFEREE

COMPUTATION OF PRE-APRIL 7, 1986 CSRS SERVICE CREDIT

A	B	C	D (Do not list noncreditable periods of service)		
STARTING YR-MO-DY	**ENDING YR-MO-DY**	**COVERED/REFUNDED/ NONDEDUCTION/MILITARY**	**YRS**	**MOS**	**DAYS**
60-10-15	64-8-17	Military	3	10	3
67-12-15	70-6-27	Nondeduction	2	6	13
75-3-4	86-4-6	Paid	11	1	3
		TOTAL CIVILIAN/MILITARY	17	5	19
		UNUSED SICK LEAVE		7	2
		TOTAL PRE-4/7/86 CREDITABLE SERVICE	18	0	21
		TOTAL PRE-4/7/86 SERVICE FOR COMPUTATION PURPOSES	18	0	

Section 55C1.1-3 CSRS Examples Example 2: (Cont.)

COMPUTATION OF POST-APRIL 6, 1986 CSRS SERVICE CREDIT

TYPES OF SERVICE SHOWN

☒ CSRS

G CSRS COMPONENT OF FERS
TRANSFEREE

A	B	C	D (Do not list noncreditable periods of service)		
STARTING YR-MO-DY	**ENDING YR-MO-DY**	**COVERED/REFUNDED/ NONDEDUCTION/MILITARY**	**YRS**	**MOS**	**DAYS**
86-4-7	94-9-29	Paid	8	5	23
TOTAL CIVILIAN/MILITARY			8	5	23
EXCESS DAYS FROM PRE 4/7/86 SERVICE					21
TOTAL POST-4/6/86 TOTAL CREDITABLE SERVICE			8	6	14
TOTAL POST-4/6/86 SERVICE FOR COMPUTATION PURPOSES			8	6	

Section 55C1.1-3 CSRS Examples Example 2: (Cont.)

PRE-APRIL 7, 1986 BASIC ANNUITY COMPUTATION

PRE-APRIL 7, 1986 AVERAGE SALARY*

A FROM			B TO			C ANNUAL BASIC PAY	D TOTAL TIME			E TIME FACTORS	F SALARY EARNED (C x E)
YR	MO	DAY	YR	MO	DAY		YRS	MOS	DAYS		
'91	9	30	'92	1	10	18,783.80		3	11	.280556	5,269.91
'92	1	11	'93	1	9	20,804.70		11	29	.997222	20,746.90
'93	1	10	'93	11	20	22,977.50		10	11	.863889	19,850.01
'93	11	21	'94	1	8	23,653.00		1	18	.133333	3,153.73
'94	1	9	'94	9	29	25,305.00		8	21	.725000	18,346.13
					TOTALS	3	0	0	** 3.000000	67,366.68

$ _____67,366.68_____   ÷ **3** = $ _____22,456.00_____

  Total Salary Earned   **High-3 Average Salary**

*   High-3 period is usually the last 3 years, but see section 50A2.1-4.

** Factors should total 3, but may be slightly more or less because of rounding.

PRE-APRIL 7, 1986 BASIC ANNUITY BENEFIT

High-3 Average Salary	**$**	22,456.00
Retirement Factor (18) yrs. (0) mos. (See section 50C1.1-1, Chart 4*)	**x**	.3225
Pre-4/7/86 Basic Annuity	**$**	7,242.06

*To determine the retirement factor when pre-April 7, 1986, service is less than 5 years, multiply 1.5 percent by the time factor for pre-April 7, 1986, service (see section 50C1.1-1, Chart 1).

Section 55C1.1-3 CSRS Examples Example 2: (Cont.)

CSRS PRORATION FACTOR WORKSHEET

Columns

A, B: Beginning and ending dates of all periods of creditable service on or after April 7, 1986. Each change in tour of duty should be treated as a separate period of service. Periods of full-time and intermittent service should also be entered separately. (See section 55A3.1-2 for special procedures that apply to nondisability retirees who had part-time service with the Department of Veterans Affairs, Veterans Health Administration.)

C: Total calendar time in years, months, and days for each period of service (or tour).

D: Time factor for each period. Use the 360 Day Factor Chart, Chart 1, in Chapter 50, section 50C1.1-1.

E: The yearly multiplier--2087 in most cases.

F: The product of D x E (round up). This represents the equivalent full-time hours for the period, that is, the number of hours that would have been worked if the tour of duty had been full-time.

G: The employee's tour of duty. Enter the tour as described on the employee's service record--either a fraction or a decimal that represents the ratio of part-time to full-time service. If the employing agency provides actual hours worked during part-time service or for intermittent service, skip this step, and enter the hours in column H.

H: The product of F and G (round up).

A From			B To			C Total Time			D Time Factor	E Multiplier	F Full-Time Hrs (DxE)	G Tour	H Hours Worked (FxG)
Yr	Mo	Day	Yr	Mo	Day	Yrs	Mos	Days					
'86	4	7	'89	10	9	3	6	3	3.508333	2087	7,322	24/40	4,394
'89	10	10	'94	9	29	4	11	20	4.972222	2087	10,378	28/40	7,265
									Totals---------		17,700		11,659

PRORATION FACTOR (total column H ÷ total column F) = ___.66___ ROUNDED TO NEAREST PERCENT

Section 55C1.1-3 CSRS Examples Example 2: (Cont.)

POST-APRIL 6, 1986 BASIC ANNUITY COMPUTATION

POST-APRIL 6, 1986 AVERAGE SALARY*

A FROM			B TO			C ANNUAL BASIC PAY	D TOTAL TIME			E TIME FACTORS	F SALARY EARNED (C x E)
YR	MO	DAY	YR	MO	DAY		YRS	MOS	DAYS		
'91	9	30	'92	1	10	26,834		3	11	.280556	7,528.44
'92	1	11	'93	1	9	29,721		11	29	.997222	29,638.44
'93	1	10	'93	11	20	32,825		10	11	.863889	28,357.16
'93	11	21	'94	1	8	33,790		1	18	.133333	4,505.32
'94	1	9	'94	9	29	36,150		8	21	.725000	26,208.75
					TOTALS	3	0	0	** 3.000000	96,238.11

$ _____96,238.11_____ ÷ **3** = $ ____32,079.00____
Total Salary Earned   **High-3 Average Salary**

*   **High-3 period is usually the last 3 years, but see section 50A2.1-4.**

** **Factors should total 3, but may be slightly more or less because of rounding.**

POST-APRIL 6, 1986 BASIC ANNUITY BENEFIT

POST-APRIL 6, 1986 RETIREMENT FACTOR	
.015 X _____ = _____ Length of Service	
.0175 X _____ = + _____ Length of Service	
.02 X __8.5_____ = + ____.17_____ Length of Service	
Total	.17
Post-4/6/86 High-3 Average Salary	x $ 32,079.00
Post-4/6/86 Basic Annuity Before Proration	= $ 5,453.43
CSRS Proration Factor	x .66
Post-4/6/86 Basic Annuity Benefit	= $ 3,599.26

Section 55C1.1-3 CSRS Examples Example 2: (Cont.)

COMPUTATION OF CSRS TOTAL BASIC ANNUITY

Pre-4/7/86 Basic Annuity	**$** 7,242.06
Post-4/6/86 Basic Annuity	**+ $** 3,599.26
Total CSRS Basic Annuity	**$** 10,841.32
Reductions are made for:	
1) **Under age 55 (See section 50C1.1-1, Chart 5)**	**x**
Reduced Annuity	**$** 10,841.32
2) **Non-deposit for service prior to 10-1-82 (subtract 10% of deposit due)**	**- $** 232.90
Reduced Annuity *	**$** 10,608.42
3) **Survivor Annuity:** Base selected by retiree $_____ Amount up to $3600 $_____ **x .025** = $_____ Plus amount over $3600 $_____ **x .10** = $_____	
Total Reduction = $	- 0
Annual Annuity	**$** 10,608.42
MONTHLY ANNUITY (Divide by 12, round down to next lower dollar)	**$** 884.00

*CSRS component for FERS transferee.

SURVIVOR ANNUITY COMPUTATION

Amount designated as survivor base	**$**
Spouse or former spouse entitled to 55% of survivor base	**x** .55
Annual Survivor Annuity	**$**
MONTHLY ANNUITY (Divide by 12, round down to next lower dollar)	**$**

Section 55C1.1-3 CSRS Examples

Example 3: **CSRS Employee With Different Average Salary Periods**

Name:	Jamie Osborne	
Type of Retirement:	Voluntary	
Date of Retirement:	12-31-94	
Date of Birth:	12-17-32	
Age at Retirement:	62 years 14 days	
Civilian Service:		
6-2-80 to 6-11-88	Paid	40 hrs/week
6-12-88 to 9-5-90	Paid	32 hrs/week
9-6-90 to 12-31-94	Paid	24 hrs/week

Unused Sick Leave: 803 Hours

Survivor Benefits: Did Not Elect Survivor Annuity

Salary Information:

Effective Date	Full-Time Rate	Actual Rate Paid
1-8-84	$18,369.00	$18,369.00 (40/40)
1-6-85	$19,012.00	$19,012.00
5-15-86	$19,606.00	$19,606.00
1-4-87	$20,194.00	$20,194.00
1-3-88	$20,598.00	$20,598.00
5-16-88	$21,222.00	$21,222.00
6-12-88	$21,222.00	$16,977.60 (32/40)
1-1-89	$22,093.00	$17,674.40
1-14-90	$22,887.00	$18,309.60
5-19-90	$23,560.00	$18848.00
9-6-90	$23,560.00	$14,136.00 (24/40)
1-13-91	$24,528.00	$14,716.80
1-12-92	$25,556.00	$15,333.60
5-21-92	$26,286.00	$15,771.60
1-10-93	$27,259.00	$16,355.40
1-9-94	$28,412.00	$17,047.20

1. Compute the pre-April 7, 1986, creditable CSRS service following the procedures outlined in Chapter 50.

   NOTE 1: Apply unused sick leave credit to pre-April 7, 1986, creditable service.

   NOTE 2: Add excess days to post-April 6, 1986, creditable CSRS service in Step 2 for computation purposes.

   Pre-April 7, 1986, Creditable Service: 6 years 2 months (24 days).

Section 55C1.1-3 CSRS Examples (Cont.)

Example 3: (Cont.)   2. Compute the post-April 6, 1986, creditable CSRS service following the
                                 procedures outlined in Chapter 50. Include excess days from the pre-
                                 April 7, 1986 service.

                                 Post-April 6, 1986, Service: 8 years 8 months 24 days
                                 Pre-April 7, 1986, Excess Days: 24 days

                                 Total Post-April 6, 1986
                                 Creditable Service: 8 years 9 months (18 days)

                                 NOTE: Drop excess days resulting after this step.

                             3. Compute the pre-April 7, 1986, high-3 average salary following the
                                 procedures outlined in Chapter 50. **Use only actual rates paid.**

                                 Pre-April 7, 1986, High-3 Average Salary: $19,779.00

                                 NOTE: Use any 3 years of consecutive service in an employee's
                                         career to determine the highest 3 years of pay. In this
                                         example, the high-3 period occurred during Jamie's full-time
                                         service.

                             4. Compute the CSRS pre-April 7, 1986, basic annuity.

                                 a. Enter the high-3 average salary ($19,799.00).

                                 b. Enter the years and months of total pre-April 7, 1986, service for
                                     computation purposes (6 years 2 months).

                                 c. Use the CSRS General Formula Computation Chart (Chart 4)
                                     provided in section 50C1.1-1 to obtain the retirement factor for 6
                                     years 2 months service (.095417).

                                 d. Multiply the high-3 average salary by the retirement factor to obtain
                                     the pre-April 7, 1986, basic annuity.

                                     Pre-April 7, 1986, Basic Annuity: 1,887.25
                                     ($19,779 X .095417 = $1,887.25)

                             5. Compute the proration factor for the post-April 6, 1986, basic annuity
                                 following the instructions on the CSRS Proration Factor Worksheet.

                                 CSRS Proration Factor = .75

Section 55C1.1-3 CSRS Examples (Cont.)

Example 3: (Cont.) 6. Compute the post-April 6, 1986, high-3 average salary following the procedures outlined in Chapter 50. Consider actual rates paid through April 6, 1986, and **full-time salary rates, regardless of tour, from April 7, 1986, until retirement.**

Post-April 6, 1986, High-3 Average Salary = $27,197.00

NOTE: Use any 3 years of consecutive service in an employee's career to determine the highest 3 years of pay. The 3-year period used to compute the post-April 6, 1986, average salary in this example is different from the 3 year period used to compute the pre-April 7, 1986, average salary.

7. Compute the post-April 6, 1986, basic annuity.

a. Determine the post-April 6, 1986, retirement factor. Apply the post-April 6, 1986, service to the appropriate tier of the annuity formula (1.5%, 1.75%, 2%), and total the results.

Post April 6, 1986, Retirement Factor: .165416

$$
\begin{array}{ll}
(.0175 \times 3.833333 = & .067083 \\
+ \ .02 \times 4.916667 = & \underline{.098333} \\
& .165416)
\end{array}
$$

NOTE 1: In this example, both the 1.75 percent tier and the 2 percent tier of the annuity formula are used to compute the post-April 6, 1986, retirement factor because the pre-April 7, 1986, service is greater than 5 years, but less than 10 years, and the total creditable service (14 years 11 months 18 days) is greater than 10 years.

NOTE 2: Use 4 years 11 months of the post-April 6, 1986, service at the 2 percent tier of the annuity formula, and the remaining 3 years 10 months of the post-April 6, 1986, service at the 1.75 percent tier. The table in section 55A2.1-1, paragraph H of this Chapter outlines how to apply the post-April 6, 1986, service to the annuity formula.

Section 55C1.1-3 CSRS Examples (Cont.)

Example 3: (Cont.)   NOTE 3:   The time factors for 4 years 11 months (4.916667) and 3
                                            years 10 months (3.833333) were obtained from the 360
                                            Day Factor Chart, Chart 1, provided in Chapter 50,
                                            section 50C1.1-1A.

                    b. Enter the post-April 6, 1986, average salary ($27,197), and multiply
                        it by the post-April 6, 1986, retirement factor (.165416) to obtain
                        the basic annuity before proration (round to the nearest penny).

                        Post-April 6, 1986, Basic Annuity
                        Before Proration: $4,498.82
                        (.165416 X $27,197 = $4,498.82)

                    c. Enter the CSRS proration factor (.75) and multiply it by the basic
                        annuity before proration ($4,498.82) to obtain the post-April 6,
                        1986, annuity (round to the nearest penny).

                        Post-April 6, 1986, Basic Annuity Benefit: $3,374.12
                        ($4,498.82 X .75 = $3,374.12)

            8. Compute the total CSRS annuity.

                    a. Add the pre-April 7, 1986, basic annuity ($1,887.25) to the post-
                        April 6, 1986, basic annuity ($3,374.12), to obtain the combined
                        basic annuity.

                        Combined Basic Annuity: $5,261.37
                        ($1,887.25 + $3,374.12 = $5,261.37)

                    b. Compute the monthly annuity.

                        Monthly Annuity: $438.00
                        ($5261.37 ÷ 12 = $438.00)

                    NOTE: The reductions for age, unpaid deposit, survivor annuity,
                             and unpaid redeposit do not apply in this example.

Section 55C1.1-3 CSRS Examples Example 3: (Cont.)

CSRS PART-TIME COMPUTATION

			YR - MO - DY
Name:	Jamie Osborne	**Date of Retirement**:	94 - 12 - 31
		Date of Birth:	32 - 12 - 17
		Age:	62 - 00 - 14

TYPES OF SERVICE SHOWN

☒ CSRS

☐ CSRS COMPONENT OF FERS
     TRANSFEREE

COMPUTATION OF PRE-APRIL 7, 1986 CSRS SERVICE CREDIT

A	B	C	D (Do not list noncreditable periods of service)		
STARTING YR-MO-DY	**ENDING YR-MO-DY**	**COVERED/REFUNDED/ NONDEDUCTION/MILITARY**	**YRS**	**MOS**	**DAYS**
80-6-2	86-4-6	Paid	5	10	5
TOTAL CIVILIAN/MILITARY			5	10	5
UNUSED SICK LEAVE				4	19
TOTAL PRE-4/7/86 CREDITABLE SERVICE			6	2	24
TOTAL PRE-4/7/86 SERVICE FOR COMPUTATION PURPOSES			6	2	

Section 55C1.1-3 CSRS Examples Example 3: (Cont.)

COMPUTATION OF POST-APRIL 6, 1986 CSRS SERVICE CREDIT

TYPES OF SERVICE SHOWN

☒ CSRS

G CSRS COMPONENT OF FERS
TRANSFEREE

A	B	C	D (Do not list noncreditable periods of service)		
STARTING YR-MO-DY	**ENDING YR-MO-DY**	**COVERED/REFUNDED/ NONDEDUCTION/MILITARY**	**YRS**	**MOS**	**DAYS**
86-4-7	94-12-31	Paid	8	8	24
TOTAL CIVILIAN/MILITARY			8	8	24
EXCESS DAYS FROM PRE-4/7/86 SERVICE					24
TOTAL POST-4/6/86 CREDITABLE SERVICE			8	9	18
TOTAL POST-4/6/86 SERVICE FOR COMPUTATION PURPOSES			8	9	

Section 55C1.1-3 CSRS Examples Example 3: (Cont.)

PRE-APRIL 7, 1986 BASIC ANNUITY COMPUTATION

PRE-APRIL 7, 1986 AVERAGE SALARY*

A FROM			B TO			C ANNUAL BASIC PAY	D TOTAL TIME			E TIME FACTORS	F SALARY EARNED (C x E)
YR	MO	DAY	YR	MO	DAY		YRS	MOS	DAYS		
'85	6	12	'86	5	14	19,012		11	3	.925000	17,586.10
'86	5	15	'87	1	3	19,606		7	19	.636111	12,471.59
'87	1	4	'88	1	2	20,194		11	29	.997222	20,137.90
'88	1	3	'88	5	15	20,598		4	13	.369444	7,609.81
'88	5	16	'88	6	11	21,222			26	.072222	1,532.70
					TOTALS		3	0	0	** 3.000000	59,338.10

$ 59,338.10   ÷ **3** = $ 19,779.00
 Total Salary Earned   **High-3 Average Salary**

*   **High-3 period is usually the last 3 years, but see section 50A2.1-4.**

**   **Factors should total 3, but may be slightly more or less because of rounding.**

PRE-APRIL 7, 1986 BASIC ANNUITY BENEFIT

High-3 Average Salary	**$** 19,779.00
Retirement Factor (6) yrs. (2) mos. (See section 50C1.1-1, Chart 4*)	**x** .095417
Pre 4/7/86 Basic Annuity	**$** 1,887.25

*To determine the retirement factor when pre-April 7, 1986, service is less than 5 years, multiply 1.5 percent by the time factor for pre-April 7, 1986, service (see section 50C1.1-1, Chart 1).

Section 55C1.1-3 CSRS Examples Example 3: (Cont.)
CSRS PRORATION FACTOR WORKSHEET

Columns

A, B: Beginning and ending dates of all periods of creditable service on or after April 7, 1986. Each change in tour of duty should be treated as a separate period of service. Periods of full-time and intermittent service should also be entered separately. (See section 55A3.1-2 for special procedures that apply to nondisability retirees who had part-time service with the Department of Veterans Affairs, Veterans Health Administration.)

C: Total calendar time in years, months, and days for each period of service (or tour).

D: Time factor for each period. Use the 360 Day Factor Chart, Chart 1, in Chapter 50, section 50C1.1-1.

E: The yearly multiplier--2087 in most cases.

F: The product of D x E (round up). This represents the equivalent full-time hours for the period, that is, the number of hours that would have been worked if the tour of duty had been full-time.

G: The employee's tour of duty. Enter the tour as described on the employee's service record--either a fraction or a decimal that represents the ratio of part-time to full-time service. If the employing agency provides actual hours worked during part-time service or for intermittent service, skip this step, and enter the hours in column H.

H: The product of F and G (round up).

A From			B To			C Total Time			D Time Factor	E Multiplier	F Full-Time Hrs (DxE)	G Tour	H Hours Worked (FxG)
Yr	Mo	Day	Yr	Mo	Day	Yrs	Mos	Days					
'86	4	7	'88	6	11	2	2	5	2.180556	2087	4,551	40/40	4,551
'88	6	12	'90	9	5	2	2	24	2.233333	2087	4,661	32/40	3,729
'90	9	6	'94	12	31	4	3	25	4.319444	2087	9,015	24/40	5,409
										Totals---------	18,227		13,689

PRORATION FACTOR (total column H ÷ total column F) = _____.75_____ ROUNDED TO NEAREST PERCENT

Section 55C1.1-3 CSRS Examples Example 3: (Cont.)

POST-APRIL 6, 1986 BASIC ANNUITY COMPUTATION

POST-APRIL 6, 1986 AVERAGE SALARY*

A FROM			B TO			C ANNUAL BASIC PAY	D TOTAL TIME			E TIME FACTORS	F SALARY EARNED (C x E)
YR	MO	DAY	YR	MO	DAY		YRS	MOS	DAYS		
'92	1	1	'92	1	11	24,528			11	.030556	749.48
'92	1	12	'92	5	20	25,556		4	9	.358333	9,157.56
'92	5	21	'93	1	9	26,286		7	19	.636111	16,720.81
'93	1	10	'94	1	8	27,259		11	29	.997222	27,183.27
'94	1	9	'94	12	31	28,412		11	22	.977778	27,780.63
					TOTALS	3	0	0	**	81,591.75

$ ___81,591.75___ ÷ **3** = $ ___27,197.00___
Total Salary Earned   **High-3 Average Salary**

* **High-3 period is usually the last 3 years, but see section 50A2.1-4.**

** **Factors should total 3, but may be slightly more or less because of rounding.**

POST-APRIL 6, 1986 BASIC ANNUITY BENEFIT

POST-APRIL 6, 1986 RETIREMENT FACTOR	
.015 X _____ = _____ Length of Service	
.0175 X __3.833333__ = + ___.067083___ Length of Service	
.02 X __4.916667__ = + ___.098333___ Length of Service	
Total	.165416
Post-4/6/86 High-3 Average Salary	x $ 27,197.00
Post-4/6/86 Basic Annuity Before Proration	= $ 4,498.82
CSRS Proration Factor	x .75
Post-4/6/86 Basic Annuity Benefit	= $ 3,374.12

Section 55C1.1-3 CSRS Examples Example 3: (Cont.)

COMPUTATION OF CSRS TOTAL BASIC ANNUITY

Pre-4/7/86 Basic Annuity	$ 1,887.25
Post-4/6/86 Basic Annuity	+ $ 3,374.12
Total CSRS Basic Annuity	$ 5,261.37
Reductions are made for:	
1) **Under age 55 (see section 50C1.1-1, Chart 5)**	x
Reduced Annuity	$ 5,261.37
2) **Non-deposit for service prior to 10-1-82 (subtract 10% of deposit due)**	-
Reduced Annuity *	$ 5,261.37
3) **Survivor Annuity:** Base selected by retiree $\quad$ \$_____ Amount up to $3600 $\quad$ \$_____ x .025 = \$_____ Plus amount over $3600 $\quad$ \$_____ x .10 = \$_____	
Total Reduction = $	-
Annual Annuity	$ 5,261.37
MONTHLY ANNUITY (Divide by 12, round down to next lower dollar)	$ 438.00

*CSRS component for FERS transferee.

SURVIVOR ANNUITY COMPUTATION

Amount designated as survivor base	$
Spouse or former spouse entitled to 55% of survivor base	x .55
Annual Survivor Annuity	$
MONTHLY ANNUITY (Divide by 12, round down to next lower dollar)	$

Section 55C1.1-4 FERS Examples

Example A: **FERS Employee With Part-Time Service,**
                                 No CSRS Component

Name:	Chris Malone
Date of Retirement:	12-31-94
Date of Birth:	10-5-32
Age at Retirement:	62 years 2 months 26 days
Military Service:	11-14-51 to 8-12-54
Civilian Service:	
8-12-79 to 8-11-80	Paid Intermittent
	1040 hrs/worked
11-3-83 to 11-6-87	Paid 24 hrs/week
11-7-87* to 1-2-89	Paid 24 hrs/week
1-3-89 to 7-14-93	Paid 32 hrs/week
7-15-93 to 12-31-94	Paid 40 hrs/week

*Effective date of FERS election.

Survivor Benefits:	Based on Full Annuity

Salary Information:

Effective Date	Full-Time Rate
1-13-90	$33,875.00
1-12-91	$34,925.00
1-11-92	$35,972.00
1-10-93	$37,052.00
11-21-93	$39,285.00
1-9-94	$40,188.00

1. Compute the creditable FERS service following the procedures outlined in Chapter 50.

    Creditable FERS Service: 14 years 4 months (27 days)

2. Compute the FERS proration factor following the instructions on the FERS Proration Factor Worksheet.

    FERS Proration Factor = .79

3. Compute the high-3 average salary following the procedures outlined in Chapter 50. **Use full-time salary rates only, regardless of the tour of duty.**

    High-3 Average Salary: $37,795.00

Section 55C1.1-4 FERS Examples (Cont.)

Example A: (Cont.)   4.   Compute the FERS basic annuity.

a.   Enter the FERS high-3 average salary ($37,795.00).

b.   Enter the years and months of total FERS service for computation purposes (14 years 4 months).

c.   Use the FERS 1 Percent Accrual Factor Chart (Chart 6, Chapter 50, section 50C1.1-1) to obtain the retirement factor for 14 years 4 months of service (.143333).

d.   Multiply the high-3 average salary ($37,795) by the retirement factor (.143333) to obtain the FERS annuity benefit before proration (round to the nearest penny).

FERS Annuity Before Proration: $5,417.27
($37,795 X .143333 = $5,417.27)

e.   Enter the FERS proration factor (.79), and multiply it by the FERS annuity before proration ($5,417.27) to obtain the FERS basic annuity (round to the nearest penny).

FERS Basic Annuity: $4,279.64
($5,417.27 X .79 = $4,279.64)

5.   Compute the total FERS annuity.

a.   Calculate the total FERS basic annuity.

Total FERS Basic Annuity: $4,279.64

NOTE: The total FERS basic annuity is the same as the FERS basic annuity computed in Step 4, in this example, because the employee does not have a CSRS component.

Section 55C1.1-4 FERS Examples (Cont.)

Example A: (Cont.)

    b. Compute the annual annuity, reduced for survivor election, following the procedures outlined in Chapter 50.

        Annual Annuity: $3,851.68

        NOTE: The reduction for age does not apply in this example.

    c. Compute the gross monthly annuity rate.

        Monthly Annuity: $320.00
        ($3,851.68 ÷ 12 = $320.00)

  6. Compute the survivor annuity following the procedures outlined in Chapter 50.

      Survivor Monthly Rate = $178.00

Section 55C1.1-4 FERS Examples Example A: (Cont.)

FERS PART-TIME ANNUITY COMPUTATION

		YR - MO - DY
Name: **Chris Malone**	**Date of Retirement**:	94 12 31
	Date of Birth:	32 10 05
	Age:	62 02 26

COMPUTATION OF FERS SERVICE CREDIT

A	B	C	D (Do not list noncreditable periods of service)		
STARTING YR-MO-DY	**ENDING YR-MO-DY**	**COVERED/REFUNDED/ NONDEDUCTION/MILITARY**	**YRS**	**MOS**	**DAYS**
51-11-14	54-8-12	Military	2	8	29
79-8-12	80-8-11	Paid-Intermittent 1040 Hrs Worked		6	0
83-11-3	94-12-31	Paid	11	1	28
		TOTAL CIVILIAN/MILITARY	14	4	27
	TOTAL SERVICE FOR COMPUTATION PURPOSES		14	4	

Section 55C1.1-4 FERS Examples Example A: (Cont.)

FERS PRORATION FACTOR WORKSHEET

Columns

A, B: Beginning and ending dates of all periods of service creditable under FERS. Each change in tour of duty should be treated as a separate period of service. Periods of full-time and intermittent service should also be entered separately. (See section 55A3.1-2 for special procedures that apply to nondisability retirees who had part-time service with the Department of Veterans Affairs, Veterans Health Administration.)

C: Total calendar time in years, months, and days for each period of service (or tour).

D: Time factor for each period. Use the 360 Day Factor Chart, Chart 1, in Chapter 50, section 50C1.1-1.

E: The yearly multiplier, in most cases, is 2080 for service performed before March 1, 1986, and 2087 for service performed on or after March 1, 1986.

F: The product of D x E (round up). This represents the equivalent full-time hours for the period, that is, the number of hours that would have been worked if the tour of duty had been full-time.

G: The employee's tour of duty. Enter the tour as described on the employee's service record--either a fraction or a decimal that represents the ratio of part-time to full-time service. If the employing agency provides actual hours worked during part-time service or for intermittent service, skip this step, and enter the hours in column H.

H: The product of F and G (round up).

A From			B To			C Total Time			D Time Factor	E Multiplier	F Full-Time Hrs (DxE)	G Tour	H Hours Worked (FxG)
Yr	Mo	Day	Yr	Mo	Day	Yrs	Mos	Days					
'51	11	14	'54	8	12	2	8	29	2.747222	2080	5715	40/40	5715
*'79	8	12	'80	8	11	0	6	0	--	--	1040	--	1040
'83	11	3	'86	2	28	2	3	28	2.327778	2080	4842	24/40	2906
'86	3	1	'89	1	2	2	10	2	2.838889	2087	5925	24/40	3555
'89	1	3	'93	7	14	4	6	12	4.533333	2087	9462	32/40	7570
'93	7	15	'94	12	31	1	5	16	1.461111	2087	3050	40/40	3050
										Totals--------	30,034		23,836

PRORATION FACTOR (total column H ÷ total column F) = __.79__ ROUNDED TO NEAREST PERCENT

*Intermittent - 1040 hours worked.

Section 55C1.1-4 FERS Examples Example A: (Cont.)

FERS PART-TIME BASIC ANNUITY

HIGH-3 AVERAGE SALARY*

A FROM			B TO			C ANNUAL BASIC PAY	D TOTAL TIME			E TIME FACTORS	F SALARY EARNED (C x E)
YR	MO	DAY	YR	MO	DAY		YRS	MOS	DAYS		
'92	1	1	'92	1	10	34,925	0	0	10	.027778	970.15
'92	1	11	'93	1	9	35,972	0	11	29	.997222	35,872.07
'93	1	10	'93	11	20	37,052	0	10	11	.863889	32,008.82
'93	11	21	'94	1	8	39,285	0	1	18	.133333	5,237.99
'94	1	9	'94	12	31	40,188	0	11	22	.977778	39,294.94
					TOTALS	3	0	0	** 3.000000	113,383.97

$ _____113,383.97_____ ÷ 3 = $ _____37,795_____
   Total Salary Earned   **High-3 Average Salary**

*   **High-3 period is usually the last 3 years, but see section 50A2.1-4.**

** **Factors should total 3, but may be slightly more or less because of rounding.**

FERS BASIC ANNUITY BENEFIT

High-3 Average Salary	$	37,795.00
Retirement Factor (14) yrs. (4) mos. (See section 50C1.1-1, Chart 6 or 7)	X	.143333
Basic Annuity Before Proration	$	5,417.27
FERS Proration Factor	X	.79
FERS Basic Annuity	$	4,279.64

Section 55C1.1-4 FERS Examples Example A: (Cont.)

COMPUTATION OF FERS MONTHLY ANNUITY

FERS Basic Annuity	**$**	4,279.64
CSRS Annuity After Reduction Made for Non-Deposit for Service Prior to 10-1-82*	**+ $**	
Total FERS Basic Annuity	**$**	4,279.64
Reductions are made for:		
1) **Under age 62 (not 60/20 or 55/30)** (See section 50C1.1-1, Chart 8)	**x**	
Reduced Annuity	**$**	4,279.64

2)   **Survivor Annuity:**
 	
      Base selected by retiree $ 4,279.64   **(full or one-half)**
                            x   .10
      Total reduction $ 427.96		

	- $	427.96
Annual Annuity	**$**	3,851.68
MONTHLY ANNUITY (Divide by 12, round down to next lower dollar)	**$**	320.00

*For FERS transferees. (Applicable if FERS annuity includes a CSRS component.)

SURVIVOR ANNUITY COMPUTATION

Survivor Base Selected (full or one-half)	**$**	4,279.64
Spouse or former spouse entitled to 50% of survivor base	**x**	.50
Annual Survivor Annuity	**$**	2,139.82
MONTHLY SURVIVOR ANNUITY (Divide by 12, round down to next lower dollar)	**$**	178.00

Section 55C1.1-4 FERS Examples

Example B: **FERS Employee With Part-Time Service, CSRS Component**
With Less Than 5 Years Service Before April 7, 1986

Name:	Jane Green	
Date of Retirement:	10-31-98	
Date of Birth:	1-5-36	
Age at Retirement:	62 years 9 months 26 days	
Civilian Service:		
9-10-59 to 4-29-60	Nondeduction	40 hrs/week
6-27-83 to 1-19-91	Paid (CSRS)	24 hrs/week
1-20-91 to 8-26-92	Paid (CSRS)	30 hrs/week
6-24-93 to 9-18-93	Paid (CSRS)	30 hrs/week
9-19-93* to 8-16-95	Paid (FERS)	30 hrs/week
8-17-95 to 10-31-98	Paid (FERS)	32 hrs/week

*Effective date of FERS election.

Unused Sick Leave: Balance at Transfer - 556 hours
                         Balance at Retirement - 450 hours

Deposit for pre-October 1, 1982,
     Nondeduction Service: $810.00

Survivor Benefits: Based on Full Annuity

Salary Information:

Effective Date	Full-Time Rate	Actual Rate Paid
1-8-95	$35,876.00	$26,907.00 (30/40)
8-17-95	$35,876.00	$28,700.80 (32/40)
1-7-96	$36,594.00	$29,275.20
1-5-97	$37,405.00	$29,924.00
1-4-98	$38,265.00	$30,612.00

1. Compute the pre-April 7, 1986, creditable CSRS component service on the CSRS Part-time Computation Work Sheet following the procedures outlined in Chapter 50.

   NOTE 1: Apply unused sick leave credit to pre-April 7, 1986, creditable service.

Section 55C1.1-4 FERS Examples (Cont.)

Example B: (Cont.)   NOTE 2: Add excess days to post-April 6, 1986, CSRS component service for computation purposes.

Pre-April 7, 1986, CSRS
Creditable Service: 3 years 7 months (18 days)

2. Compute the post-April 6, 1986, creditable CSRS component service following the procedures outlined in Chapter 50. Include excess days for the pre-April 7, 1986, service.

Post-April 6, 1986 Service: 6 years 7 months 15 days
Pre-April 7, 1986 Excess Days: 18 days

Total Post-April 6, 1986
Creditable Service: 6 years 8 months (3 days)

NOTE: Drop excess days resulting after this step.

3. Compute the pre-April 7, 1986, CSRS component high-3 average salary following the procedures outlined in Chapter 50. **Use only actual rates paid.**

Pre-April 7, 1986, High-3 Average Salary: $29,823.00

NOTE: Use any 3 years of consecutive service in an employee's career to determine the highest 3 years of pay. The high-3 period is not limited to pre-April 7, 1986, service.

4. Compute the CSRS component pre-April 7, 1986, basic annuity.

    a.   Enter the high-3 average salary ($29,823.00).

    b.   Enter the years and months of total pre-April 7, 1986, service for computation purposes (3 years 7 months).

    c.   Compute the retirement factor for 3 years and 7 months service. Multiply 1.5% by the time factor from Chart 1 in Chapter 50, section 50C1.1-1, representing 3 years 7 months (3.583333).

Section 55C1.1-4 FERS Examples (Cont.)

Example B: (Cont.)   **Pre-April 7, 1986, Retirement Factor: .053750**
(.015 X 3.583333 = .053750)

> NOTE: The pre-April 7, 1986, retirement factor cannot be obtained from section 50C1.1-1, Chart 4, in this example, because the pre-April 7, 1986, creditable service is less than 5 years.

> d. Multiply the high-3 average salary ($29,823) by the retirement factor (.053750) to obtain the CSRS pre-April 7, 1986, basic annuity.

> **CSRS Pre-April 7, 1986, Basic Annuity: $1,602.99**
> ($29,823 X .053750 = $1,602.99)

5. Compute the proration factor for the CSRS post-April 6, 1986, basic annuity, based on post-April 6, 1986, creditable CSRS service, following the instructions on the CSRS Proration Factor Worksheet.

   CSRS Proration Factor: .64

6. Compute the post-April 6, 1986, CSRS component high-3 average salary following the procedures outlined in Chapter 50. Use actual rates paid through April 6, 1986, and **full-time salary rates, regardless of tour, from April 7, 1986, until retirement.**

   Post-April 6, 1986, High-3 Average Salary: $37,279.00

   > NOTE: Use any 3 years of consecutive service in an employee's career to determine the highest 3 years of pay. Although the 3-year period used to compute the post-April 6, 1986, average salary may be different from the 3-year period used to compute the pre-April 7, 1986, average salary, the 3-year period used to compute both average salaries, in this example, is the same.

Section 55C1.1-4 FERS Examples (Cont.)

Example B: (Cont.)   7. Compute the CSRS component post-April 6, 1986, basic annuity.

    a. Determine the post-April 6, 1986, retirement factor. Apply the post-April 6, 1986, service to the appropriate tier of the annuity formula (1.5%, 1.75, 2%) and total the results.

        Post-April 6, 1986, Retirement Factor: .113750

(.015	X	1.416667	= .021250
.0175	X	5	= .087500
.02	X	.250000	= .005000
			.113750)

    NOTE 1: All three tiers of the annuity formula are used to compute the post-April 6, 1986, retirement factor, in this example, because the amount of creditable pre-April 7, 1986, service is less than 5 years, and the total creditable CSRS service (10 years 3 months) is greater than 10 years.

    NOTE 2: **Three months** of the post-April 6, 1986, service is computed at the **2% tier** of the annuity formula. **Five years** of the post-April 6, 1986, service is computed at the **1.75% tier.** The balance of the post-April 6, 1986, service, **1 year and 5 months**, is computed at the **1.5% tier**. The table in section 55A2.1-1,H, outlines how to apply the post-April 6, 1986, service to the annuity formula.

    NOTE 3: The time factors for 1 year 5 months (1.416667), and 3 months (.250000) were obtained from the 360 Day Factor Chart, Chart 1, provided in Chapter 50, section 50C1.1-1.A.

    b. Enter the post-April 6, 1986, average salary ($37,279), and multiply it by the post-April 6, 1986, retirement factor (.113750) to obtain the basic annuity before proration (round to the nearest penny).

        CSRS Post-April 6, 1986, Basic Annuity Before Proration: $4,240.49
        (.113750 X $37,279.00 = $4,240.49)

Section 55C1.1-4 FERS Examples (Cont.)

Example B: (Cont.)   c.   Enter the CSRS proration factor (.64) and multiply it by the basic
                                    annuity before proration ($4,240.49) to obtain the post-April 6,
                                    1986, annuity (round to the nearest penny).

> **CSRS Post-April 6, 1986**
> **Basic annuity Benefit: $2,713.91**
> (4,240.49 X .64 = $2,713.91)

8.   Compute the total CSRS component.

a.   Add the pre-April 7, 1986, basic annuity ($1,602.00) to the post-
April 6, 1986, basic annuity ($2,713.91) to obtain the combined
CSRS component basic annuity.

> **CSRS Component Basic Annuity: $4,316.90**

b.   Compute the annuity reduced for unpaid deposit for pre-October 1,
1982, nondeduction service following the procedures outlined in
Chapter 50.

> **CSRS Component Annuity Reduced**
> **for Unpaid Deposit: $4,235.90**

NOTE 1:   In this example, there is no reduction for retirement
under age 55.

NOTE 2:   The annuity reduced for unpaid deposit equals the
CSRS component that will be carried forward and
added to the FERS component basic annuity, in Step
13, to obtain the total FERS basic annuity.

NOTE 3:   The CSRS reduction for survivor annuity does not
apply to the CSRS component. The survivor
reduction, computed under FERS provisions, is
applied in Step 13.

Section 55C1.1-4 FERS Examples (Cont.)

Example B: (Cont.)   9.   Compute the creditable FERS component service on the FERS Part-
                                  time Computation Worksheet following the procedures outlined in
                                  Chapter 50.

                                  Creditable FERS Service: 5 years 1 month (12 days)

                             NOTE: **Do not add** excess days from the CSRS computation to the
                                     FERS component.

                            10.   Compute the FERS proration factor, based on creditable FERS
                                  service, following the instructions on the FERS Proration Factor
                                  Worksheet.

                                  FERS Proration Factor: .78

                            11.   Compute the FERS component high-3 average salary following the
                                  procedures outlined in Chapter 50. **Use full-time salary rates
                                  only, regardless of the tour of duty.**

                                  FERS High-3 Average Salary: $37,279.00

                             NOTE: The FERS high-3 average salary, in this example, is the
                                     same as the post-April 6, 1986, CSRS component high-3
                                     average salary computed in Step 6.

                            12.   Compute the FERS component basic annuity.

                                  a.   Enter the FERS high-3 average salary ($37,279.00).

                                  b.   Enter the years and months of total FERS service (5 years
                                       1 month).

                                  c.   Use the FERS 1 Percent Accrual Factor Chart (Chart 6,
                                       Chapter 50, section 50C1.1-1) to obtain the retirement factor
                                       for 5 years 1 month of service (.050833).

Section 55C1.1-4 FERS Examples (Cont.)

Example B: (Cont.)   d.   Multiply the high-3 average salary ($37,279.00) by the retirement factor (.050833) to obtain the FERS component annuity benefit before proration (round to the nearest penny).

                FERS Component Annuity
                Before Proration: **$1,895.00**

       e.   Enter the FERS proration factor (.78) and multiply it by the FERS annuity before proration ($1,895.00) to obtain the FERS component basic annuity.

                FERS Component Basic Annuity: $1,478.10
                ($1,895.00 X .78 = $1,478.10).

13.   Compute the total FERS basic annuity.

       a.   Add the FERS component basic annuity from step 12 ($1,478.10) to the CSRS component annuity from Step 8 ($4,235.90) to obtain the total FERS basic annuity.

                Total FERS Basic Annuity: $5,714.60
                ($1,478.10 + $4,235.90 = $5,714.00)

       b.   Compute the annual annuity, reduced for survivor election, following the procedures outlined in Chapter 50.

                Annual Annuity: **$5,142.60**

                NOTE: In this example, there is no reduction for retirement before age 62 because Jane will attain age 62 before her annuity commences.

       c.   Compute the gross monthly annuity rate.

                Monthly Annuity: **$428.00**
                ($5,142.60 ÷ 12 = $428.00)

14.   Compute the survivor annuity following the procedures outlined in Chapter 50.

       Survivor Monthly Rate: **$238.00**

Section 55C1.1-4 Example B: (Cont.)

CSRS PART-TIME COMPUTATION

		YR - MO - DY

Name: **Jane Green**   **Date of Retirement**:   98 - 10 - 31

Date of Birth: 36 - 01 - 05

Age: 62 - 09 - 26

TYPES OF SERVICE SHOWN

G CSRS

G̸ CSRS COMPONENT OF FERS
   TRANSFEREE

COMPUTATION OF PRE-APRIL 7, 1986 CSRS SERVICE CREDIT

A	B	C	D (Do not list noncreditable periods of service)		
STARTING YR-MO-DY	ENDING YR-MO-DY	COVERED/REFUNDED/ NONDEDUCTION/MILITARY	YRS	MOS	DAYS
59-9-10	60-4-29	Nondeduction	0	7	20
83-6-27	86-4-6	Paid	2	9	10
TOTAL CIVILIAN/MILITARY			3	5	0
UNUSED SICK LEAVE			0	2	18
TOTAL PRE-4/7/86 CREDITABLE SERVICE			3	7	18
TOTAL PRE-4/7/86 SERVICE FOR COMPUTATION PURPOSES			3	7	

Section 55C1.1-4 Example B: (Cont.)

COMPUTATION OF POST-APRIL 6, 1986 CSRS SERVICE CREDIT

TYPES OF SERVICE SHOWN
G CSRS
G̸ CSRS COMPONENT OF FERS TRANSFEREE

A	B	C	D (Do not list noncreditable periods of service)		
STARTING YR-MO-DY	**ENDING YR-MO-DY**	**COVERED/REFUNDED/ NONDEDUCTION/MILITARY**	**YRS**	**MOS**	**DAYS**
86-4-7	92-8-26	Paid	6	4	20
93-6-24	93-9-18	Paid	0	2	25
TOTAL CIVILIAN/MILITARY			6	7	15
EXCESS DAYS FROM PRE-4/7/86 CSRS SERVICE					18
TOTAL POST-4/6/86 CREDITABLE SERVICE			6	8	3
TOTAL POST-4/6/86 SERVICE FOR COMPUTATION PURPOSES			6	8	

Section 55C1.1-4 FERS Examples Example B: (Cont.)

PRE-APRIL 7, 1986 BASIC ANNUITY COMPUTATION

PRE-APRIL 7, 1986 AVERAGE SALARY*

A FROM			B TO			C ANNUAL BASIC PAY	D TOTAL TIME			E TIME FACTORS	F SALARY EARNED (C x E)
YR	MO	DAY	YR	MO	DAY		YRS	MOS	DAYS		
'95	11	1	'96	1	6	28,700.80		2	6	.183333	
'96	1	7	'97	1	4	29,275.20		11	28	.994444	29,112.55
'97	1	5	'98	1	3	29,924.00		11	29	.997222	29,840.87
'98	1	4	'98	10	31	30,612.00		9	27	.825000	25,254.90
					TOTALS	3	0	0	** 2.999999	89,470.12

$\underline{\hspace{1em} 89,470.12 \hspace{1em}}$ ÷ **3** = $\underline{\hspace{1em} 29,823.00 \hspace{1em}}$

   Total Salary Earned   **High-3 Average Salary**

*   **High-3 period is usually the last 3 years, but see section 50A2.1-4.**

** **Factors should total 3, but may be slightly more or less because of rounding.**

PRE-APRIL 7, 1986 BASIC ANNUITY BENEFIT

High-3 Average Salary	**$**	29,823.00
Retirement Factor (3) yrs. (7) mos. (See section 50C1.1-1, Chart 4*) **.015 X 3.583333 = .053750**	**X**	.053750
Pre-4/7/86 Basic Annuity	**$**	1,602.99

*To determine the retirement factor when pre-April 7, 1986, service is less than 5 years, multiply 1.5 percent by the time factor for pre-April 7, 1986, service (see section 50C1.1-1, Chart 1).

Section 55C1.1-4 FERS Examples Example B: (Cont.)

CSRS PRORATION FACTOR WORKSHEET

Columns

A, B: Beginning and ending dates of all periods of creditable service on or after April 7, 1986. Each change in tour of duty should be treated as a separate period of service. Periods of full-time and intermittent service should also be entered separately. (See section 55A3.1-2 for special procedures that apply to nondisability retirees who had part-time service with the Department of Veterans Affairs, Veterans Health Administration.)

C: Total calendar time in years, months, and days for each period of service (or tour).

D: Time factor for each period. Use the 360 Day Factor Chart, Chart 1, in Chapter 50, section 50C1.1-1.

E: The yearly multiplier--2087 in most cases.

F: The product of D x E (round up). This represents the equivalent full-time hours for the period, that is, the number of hours that would have been worked if the tour of duty had been full-time.

G: The employee's tour of duty. Enter the tour as described on the employee's service record--either a fraction or a decimal that represents the ratio of part-time to full-time service. If the employing agency provides actual hours worked during part-time service or for intermittent service, skip this step, and enter the hours in column H.

H: The product of F and G (round up).

A From			B To			C Total Time			D Time Factor	E Multiplier	F Full-Time Hrs (DxE)	G Tour	H Hours Worked (FxG)
Yr	Mo	Day	Yr	Mo	Day	Yrs	Mos	Days					
'86	4	7	'91	1	19	4	9	13	4.786111	2087	9989	24/40	5994
'91	1	20	'92	8	26	1	7	7	1.602778	2087	3345	30/40	2509
'93	6	24	'93	9	18	0	2	25	.236111	2087	493	30/40	370
										Totals-------	13,827		8,873

PRORATION FACTOR (total column H ÷ total column F) = ___.64___ ROUNDED TO NEAREST PERCENT

Section 55C1.1-4 FERS Examples Example B: (Cont.)

POST-APRIL 6, 1986 BASIC ANNUITY COMPUTATION

POST-APRIL 6, 1986 AVERAGE SALARY*

A FROM			B TO			C ANNUAL BASIC PAY	D TOTAL TIME			E TIME FACTORS	F SALARY EARNED (C x E)
YR	MO	DAY	YR	MO	DAY		YRS	MOS	DAYS		
'95	11	1	'96	1	6	35,876	0	2	6	.183333	6,577.25
'96	1	7	'97	1	4	36,594	0	11	28	.994444	36,390.68
'97	1	5	'98	1	3	37,405	0	11	29	.997222	37,301.09
'98	1	4	'98	10	31	38,265	0	9	27	.825000	31,568.63
					TOTALS	3	0	0	** 2.999999	111,837.65

$_____111,837.65_____   **÷ 3 =**   **$**_____37,279.00_____

     Total Salary Earned   **High-3 Average Salary**

* High-3 period is usually the last 3 years, but see section 50A2.1-4.

** Factors should total 3, but may be slightly more or less because of rounding.

POST-APRIL 6, 1986 BASIC ANNUITY BENEFIT

POST-APRIL 6, 1968 RETIREMENT FACTOR	
.015 X _____1.416667_____ = _____.021250_____ Length of Service	
.0175 X _____5_____ = + _____.087500_____ Length of Service	
.02 X _____.250000_____ = + _____.005000_____ Length of Service	
Total	.113750
Post-4/6/86 High-3 Average Salary	x $ 37,279.00
Post-4/6/86 Basic Annuity Before Proration	= $ 4,240.49
CSRS Proration Factor	x .64
Post-4/6/86 Basic Annuity Benefit	= $ 2,713.91

Section 55C1.1-4 FERS Examples Example B: (Cont.)

COMPUTATION OF CSRS TOTAL BASIC ANNUITY

Pre-4/7/86 Basic Annuity	**$**	1,602.99
Post-4/6/86 Basic Annuity	**+ $**	2,713.91
Total CSRS Basic Annuity	**$**	4,316.90
Reductions are made for:		
1) **Under age 55 (See section 50C1.1-1, Chart 5)**	**x**	N/A
Reduced Annuity	**$**	4,316.90
2) **Non-deposit for service prior to 10-1-82 (subtract 10% of deposit due)**	**- $**	81.00
Reduced Annuity *	**$**	4,235.90
3) **Survivor Annuity:** **Base selected by retiree** $_____ **Amount up to $3600** _____ x .025 = $_____ **Plus amount over $3600** _____ x .10 = _____		
Total Reduction = $	**-**	N/A
Annual Annuity	**$**	N/A
MONTHLY ANNUITY (Divide by 12, round down to next lower dollar)	**$**	N/A

*CSRS component for FERS transferee.

SURVIVOR ANNUITY COMPUTATION

Amount designated as survivor base	**$**	N/A
Spouse or former spouse entitled to 55% of survivor base	**x**	.55
Annual Survivor Annuity	**$**	N/A
MONTHLY ANNUITY (Divide by 12, round down to next lower dollar)	**$**	N/A

Section 55C1.1-4 FERS Examples Example B: (Cont.)

FERS PART-TIME ANNUITY COMPUTATION

		YR - MO - DY
Name: Jane Green (Cont.)	**Date of Retirement**:	- -
	Date of Birth:	- -
	Age:	62 - 09 - 26

COMPUTATION OF FERS SERVICE CREDIT

A	B	C	D (Do not list noncreditable periods of service)		
STARTING YR-MO-DY	**ENDING YR-MO-DY**	**COVERED/REFUNDED/ NONDEDUCTION/MILITARY**	**YRS**	**MOS**	**DAYS**
93-9-19	98-10-31	Paid	5	1	12
TOTAL CIVILIAN/MILITARY			5	1	12
TOTAL SERVICE FOR COMPUTATION PURPOSES			5	1	

Section 55C1.1-4 FERS Examples Example B: (Cont.)

FERS PRORATION FACTOR WORKSHEET

Columns

A, B: Beginning and ending dates of all periods of service creditable under FERS. Each change in tour of duty should be treated as a separate period of service. Periods of full-time and intermittent service should also be entered separately. (See section 55A3.1-2 for special procedures that apply to nondisability retirees who had part-time service with the Department of Veterans Affairs, Veterans Health Administration.)

C: Total calendar time in years, months, and days for each period of service (or tour).

D: Time factor for each period. Use the 360 Day Factor Chart, Chart 1, in Chapter 50, section 50C1.1-1.

E: The yearly multiplier, in most cases, is 2080 for service performed before March 1, 1986, and 2087 for service performed on or after March 1, 1986.

F: The product of D x E (round up). This represents the equivalent full-time hours for the period, that is, the number of hours that would have been worked if the tour of duty had been full-time.

G: The employee's tour of duty. Enter the tour as described on the employee's service record--either a fraction or a decimal that represents the ratio of part-time to full-time service. If the employing agency provides actual hours worked during part-time service or for intermittent service, skip this step, and enter the hours in column H.

H: The product of F and G (round up).

A From			B To			C Total Time			D Time Factor	E Multiplier	F Full-Time Hrs (DxE)	G Tour	H Hours Worked (FxG)
Yr	Mo	Day	Yr	Mo	Day	Yrs	Mos	Days					
'93	9	19	'95	8	16	1	10	28	1.911111	2087	3,989	30/40	2,992
'95	8	17	'98	10	31	3	2	14	3.205556	2087	6,690	32/40	5,352
										Totals--------	10,679		8,344

PRORATION FACTOR (total column H ÷ total column F) = ___.78___ ROUNDED TO NEAREST PERCENT

Section 55C1.1-4 FERS Examples Example B: (Cont.)

FERS PART-TIME BASIC ANNUITY

HIGH-3 AVERAGE SALARY*

A FROM			B TO			C ANNUAL BASIC PAY	D TOTAL TIME			E TIME FACTORS	F SALARY EARNED (C x E)
YR	MO	DAY	YR	MO	DAY		YRS	MOS	DAYS		
'95	11	1	'96	1	6	35,876	0	2	6	.183333	6,577.25
'96	1	7	'97	1	4	36,594	0	11	28	.994444	36,390.68
'97	1	5	'98	1	3	37,405	0	11	29	.997222	37,301.09
'98	1	4	'98	10	31	38,265	0	9	27	.825000	31,568.63
					TOTALS	3	0	0	**2.999999	111,837.65

$_____111,837.65_____ ÷ **3** = $_____37,279.00_____

    Total Salary Earned   **High-3 Average Salary**

*   **High-3 period is usually the last 3 years, but see section 50A2.1-4.**

** **Factors should total 3, but may be slightly more or less because of rounding.**

FERS BASIC ANNUITY BENEFIT

High-3 Average Salary	**$**	37,279.00
Retirement Factor (5) yrs. (1) mos. (See section 50C1.1-1, Chart 6 or 7)	**X**	.0508333
Basic Annuity Before Proration	**$**	1,895.00
FERS Proration Factor	**X**	.78
FERS Basic Annuity	**$**	1,478.10

Section 55C1.1-4 FERS Examples Example B: (Cont.)

COMPUTATION OF FERS MONTHLY ANNUITY

FERS Basic Annuity	**$**	1,478.10
CSRS Annuity After Reduction Made for Non-Deposit for Service Prior to 10-1-82*	**+ $**	4,235.90
Total FERS Basic Annuity	**$**	5,714.00
Reductions are made for:		
1) **Under age 62 (not 60/20 or 55/30)** (See section 50C1.1-1, Chart 8)	**x**	N/A
Reduced Annuity	**$**	5,714.00

2) **Survivor Annuity:**
 	
     Base selected by retiree $ 5,714.00   **(full or one-half)**
                   x   .10
     Total reduction $ 571.40		

	- $	571.40
Annual Annuity	**$**	5,142.60
MONTHLY ANNUITY (Divide by 12, round down to next lower dollar)	**$**	428.00

*For FERS transferees. (Applicable if FERS annuity includes a CSRS component.)

SURVIVOR ANNUITY COMPUTATION

Survivor Base Selected (full or one-half)	**$**	5,714.00
Spouse or former spouse entitled to 50% of survivor base	**x**	.50
Annual Survivor Annuity	**$**	2,857.00
MONTHLY SURVIVOR ANNUITY (Divide by 12, round down to next lower dollar)	**$**	238.00

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Section 55C1.1-4 FERS Examples

Example C: **FERS Transfer Employee With Part-Time Service in Both**
                          Components, Same Average Salary Period,
                          Different Pre-April 7, 1986 Average Salary

Name:	Lisa Wilson
Date of Retirement:	11-30-94
Date of Birth:	9-17-32
Age at Retirement:	62 years 2 months 14 days
Civilian Service:	

Period		
2-14-78 to 7-26-86	Paid	20 hrs/week
7-27-86 to 12-19-87	Paid	24 hrs/week
12-20-87* to 11-18-89	Paid	24 hrs/week
11-19-89 to 3-13-93	Paid	28 hrs/week
3-14-93 to 11-30-94	Paid	32 hrs/week

*Effective date of FERS election.

Unused Sick Leave:	Date of transfer - 352 Hours
	Date of retirement - 298 Hours
Survivor Benefits:	Based on Full Annuity

Salary Information:

Effective Date	Full-Time Rate	Actual Rate Paid
1-14-90	$24,906.00	$17,434.20 (28/40)
1-13-91	$25,930.00	$18,151.00
1-12-92	$26,967.00	$18,876.90
1-10-93	$27,965.00	$19,575.50
3-14-93	$27,965.00	$22,372.00 (32/40)
1-9-94	$28,889.00	$23,047.20

1. Compute the pre-April 7, 1986, creditable CSRS component service on the CSRS Part-time Computation Worksheet following the procedures outlined in Chapter 50.

    NOTE 1: Apply unused sick leave credit to pre-April 7, 1986, creditable service.

    NOTE 2: Add excess days to post-April 6, 1986, creditable CSRS component service for computation purposes.

    Pre-April 7, 1986 CSRS
    Creditable Service: **8 years 3 months** (15 days)

Section 55C1.1-4   FERS Examples (Cont.)

Example C: (Cont.)   2.   Compute the post-April 6, 1986, creditable CSRS component service following the procedures outlined in Chapter 50. Include excess days from the pre-April 7, 1986, service.

Post-April 6, 1986 Service: 1 year 8 months 13 days
Pre-April 7, 1986 Excess Days: 15 days

Total Post-April 6, 1986, Creditable Service:
1 year 8 months   (28 days)

NOTE: Drop excess days resulting after this step.

3.   Compute the pre-April 7, 1986, CSRS component high-3 average salary following the procedures outlined in Chapter 50. **Use only actual rates paid.**

Pre-April 7, 1986 High-3 Average Salary = $21,089.00

NOTE: Use any 3 years of consecutive service in an employee's career to determine the highest 3 years of pay. The high-3 period is not limited to pre-April 7, 1986, service.

4.   Compute the CSRS component pre-April 7, 1986 basic annuity.

a.   Enter the high-3 average salary ($21,089.00).

b.   Enter the years and months of total pre-April 7, 1986 service for computations purposes (8 years 3 months).

c.   Use the CSRS General Formula Computation Chart (Chart 4) provided in section 50C1.1-1 to obtain the retirement factor for 8 years 3 months service (.131875).

d.   Multiply the high-3 average salary ($21,089) by the retirement factor (.131875) to obtain the CSRS pre-April 7, 1986 basic annuity.

CSRS Pre-April 7, 1986 Basic Annuity: $2,781.11
($21,089 X .131875 = $2,781.11)

Section 55C1.1-4 FERS Examples (Cont.)

Example C: (Cont.)   5. Compute the proration factor for the CSRS post-April 6, 1986, basic
                               annuity, based on post-April 6, 1986, creditable CSRS service,
                               following the instructions on the CSRS Proration Factor Worksheet.

      CSRS Proration Factor: .58

    6. Compute the post-April 6, 1986, CSRS component high-3 average
        salary following the procedures outlined in Chapter 50. Use actual
        rates paid through April 6, 1986, and full-time salary rates, regardless
        of tour, from April 7, 1986, until retirement.

      Post-April 6, 1986
      High-3 Average Salary: $27,832.00

    NOTE: Use any 3 years of consecutive service in an employee's career
         may be used to determine the highest 3 years of pay. Although
         the 3-year period used to compute the post-April 6, 1986,
         average salary may be different from the 3-year period used to
         compute the pre-April 7, 1986, average salary, the 3-year period
         used to compute both average salaries, in this example, is the
         same.

    7. Compute the CSRS component post-April 6, 1986 basic annuity.

      a. Determine the post-April 6, 1986, retirement factor. Apply the
         post-April 6, 1986, service to the appropriate tier of the annuity
         formula (1.5%, 1.75%, 2%) and total the results.

        Post-April 6, 1986, Retirement Factor: .029167
        (1.75% X 1.666667 = .029167)

        NOTE 1:   Apply all of the post-April 6, 1986, CSRS service to the
             1.75% tier of the formula because the pre-April 7, 1986,
             CSRS service exceeds 5 years, and the **total** CSRS
             service is less than 10 years. The table in section
             55A2.1-1H outlines how to apply the post-April 6, 1986,
             service to the annuity formula.

Section 55C1.1-4 FERS Examples (Cont.)

Example C: (Cont.)   NOTE 2:   The time factor for 1 year and 8 months (1.666667) was
                                         obtained from the 360 Day Factor Chart, Chart 1,
                                         provided in Chapter 50, section 50C1.1-1A.

                    b. Enter the post-April 6, 1986, average salary ($27,832), and multiply
                        it by the post-April 6, 1986, retirement factor (.029167) to obtain
                        the basic annuity before proration (round to the nearest penny).

                        CSRS Post-April 6, 1986 Basic
                        Annuity Before Proration: $811.78
                        .029167 X 27832 = $811.78

                    c. Enter the CSRS proration factor (.58) and multiply it by the basic
                        annuity before proration ($811.78) to obtain the post-April 6, 1986,
                        annuity (round to the nearest penny).

                        CSRS Post-April 6, 1986
                        Basic annuity Benefit: $470.83

                        ($811.78 X .58 = $470.83).

            8. Compute the total CSRS Component.

                Add the pre-April 7, 1986, basic annuity ($2,781.11) to the post-April
                6, 1986, basic annuity ($470.83) to obtain the combined CSRS
                component basic annuity.

                CSRS Combined Basic Annuity: $3,251.94
                ($2,781.11 + $470.83 = $3,251.94)

                NOTE 1: In this example, there is no reduction for retirement under
                         age 55 or unpaid deposit. Therefore, $3,251.94, will be
                         carried forward and added to the FERS component basic
                         annuity in Step 13, to obtain the total FERS basic annuity.

                NOTE 2: The CSRS reduction for survivor annuity does not apply to
                         the CSRS component. The survivor reduction, computed
                         under FERS provisions, is applied in Step 13.

Section 55C1.1-4 FERS Examples (Cont.)

Example C: (Cont.)

9. Compute the creditable FERS component service on the FERS Part-Time Computation Worksheet following the procedures outlined in Chapter 50.

   Creditable FERS Service: 6 years 11 months 11 days

   NOTE: **Do not add** excess days from the CSRS computation to the FERS component.

10. Compute the FERS proration factor, based on creditable FERS service, following the instructions on the FERS Proration Factor Worksheet.

    FERS Proration Factor: .70

11. Compute the FERS component high-3 average salary following the procedures outlined in Chapter 50. **Use full-time salary rates only, regardless of the tour of duty.**

    FERS High-3 Average Salary: $27,832.00

    NOTE: The FERS high-3 average salary, in this example, is the same as the post-April 6, 1986, CSRS component high-3 average salary computed in Step 6.

12. Compute the FERS component basic annuity.

    a. Enter the FERS high-3 average salary (27,832.00).

    b. Enter the years and months of total FERS service (6 years 11 months).

    c. Use the FERS 1 Percent Accrual Factor Chart (Chart 6, Chapter 50, section 50C1.1-1) to obtain the retirement factor for 6 years 11 months of service (.069167).

Section 55C1.1-4   FERS Examples (Cont.)

Example C: (Cont.)   d.   Multiply the high-3 average salary ($27,832) by the retirement factor (.069167) to obtain the FERS component annuity benefit before proration (round to the nearest penny).

FERS Component Annuity
Before Proration: $1,925.06
($27,832 X .069167 = $1,925.06)

e.   Enter the FERS proration factor (.70) and multiply it by the FERS basic annuity before proration ($1,925.06) to obtain the FERS component basic annuity benefit.

FERS Component
Basic Annuity: $1,347.54
($1,925.06 X .70 = $1,347.54)

13.   Compute the total FERS basic annuity.

a.   Add the FERS basic annuity from Step 12 ($1,347.54) to the CSRS basic annuity from step 8 ($3,251.94) to obtain the total FERS basic annuity.

Total FERS Basic Annuity: $4,599.48
($1,347.54 + $3,251.94 = $4,599.48)

b.   Compute the annual annuity, reduced for survivor election, following the procedures outlined in Chapter 50.

Annual Annuity: $4,139.53

NOTE: In this example, there is no reduction for retirement before age 62 because Lisa is over age 62.

Section 55C1.1-4 FERS Examples (Cont.)

Example C: (Cont.)   c. Compute the gross monthly annuity rate.

         Monthly Annuity: $344.00
         ($4,139.53 ÷ 12 = $344.00)

     14. Compute the survivor annuity following the procedures outlined in Chapter 50.

         Survivor Monthly Rate = $191.00

112   **Computation for Part-Time Employees**
Chapter 55
       FERS

Section 55C1.1-4 Example C: (Cont.)

CSRS PART-TIME COMPUTATION

		YR - **MO** - **DY**
Name: Lisa Wilson	**Date of Retirement**:	94 - 11 - 30
	Date of Birth:	32 - 09 - 17
	Age:	62 - 02 - 14

TYPES OF SERVICE SHOWN

G   CSRS

☒   CSRS COMPONENT OF FERS
     TRANSFEREE

COMPUTATION OF PRE-APRIL 7, 1986 CSRS SERVICE CREDIT

A	B	C	D (Do not list noncreditable periods of service)		
STARTING YR-MO-DY	**ENDING YR-MO-DY**	**COVERED/REFUNDED/ NONDEDUCTION/MILITARY**	**YRS**	**MOS**	**DAYS**
78-2-14	86-4-6	Paid	8	1	23
		TOTAL CIVILIAN/MILITARY	8	1	23
		UNUSED SICK LEAVE		1	22
		TOTAL PRE-4/7/86 CREDITABLE SERVICE	8	3	15
		TOTAL PRE-4/7/86 SERVICE FOR COMPUTATION PURPOSES	8	3	

Section 55C1.1-4 Example C: (Cont.)

COMPUTATION OF POST-APRIL 6, 1986 CSRS SERVICE CREDIT

TYPES OF SERVICE SHOWN
G CSRS
Ꮆ CSRS COMPONENT OF FERS TRANSFEREE

A	B	C	D (Do not list noncreditable periods of service)		
STARTING YR-MO-DY	**ENDING YR-MO-DY**	**COVERED/REFUNDED/ NONDEDUCTION/MILITARY**	**YRS**	**MOS**	**DAYS**
86-4-7	87-12-19	Paid	1	8	13
TOTAL CIVILIAN/MILITARY			1	8	13
EXCESS DAYS FROM PRE-4/7/86 CSRS SERVICE					15
TOTAL POST-4/6/86 CREDITABLE SERVICE			1	8	28
TOTAL POST-4/6/86 SERVICE FOR COMPUTATION PURPOSES			1	8	

Section 55C1.1-4 FERS Examples Example C: (Cont.)

PRE-APRIL 7, 1986 BASIC ANNUITY COMPUTATION

PRE-APRIL 7, 1986 AVERAGE SALARY*

A FROM			B TO			C ANNUAL BASIC PAY	D TOTAL TIME			E TIME FACTORS	F SALARY EARNED (C x E)
YR	MO	DAY	YR	MO	DAY		YRS	MOS	DAYS		
'91	12	1	'92	1	11	18,151.00		1	11	.113889	2,067.20
'92	1	12	'93	1	9	18,876.90		11	28	.994444	18,772.02
'93	1	10	'93	3	13	19,575.50		2	4	.177778	3,480.09
'93	3	14	'94	1	8	22,372.00		9	25	.819444	18,332.60
'94	1	9	'94	11	30	23,047.20		10	22	.894444	20,614.43
					TOTALS	3	0	0	** 2.999999	63,266.34

$ 63,266.34   ÷ **3** = $ 21,089.00

 Total Salary Earned   **High-3 Average Salary**

*   **High-3 period is usually the last 3 years, but see section 50A2.1-4.**

** **Factors should total 3, but may be slightly more or less because of rounding.**

PRE-APRIL 7, 1986 BASIC ANNUITY BENEFIT

High-3 Average Salary	**$** 21,089.00
Retirement Factor (8 **) yrs. (** 3 **) mos. (See section 50C1.1-1, Chart 4*)**	**X** .131875
Pre-4/7/86 Basic Annuity	**$** 2,781.11

*To determine the retirement factor when pre-April 7, 1986, service is less than 5 years, multiply 1.5 percent by the time factor for pre-April 7, 1986, service (see section 50C1.1-1, Chart 1).

Section 55C1.1-4 FERS Examples Example C: (Cont.)

CSRS PRORATION FACTOR WORKSHEET

Columns

A, B: Beginning and ending dates of all periods of creditable service on or after April 7, 1986. Each change in tour of duty should be treated as a separate period of service. Periods of full-time and intermittent service should also be entered separately. (See section 55A3.1-2 for special procedures that apply to nondisability retirees who had part-time service with the Department of Veterans Affairs, Veterans Health Administration.)

C: Total calendar time in years, months, and days for each period of service (or tour).

D: Time factor for each period. Use the 360 Day Factor Chart, Chart 1, in Chapter 50, section 50C1.1-1.

E: The yearly multiplier--2087 in most cases.

F: The product of D x E (round up). This represents the equivalent full-time hours for the period, that is, the number of hours that would have been worked if the tour of duty had been full-time.

G: The employee's tour of duty. Enter the tour as described on the employee's service record--either a fraction or a decimal that represents the ratio of part-time to full-time service. If the employing agency provides actual hours worked during part-time service or for intermittent service, skip this step, and enter the hours in column H.

H: The product of F and G (round up).

A From			B To			C Total Time			D Time Factor	E Multiplier	F Full-Time Hrs (DxE)	G Tour	H Hours Worked (FxG)
Yr	Mo	Day	Yr	Mo	Day	Yrs	Mos	Days					
'86	4	7	'86	7	26	0	3	20	.305556	2087	638	20/40	319
'86	7	27	'87	12	19	1	4	3	1.397222	2087	2917	24/40	1751
										Totals--------	3,555		2,070

PRORATION FACTOR (total column H ÷ total column F) = __.58__ ROUNDED TO NEAREST PERCENT

Section 55C1.1-4 FERS Examples Example C: (Cont.)

POST-APRIL 6, 1986 BASIC ANNUITY COMPUTATION

POST-APRIL 6, 1986 AVERAGE SALARY*

A FROM			B TO			C ANNUAL BASIC PAY	D TOTAL TIME			E TIME FACTORS	F SALARY EARNED (C x E)
YR	MO	DAY	YR	MO	DAY		YRS	MOS	DAYS		
'91	12	1	'92	1	11	25,930	0	1	11	.113889	2,953.14
'92	1	12	'93	1	9	26,967	0	11	28	.994444	26,817.17
'93	1	10	'94	1	8	27,965	0	11	29	.997222	27,887.31
'94	1	9	'94	11	30	28,889	0	10	22	.894444	25,839.59
					TOTALS	3	0	0	** 2.999999	83,497.21

$ _____83,497.21_____   ÷ **3** = $ _____27,832.00_____
  Total Salary Earned   **High-3 Average Salary**

* **High-3 period is usually the last 3 years, but see section 50A2.1-4.**

** **Factors should total 3, but may be slightly more or less because of rounding.**

POST-APRIL 6, 1986 BASIC ANNUITY BENEFIT

POST-APRIL 6, 1968 RETIREMENT FACTOR	
.015 X _____ = _____ Length of Service	
.0175 X _1.666667_ = + _.02916_ Length of Service	
.02 X _____ = + _____ Length of Service	
Total	.029167
Post-4/6/86 High-3 Average Salary	x $27,832.00
Post-4/6/86 Basic Annuity Before Proration	= $811.78
CSRS Proration Factor	x .58
Post-4/6/86 Basic Annuity Benefit	= $ 470.83

Section 55C1.1-4 FERS Examples Example C: (Cont.)

COMPUTATION OF CSRS TOTAL BASIC ANNUITY

Pre-4/7/86 Basic Annuity	**$** 2,781.11
Post-4/6/86 Basic Annuity	**+ $** 470.83
Total CSRS Basic Annuity	**$** 3,251.94
Reductions are made for:	
1) **Under age 55 (See section 50C1.1-1, Chart 5)**	**x** N/A
Reduced Annuity	**$** 3,251.94
2) **Non-deposit for service prior to 10-1-82 (subtract 10% of deposit due)**	**-** N/A
Reduced Annuity *	**$** 3,251.94

3) **Survivor Annuity:**
 	
    Base selected by retiree $_____
    Amount up to $3600   _____ **x .025** = $_____
    Plus amount over $3600 _____ **x .10** = _____	

Total Reduction = $	**-**
Annual Annuity	**$**
MONTHLY ANNUITY (Divide by 12, round down to next lower dollar)	**$**

*CSRS component for FERS transferee.

SURVIVOR ANNUITY COMPUTATION

Amount designated as survivor base	**$**
Spouse or former spouse entitled to 55% of survivor base	**x** .55
Annual Survivor Annuity	**$**
MONTHLY ANNUITY (Divide by 12, round down to next lower dollar)	**$**

Section 55C1.1-4 FERS Examples Example C: (Cont.)

FERS PART-TIME ANNUITY COMPUTATION

YR - MO - DY

Name: Lisa Wilson (Cont.)   **Date of Retirement**: _____

Date of Birth: _____

Age: 62 - 02 - 14

COMPUTATION OF FERS SERVICE CREDIT

A	B	C	D (Do not list noncreditable periods of service)		
STARTING YR-MO-DY	**ENDING YR-MO-DY**	**COVERED/REFUNDED/ NONDEDUCTION/MILITARY**	**YRS**	**MOS**	**DAYS**
87-12-20	94-11-30	Paid	6	11	11
TOTAL CIVILIAN/MILITARY			6	11	11
TOTAL SERVICE FOR COMPUTATION PURPOSES			6	11	

Section 55C1.1-4 FERS Examples Example C: (Cont.)

FERS PRORATION FACTOR WORKSHEET

Columns

A, B: Beginning and ending dates of all periods of service creditable under FERS. Each change in tour of duty should be treated as a separate period of service. Periods of full-time and intermittent service should also be entered separately. (See section 55A3.1-2 for special procedures that apply to nondisability retirees who had part-time service with the Department of Veterans Affairs, Veterans Health Administration.)

C: Total calendar time in years, months, and days for each period of service (or tour).

D: Time factor for each period. Use the 360 Day Factor Chart, Chart 1, in Chapter 50, section 50C1.1-1.

E: The yearly multiplier, in most cases, is 2080 for service performed before March 1, 1986, and 2087 for service performed on or after March 1, 1986.

F: The product of D x E (round up). This represents the equivalent full-time hours for the period, that is, the number of hours that would have been worked if the tour of duty had been full-time.

G: The employee's tour of duty. Enter the tour as described on the employee's service record--either a fraction or a decimal that represents the ratio of part-time to full-time service. If the employing agency provides actual hours worked during part-time service or for intermittent service, skip this step, and enter the hours in column H.

H: The product of F and G (round up).

A From			B To			C Total Time			D Time Factor	E Multiplier	F Full-Time Hrs (DxE)	G Tour	H Hours Worked (FxG)
Yr	Mo	Day	Yr	Mo	Day	Yrs	Mos	Days					
'87	12	20	'89	11	18	1	10	29	1.913889	2087	3995	24/40	2397
'89	11	19	'93	3	13	3	3	25	3.319444	2087	6928	28/40	4850
'93	3	14	'94	11	30	1	8	17	1.713889	2087	3577	32/40	2862
										Totals-------	14,500		10,109

PRORATION FACTOR (total column H ÷ total column F) = __.70__ ROUNDED TO NEAREST PERCENT

Section 55C1.1-4 FERS Examples Example C: (Cont.)

FERS PART-TIME BASIC ANNUITY

HIGH-3 AVERAGE SALARY*

A FROM			B TO			C ANNUAL BASIC PAY	D TOTAL TIME			E TIME FACTORS	F SALARY EARNED (C x E)
YR	MO	DAY	YR	MO	DAY		YRS	MOS	DAYS		
'91	12	1	'92	1	11	25,930	0	1	11	.113889	2,953.14
'92	1	12	'93	1	9	26,967	0	11	28	.994444	26,817.17
'93	1	10	'94	1	8	27,965	0	11	29	.997222	27,887.31
'94	1	9	'94	11	30	28,889	0	10	22	.894444	25,839.59
					TOTALS	3	0	0	** 2.999999	83,497.21

$ 83,497.21   ÷ **3** = $ 27,832.00

Total Salary Earned   **High-3 Average Salary**

*   **High-3 period is usually the last 3 years, but see section 50A2.1-4.**

** **Factors should total 3, but may be slightly more or less because of rounding.**

FERS BASIC ANNUITY BENEFIT

High-3 Average Salary	**$** 27,832.00
Retirement Factor (6) yrs. (11) mos. (See section 50C1.1-1, Chart 6 or 7)	**X** .069167
Basic Annuity Before Proration	**$** 1,925.06
FERS Proration Factor	**X** .70
FERS Basic Annuity **$** 1,347.54	

Section 55C1.1-4 FERS Examples Example C: (Cont.)

COMPUTATION OF FERS MONTHLY ANNUITY

FERS Basic Annuity	**$**	1,347.54
CSRS Annuity After Reduction Made for Non-Deposit for Service Prior to 10-1-82*	**+ $**	3,251.94
Total FERS Basic Annuity	**$**	4,599.48
Reductions are made for:		
1) **Under age 62 (not 60/20 or 55/30)** (See section 50C1.1-1, Chart 8)	**x**	N/A
Reduced Annuity	**$**	4,599.48

2) **Survivor Annuity:**
 	
  Base selected by retiree $__4,599.48__   **(full or one-half)**
                x____.10____
  Total reduction $____459.95____		

	-	459.95
Annual Annuity	**$**	4,139.53
MONTHLY ANNUITY (Divide by 12, round down to next lower dollar)	**$**	344.00

*For FERS transferees (applicable if FERS annuity includes a CSRS component).

SURVIVOR ANNUITY COMPUTATION

Survivor Base Selected (full or one-half)	**$**	4,599.48
Spouse or former spouse entitled to 50% of survivor base	**x**	.50
Annual Survivor Annuity	**$**	2,299.74
MONTHLY SURVIVOR ANNUITY (Divide by 12, round down to next lower dollar)	**$**	191.00

Section 55C1.1-4 FERS Examples (Cont.)

Example D: **FERS Transfer Employee With Part-Time Service in CSRS
Component Only, Same Average Salary Period,
Same Average Salaries**

Name:	Michelle Montgomery
Date of Retirement:	07-31-95
Date of Birth:	1-19-39
Military Service:	5-12-58 to 5-11-60
Civilian Service:	

8-18-65 to 7-24-88	Paid	40 hrs/week
7-25-88 to 4-6-90	Paid	32 hrs/week
3-15-92 to 8-14-92	Paid	40 hrs/week
8-15-92* to 7-31-95	Paid	40 hrs/week

*Effective date of FERS election.

Unused Sick Leave:	Date of transfer - 977 Hours
	Date of retirement - 1106 Hours
Survivor Benefits:	Elected No Survivor Annuity

Salary Information:

Effective Date	Full-Time Rate	Actual Rate Paid
1-14-90	$28,525.00	$22,820.00 (32/40)
3-15-92	$31,214.00	$31,214.00 (40/40)
1-10-93	$32,155.00	$32,155.00
1-9-94	$33,221.00	$33,221.00
1-8-95	$34,349.00	$34,349.00

1. Compute the pre-April 7, 1986, CSRS component service on the CSRS
   Part-time Computation Worksheet following the procedures outlined in
   Chapter 50.

   NOTE 1: Apply unused sick leave credit to pre-April 7, 1986,
                  creditable service.

   NOTE 2: Add excess days to post-April 6, 1986, creditable CSRS
                  service for computation purposes.

   **Pre-April 7, 1986
   Creditable CSRS Service: 23 years 1 month** (8 days)

Section 55C1.1-4 FERS Examples (Cont.)

Example D: (Cont.)   2. Compute the post-April 6, 1986, creditable CSRS component service following the procedures outlined in Chapter 50. Include excess days from the pre-April 7, 1986 service.

Post-April 6, 1986 Service: 4 years 0 months 0 days
Pre-April 7, 1986 Excess Days: 8 days

Total Post-April 6, 1986
Creditable CSRS Service: 4 years 0 months (8 days)

NOTE: Drop excess days resulting after this step.

3. Compute pre-April 7, 1986, CSRS component high-3 average salary following the procedures outlined in Chapter 50. **Use only actual rates paid.**

Pre-April 7, 1986 High-3 Average Salary: $32,783.00

NOTE: Use any 3 years of consecutive service in an employee's career to determine the highest 3 years of pay. The high-3 period is not limited to pre-April 7, 1986 service.

4. Compute the CSRS component pre-April 7, 1986 basic annuity.

a. Enter the high-3 average salary ($32.783.00)

b. Enter the years and months of total pre-April 7, 1986, service for computations purposes (23 years 1 month).

c. Use the CSRS General Formula Computation Chart (Chart 4) provided in section 50C1.1-1 to obtain the retirement factor for 23 years 1 month service (.424167).

d. Multiply the high-3 average salary ($32,783) by the retirement factor (.424167) to obtain the CSRS pre-April 7, 1986 basic annuity.

CSRS Pre-April 7, 1986 Basic Annuity: $13,905.47
($32,783.00 X .424167 = $13,905.47)

Section 55C1.1-4 FERS Examples (Cont.)

Example D: (Cont.)   5. Compute the proration factor for the CSRS post-April 6, 1986 basic annuity, based on post-April 6, 1986, creditable service, following the instructions on the CSRS Proration Factor Worksheet.

CSRS Proration Factor: .92

6. Compute the post-April 6, 1986, CSRS component high-3 average salary following the procedures outlined in Chapter 50. Use actual rates paid through April 6, 1986, and **full-time salary rates, regardless of tour, from April 7, 1986, until retirement.**

Post-April 6, 1986 High-3 Average Salary: $32,783.00

NOTE: Use any 3 years of consecutive service in an employee's career to determine the highest 3 years of pay. Although the 3-year period used to compute the post-April 6, 1986, average salary may be different from the 3-year period used to compute the pre-April 7, 1986, average salary, the 3-year period used to compute both average salaries in this example is the same.

7. Compute the CSRS component post-April 6, 1986 basic annuity.

a. Determine the post-April 6, 1986, retirement factor. Apply the post-April 6, 1986, service to the appropriate tier of the annuity formula (1.5%, 1.75%, 2%), and total the results.

Post-April 6, 1986 Retirement Factor: .08
(2% X 4 = .08)

NOTE: All of the post-April 6, 1986, CSRS service is applied to the 2% tier of the formula because the pre-April 7, 1986, CSRS service exceeds 10 years.

Section 55C1.1-4 FERS Examples (Cont.)

Example D: (Cont.)   b. Enter the post-April 6, 1986, average salary ($32,783.00), and multiply it by the post-April 6, 1986, retirement factor (.08) to obtain the basic annuity before proration (round to the nearest penny).

**CSRS Post-April 6, 1986 Basic
Annuity Before Proration: $2,622.64**
(.08 X $32,783 = $2,622.64)

c. Enter the CSRS proration factor (.92) and multiply it by the basic annuity before proration ($2,622.64) to obtain the post-April 6, 1986, annuity (round to the nearest penny).

**CSRS Post-April 6, 1986
Basic Annuity Benefit: $2,412.83**
$2,622.64 X .92 = $2,412.83

8. Compute the total CSRS Component.

Add the pre-April 7, 1986, basic annuity ($13,905.47) to the post-April 6, 1986, basic annuity ($2,412.83) to obtain the combined CSRS component basic annuity.

CSRS Combined Basic Annuity: $16,318.30
$13,905.47 + $2,412.83 = $16,318.30

NOTE: In this example, there is no reduction for retirement under age 55 or unpaid deposit. Therefore, $16,318.30 will be carried forward and added to the FERS component basic annuity in Step 12, to obtain the total FERS basic annuity.

9. Compute the creditable FERS component service on the FERS Part-Time Computation Worksheet, following the procedures outlined in Chapter 50.

Creditable FERS Service: 3 years 4 months 16 days

NOTE: Do not add excess days from the CSRS computation to the FERS component.

Section 55C1.1-4 FERS Examples (Cont.)

Example D: (Cont.)   10.   Compute the FERS high-3 average salary following the procedures
outlined in Chapter 50. **Use full-time salary rates only, regardless
of the tour of duty**.

FERS High-3 Average Salary = $32,783.00

NOTE: The FERS high-3 average salary, in this example, is the
same as the CSRS component high-3 average salary
computed in Steps 3 and 6.

11.   Compute the FERS component basic annuity.

a. Enter the FERS high-3 average salary ($32,783.00).

b. Enter the years and months of total FERS service (3 years
4 months).

c. Use the FERS 1 Percent Accrual Factor Chart (Chart 6, Chapter 50,
section 50C1.1-1) to obtain the retirement factor for 3 years
4 months of service (.033333).

d. Multiply the high-3 average salary ($32,783) by the retirement factor
(.033333) to obtain the FERS component annuity benefit (round to
the nearest penny).

**FERS Component
Annuity Benefit: $1,092.76**
($32,783 X .033333 = $1,092.76)

NOTE: Do not prorate the FERS component annuity, in this
example, because all the service performed under FERS
was full-time.

Section 55C1.1-4 FERS Examples (Cont.)

Example D: (Cont.)   12.   Compute the total FERS basic annuity amount.

a. Add the FERS basic annuity ($1,092.76, computed in Step 11) to the CSRS basic annuity ($16,318.30, computed in Step 8) to obtain the total FERS basic annuity.

Total FERS Basic Annuity: $17,411.06
($1,092.76 + $16,318.30 = $17,411.06)

b. Compute the gross monthly annuity rate.

Monthly Annuity: $1,450.00
($17,411.06 ÷ 12 = $1,450.00)

NOTE: There is no reduction for retirement before age 62, in this example, because Michelle had performed more than 30 years of service. There also is not a reduction for survivor annuity because Michelle did not elect a survivor benefit.

Section 55C1.1-4 FERS Examples Example D: (Cont.)

CSRS PART-TIME COMPUTATION

		YR - **MO** - **DY**

Name: Michelle Montgomery   **Date of Retirement**:   95 - 07 - 31

Date of Birth: 39 - 01 - 19

Age: 56 - 06 - 12

TYPES OF SERVICE SHOWN

G   CSRS

Ø   CSRS COMPONENT OF FERS
     TRANSFEREE

COMPUTATION OF PRE-APRIL 7, 1986 SERVICE CREDIT

A	**B**	**C**	**D** (Do not list noncreditable periods of service)		
STARTING YR-MO-DY	**ENDING YR-MO-DY**	**COVERED/REFUNDED/ NONDEDUCTION/MILITARY**	**YRS**	**MOS**	**DAYS**
58-5-12	60-5-11	Military	2	0	0
65-8-18	86-4-6	Paid	20	7	19
		TOTAL CIVILIAN/MILITARY	22	7	19
		UNUSED SICK LEAVE		5	19
		TOTAL PRE-4/7/86 CREDITABLE SERVICE	23	1	8
		TOTAL PRE-4/7/86 SERVICE FOR COMPUTATION PURPOSES	23	1	

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Section 55C1.1-4 FERS Examples Example D: (Cont.)

COMPUTATION OF POST-APRIL 6, 1986 CSRS SERVICE CREDIT

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TYPES OF SERVICE SHOWN

G   CSRS

Ø   CSRS COMPONENT OF FERS
    TRANSFEREE
```

A	B	C	D (Do not list noncreditable periods of service)		
STARTING YR-MO-DY	**ENDING YR-MO-DY**	**COVERED/REFUNDED/ NONDEDUCTION/MILITARY**	**YRS**	**MOS**	**DAYS**
86-4-7	90-4-6	Paid	4	0	0
TOTAL CIVILIAN/MILITARY			4	0	0
EXCESS DAYS FROM PRE-4/7/86 SERVICE					8
TOTAL POST-4/6/86 CREDITABLE SERVICE			4	0	8
TOTAL POST-4/6/86 SERVICE FOR COMPUTATION PURPOSES			4	0	

Section 55C1.1-4 FERS Examples Example D: (Cont.)

PRE-APRIL 7, 1986 BASIC ANNUITY COMPUTATION

PRE-APRIL 7, 1986 HIGH-3 AVERAGE SALARY*

A FROM			B TO			C ANNUAL BASIC PAY	D TOTAL TIME			E TIME FACTORS	F SALARY EARNED (C x E)
YR	MO	DAY	YR	MO	DAY		YRS	MOS	DAYS		
'92	8	1	'93	1	9	31,214		5	9	.441667	13,786.19
'93	1	10	'94	1	8	32,155		11	29	.997222	32,065.67
'94	1	9	'95	1	7	33,221		11	29	.997222	33,128.71
'95	1	8	'95	7	31	34,349		6	23	.563889	19,369.02
					TOTALS	3	0	0	** 3.000000	98,349.59

$<u>   98,349.59   </u> ÷ **3** = $<u>   32,783.00   </u>

  Total Salary Earned   **High-3 Average Salary**

*   **High-3 period is usually the last 3 years, but see section 50A2.1-4.**

** **Factors should total 3, but may be slightly more or less because of rounding.**

PRE-APRIL 7, 1986 BASIC ANNUITY BENEFIT

High-3 Average Salary	$ 32,783.00
Retirement Factor (23) yrs. (1) mos. (See section 50C1.1-1, Chart 4*)	X .424167
Pre-4/7/86 Basic Annuity	$ 13,905.47

*To determine the retirement factor when pre-April 7, 1986, service is less than 5 years, multiply 1.5 percent by the time factor for pre-April 7, 1986, service (see section 50C1.1-1, Chart 1).

Section 55C1.1-4 FERS Examples Example D: (Cont.)

CSRS PRORATION FACTOR WORKSHEET

Columns

A, B: Beginning and ending dates of all periods of creditable service on or after April 7, 1986. Each change in tour of duty should be treated as a separate period of service. Periods of full-time and intermittent service should also be entered separately. (See section 55A3.1-2 for special procedures that apply to nondisability retirees who had part-time service with the Department of Veterans Affairs, Veterans Health Administration.)

C: Total calendar time in years, months, and days for each period of service (or tour).

D: Time factor for each period. Use the 360 Day Factor Chart, Chart 1, in Chapter 50, section 50C1.1-1.

E: The yearly multiplier--2087 in most cases.

F: The product of D x E (round up). This represents the equivalent full-time hours for the period, that is, the number of hours that would have been worked if the tour of duty had been full-time.

G: The employee's tour of duty. Enter the tour as described on the employee's service record--either a fraction or a decimal that represents the ratio of part-time to full-time service. If the employing agency provides actual hours worked during part-time service or for intermittent service, skip this step, and enter the hours in column H.

H: The product of F and G (round up).

A From			B To			C Total Time			D Time Factor	E Multiplier	F Full-Time Hrs (DxE)	G Tour	H Hours Worked (FxG)
Yr	Mo	Day	Yr	Mo	Day	Yrs	Mos	Days					
'86	4	7	'88	7	24	2	3	18	2.300000	2087	4801	40/40	4801
'88	7	25	'90	4	6	1	8	12	1.700000	2087	3548	32/40	2839
											Totals--------	8,349		7,640

PRORATION FACTOR (total column H ÷ total column F) = ___.92___ ROUNDED TO NEAREST PERCENT

Section 55C1.1-4 FERS Examples Example D: (Cont.)

POST-APRIL 6, 1986 BASIC ANNUITY COMPUTATION

POST-APRIL 6, 1986 AVERAGE SALARY*

A FROM			B TO			C ANNUAL BASIC PAY	D TOTAL TIME			E TIME FACTORS	F SALARY EARNED (C x E)
YR	MO	DAY	YR	MO	DAY		YRS	MOS	DAYS		
'92	8	1	'93	1	9	31,214		5	9	.441667	13,786.19
'93	1	10	'94	1	8	32,155		11	29	.997222	32,065.67
'94	1	9	'95	1	7	33,221		11	29	.997222	33,128.71
'95	1	8	'95	7	31	34,349		6	23	.563889	19,369.02
					TOTALS	3	0	0	** 3.000000	98,349.59

$ _____ 98,349.59 _____   ÷ **3** = $ _____ 32,783.00 _____
Total Salary Earned   **High-3 Average Salary**

*   **High-3 period is usually the last 3 years, but see section 50A2.1-4.**

**   **Factors should total 3, but may be slightly more or less because of rounding.**

POST-APRIL 6, 1986 BASIC ANNUITY BENEFIT

POST-APRIL 6, 1968 RETIREMENT FACTOR	
.015 X _____ = _____ Length of Service	
.0175 X _____ = + _____ Length of Service	
.02 X __4__ = + __.08__ Length of Service	
Total	.08
Post-4/6/86 High-3 Average Salary	x $32,783.00
Post-4/6/86 Basic Annuity Before Proration	= $ 2,622.64
CSRS Proration Factor	x .92
Post-4/6/86 Basic Annuity Benefit	= $ 2,412.83

Section 55C1.1-4 FERS Examples Example D: (Cont.)

COMPUTATION OF CSRS TOTAL BASIC ANNUITY

Pre-4/7/86 Basic Annuity	**$**	13,905.47
Post-4/6/86 Basic Annuity	**+ $** 2,412.83	
Total CSRS Basic Annuity	**$**	16,318.30
Reductions are made for:		
1) **Under age 55 (See section 50C1.1-1, Chart 5)**	**x**	N/A
Reduced Annuity	**$**	16,318.30*
2) **Non-deposit for service prior to 10-1-82 (subtract 10% of deposit due)**	-	N/A
Reduced Annuity	**$**	N/A
3) **Survivor Annuity:**		
Base selected by retiree $_____ Amount up to $3600 _____ x .025 = $_____ Plus amount over $3600 _____ x .10 = _____		
Total Reduction = $	-	N/A
Annual Annuity	**$**	N/A
MONTHLY ANNUITY (Divide by 12, round down to next lower dollar)	**$**	N/A

*CSRS component for FERS transferee.

SURVIVOR ANNUITY COMPUTATION

Amount designated as survivor base	**$**	N/A
Spouse or former spouse entitled to 55% of survivor base	**x**	.55
Annual Survivor Annuity	**$**	N/A
MONTHLY ANNUITY (Divide by 12, round down to next lower dollar)	**$**	N/A

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Section 55C1.1-4 FERS Examples Example D: (Cont.)

FERS PART-TIME ANNUITY COMPUTATION

			YR - MO - DY
Name:	Michelle Montgomery (Cont.)	**Date of Retirement**:	
		Date of Birth:	
		Age:	56 - 06 - 12

COMPUTATION OF FERS SERVICE CREDIT

A	B	C	D (Do not list noncreditable periods of service)		
STARTING YR-MO-DY	**ENDING YR-MO-DY**	**COVERED/REFUNDED/ NONDEDUCTION/MILITARY**	**YRS**	**MOS**	**DAYS**
92-3-15	92-8-14	Offset Service	0	5	0
92-8-15	95-7-31	FERS Paid	2	11	16
TOTAL CIVILIAN/MILITARY			3	4	16
TOTAL SERVICE FOR COMPUTATION PURPOSES			3	4	

Section 55C1.1-4 FERS Examples Example D: (Cont.)

FERS PART-TIME BASIC ANNUITY

HIGH-3 AVERAGE SALARY*

A FROM			B TO			C ANNUAL BASIC PAY	D TOTAL TIME			E TIME FACTORS	F SALARY EARNED (C x E)
YR	MO	DAY	YR	MO	DAY		YRS	MOS	DAYS		
'92	8	1	'93	1	9	31,214		5	9	.441667	13,786.19
'93	1	10	'94	1	8	32,155		11	29	.997222	32,065.67
'94	1	9	'95	1	7	33,221		11	29	.997222	33,128.71
'95	1	8	'95	7	31	34,349		6	23	.563889	19,369.02
					TOTALS	3	0	0	** 3.000000	98,349.59

$_____98,349.59_____   ÷ **3** = $_____32,783.00_____

  Total Salary Earned   **High-3 Average Salary**

*   **High-3 period is usually the last 3 years, but see section 50A2.1-4.**

**   **Factors should total 3, but may be slightly more or less because of rounding.**

FERS BASIC ANNUITY BENEFIT

High-3 Average Salary	$ 32,783.00
Retirement Factor (3) yrs. (4) mos. (See section 50C1.1-1, Chart 6 or 7)	X .033333
Basic Annuity Before Proration	$ 1,092.76
FERS Proration Factor	X N/A
FERS Basic Annuity	$ 1,092.76

Section 55C1.1-4 FERS Examples Example D (Cont.)

COMPUTATION OF FERS MONTHLY ANNUITY

FERS Basic Annuity	**$**	1,092.76
CSRS Annuity After Reduction Made for Non-Deposit for Service Prior to 10-1-82*	**+ $**	16,318.30
Total FERS Basic Annuity	**$**	17,411.06
Reductions are made for:		
1) **Under age 62 (not 60/20 or 55/30)** (See section 50C1.1-1, Chart 8)	**x**	N/A
Reduced Annuity	**$**	17,411.06
2) **Survivor Annuity:** Base selected by retiree $_____ **(full or one-half)** x____.10____ Total reduction $_____	**-**	N/A
Annual Annuity	**$**	17,411.06
MONTHLY ANNUITY (Divide by 12, round down to next lower dollar)	**$**	1,450.00

*For FERS Transferees (applicable if FERS annuity includes a CSRS component).

SURVIVOR ANNUITY COMPUTATION

Survivor Base Selected (full or one-half)	**$**	N/A
Spouse or former spouse entitled to 50% of survivor base	**x**	.50
Annual Survivor Annuity	**$**	N/A
MONTHLY SURVIVOR ANNUITY (Divide by 12, round down to next lower dollar)	**$**	N/A

Section 55C1.1-4 FERS Examples (Cont.)

Example E: **FERS Transfer Employee With Part-Time Service in FERS
Component Only, Different Average Salary Periods,
Different Average Salaries**

Name:	Brian Evans	
Date of Retirement:	7-31-95	
Date of Birth:	1-19-39	
Age at Retirement:	56 years 6 months 12 days	
Military Service:	5-12-58 to 5-11-60	
Civilian Service:		
8-18-65 to 4-6-90	Paid	40 hrs/week
3-15-92 to 8-14-92	Paid	32 hrs/week
8-15-92* to 7-31-95	Paid	32 hrs/week

*Effective date of FERS election.

Unused Sick Leave:	Date of transfer - 977 Hours
	Date of retirement - 1106 Hours
Survivor Benefits:	Elected No Survivor Annuity

Salary Information:

Effective Date	Full-Time Rate	Actual Rate Paid
1-4-87	$26,429.00	$26,429.00 (40/40)
1-3-88	$27,005.00	$27,005.00
1-1-89	$27,698.00	$27,698.00
1-14-90	$28,525.00	$28,525.00
3-15-92	$31,214.00	$24,971.20 (32/40)
1-10-93	$32,155.00	$25,724.00
1-9-94	$33,221.00	$26,576.80
1-8-95	$34,349.00	$27,479.20

1. Compute the pre-April 7, 1986, component service on the CSRS Part-Time Computation Worksheet following the procedures outlined in Chapter 50.

Section 55C1.1-4 FERS Examples (Cont.)

Example E: (Cont.)   NOTE 1: Apply unused sick leave credit to pre-April 7, 1986,
                                          creditable service.

                                 NOTE 2: Add excess days to post-April 6, 1986 creditable CSRS
                                          service for computation purposes.

                                 **Pre-April 7, 1986 Creditable
                                 CSRS Service: 23 years 1 month** (8 days)

     2. Compute the post-April 6, 1986, creditable CSRS component service
         following the procedures outlined in Chapter 50. Include excess days
         from the pre-April 7, 1986, service.

         Post-April 6, 1986 Service: 4 years 0 months 0 days
         Pre-April 7, 1986 Excess Days: 8 days

         **Total Post-April 6, 1986
         Creditable CSRS Service**:   4 years 0 months (8 days)

         NOTE: Drop excess days resulting after this step.

     3. Compute the pre-April 7, 1986, CSRS component high-3 average salary
         following the procedures outlined in Chapter 50. **Consider only actual
         rates paid.**

         Pre-April 7, 1986, High-3 Average Salary = $27,219.00

         NOTE: Use any 3 years of consecutive service in an employee's
                 career to determine the highest 3 years of pay. The high-3
                 period is not limited to pre-April 7, 1986, service. In this
                 example, the high-3 period occurred during Brian's full-time
                 service.

     4. Compute the CSRS pre-April 7, 1986, basic annuity.

         a. Enter the high-3 average salary ($27,219.00).

         b. Enter the years and months of total pre-April 7, 1986, service for
             computations purposes (23 years 1 month).

Section 55C1.1-4 FERS Examples (Cont.)

Example E: (Cont.)   c. Use the CSRS General Formula Computation Chart (Chart 4) provided in section 50C1.1-1 to obtain the retirement factor for 23 years 1 month service (.424167).

       d. Multiply the high-3 average salary ($27,219.00) by the retirement factor (.424167) to obtain the CSRS pre-April 7, 1986, basic annuity.

       CSRS Pre-April 7, 1986 Basic Annuity: $11,545.40
($27,219.00 X .424167 = $11,545.40)

5. Compute the post-April 6, 1986, CSRS component high-3 average salary following the procedures outlined in Chapter 50. Use actual rates paid through April 6, 1986, and **full-time salary rates, regardless of tour, from April 7, 1986, until retirement**.

       Post-April 6, 1986 High-3 Average Salary = $32,783.00.

       NOTE: Use any 3 years of consecutive service in an employee's career to determine the highest 3 years of pay. In this example, the 3-year period used to compute this average salary is different from the 3-year period used to compute the pre-April 7, 1986 average salary.

6. Compute the CSRS post-April 6, 1986 basic annuity.

       a. Determine the post-April 6, 1986, retirement factor. Apply the post-April 6, 1986, service to the appropriate tier of the annuity formula (1.5%, 1.75%, 2%), and total the results.

       Post-April 6, 1986 Retirement Factor: .08
(2% X 4 = .08)

       NOTE: All of the post-April 6, 1986, CSRS service will be applied to the 2% tier of the formula because the pre-April 7, 1986, CSRS service exceeds 10 years.

Section 55C1.1-4 FERS Examples (Cont.)

Example E: (Cont.)   b. Enter the post-April 6, 1986, average salary ($32,783), and multiply
                                    it by the post-April 6, 1986, retirement factor (.08) to obtain the
                                    post-April 6, 1986, basic annuity before proration (round to the
                                    nearest penny).

                                 CSRS Post-April 6, 1986
                                 Basic Annuity: $2,622.64
                                 (.08 X 32,783 = $2,622.64)

                                 NOTE: The CSRS component post-April 6, 1986, annuity will
                                            not be prorated, in this example, because all the service
                                            performed under CSRS was full-time.

                          7. Compute the total CSRS Component.

                              Add the pre-April 7, 1986, basic annuity ($11,545.40) to the post-April
                              6, 1986, basic annuity ($2,622.64) to obtain the combined CSRS
                              component basic annuity.

                              CSRS Combined Basic Annuity: $14,168.04
                              ($11,545.40 + $2,622.64 = $14, 168.04)

                              NOTE: In this example, there is no reduction for retirement under age
                                      55 or unpaid deposit. Carry $14,168.04 forward to the FERS
                                      component to obtain the total FERS basic annuity.

                          8. Compute the creditable FERS component service on the FERS Part-
                              Time Computation Worksheet, following the procedures outlined in
                              Chapter 50.

                              Creditable FERS Service: 3 years 4 months 16 days

                              NOTE: Do not add excess days from the CSRS computation to the
                                      FERS component.

Section 55C1.1-4 FERS Examples (Cont.)

Example E: (Cont.)   9.   Compute the FERS proration factor, based on creditable FERS service, following the instructions on the FERS Proration Factor Worksheet.

      FERS Proration Factor: .80

    10.   Compute the FERS component high-3 average salary following the procedures outlined in Chapter 50.
Use full-time salary rates only, regardless of the tour of duty.

      FERS High-3 Average Salary: $32,783.00

      NOTE: The FERS high-3 average salary, in this example, is the same as the post-April 6, 1986, CSRS component high-3 average salary computed in Step 5.

    11.   Compute the FERS component basic annuity.

      a. Enter the FERS high-3 average salary ($32,783.00).

      b. Enter the years and months of total FERS service (3 years 4 months).

      c.   Use the FERS 1 Percent Accrual Factor Chart (Chart 6, Chapter 50, section 50C1.1-1) to obtain the retirement factor for 3 years, 4 months of service (.033333).

      d. Multiply the high-3 average salary ($32,783) by the retirement factor (.033333) to obtain the FERS component annuity benefit before proration (round to the nearest penny).

      FERS Component Annuity
      Before Proration: $1,092.76
      ($32,783 X .033333 = $1,092.76)

Section 55C1.1-4 FERS Examples (Cont.)

Example E: (Cont.)

e.   Enter the FERS proration factor (.80), and multiply it by the FERS annuity before proration ($1,092.76) to obtain the FERS component basic annuity.

FERS Component Basic Annuity: $874.21
($1,092.76 X .80 = $874.21)

12.   Compute the total basic annuity amount payable.

a.   Add the FERS basic annuity ($874.21, computed in Step 11) to the CSRS basic annuity ($14,168.04, computed in Step 7) to obtain the total FERS basic annuity.

Total FERS Basic Annuity: $15,042.25
($874.21 + $14,168.04 = $15,042.25)

b. Compute the gross monthly annuity rate.

Monthly Annuity: $1,253.00
($15,042.25 ÷ 12 = $1,253.00)

NOTE: There is no reduction for retirement before age 62, in this example, because Brian had performed more than 30 years of service. There also is not a reduction for survivor annuity because Brian did not elect a survivor benefit.

Section 55C1.1-4 Example E: (Cont.)

CSRS PART-TIME ANNUITY COMPUTATION

					YR - MO - DY

Name: Brian Evans   **Date of Retirement**:   95 - 07 - 31

Date of Birth: 39 - 01 - 19

Age: 56 - 06 - 12

TYPES OF SERVICE SHOWN

G   CSRS

☒   CSRS COMPONENT OF FERS
TRANSFEREE

COMPUTATION OF PRE-APRIL 7, 1986 CSRS SERVICE CREDIT

A	B	C	D (Do not list noncreditable periods of service)		
STARTING YR-MO-DY	**ENDING YR-MO-DY**	**COVERED/REFUNDED/ NONDEDUCTION/MILITARY**	**YRS**	**MOS**	**DAYS**
58-5-12	60-5-11	Military	2	0	0
65-8-18	86-4-6	Paid	20	7	19
		TOTAL CIVILIAN/MILITARY	22	7	19
		UNUSED SICK LEAVE		5	19
		TOTAL PRE-4/7/86 CREDITABLE SERVICE	23	1	8
		TOTAL PRE-4/7/86 SERVICE FOR COMPUTATION PURPOSES	23	1	

Section 55C1.1-4 FERS Examples Example E: (Cont.)

COMPUTATION OF POST-APRIL 6, 1986 CSRS SERVICE CREDIT

TYPES OF SERVICE SHOWN
G   CSRS
Ǥ   CSRS COMPONENT OF FERS TRANSFEREE

A	B	C	D (Do not list noncreditable periods of service)		
STARTING YR-MO-DY	**ENDING YR-MO-DY**	**COVERED/REFUNDED/ NONDEDUCTION/MILITARY**	**YRS**	**MOS**	**DAYS**
86-4-7	90-4-6	Paid	4	0	0
TOTAL CIVILIAN/MILITARY			4	0	0
EXCESS DAYS FROM PRE-4/7/86 SERVICE					8
TOTAL POST-4/6/86 CREDITABLE SERVICE			4	0	8
TOTAL POST-4/6/86 SERVICE FOR COMPUTATION PURPOSES			4	0	

Section 55C1.1-4 FERS Examples Example E: (Cont.)

PRE-APRIL 7, 1986 BASIC ANNUITY COMPUTATION

PRE-APRIL 7, 1986 AVERAGE SALARY*

A FROM			B TO			C ANNUAL BASIC PAY	D TOTAL TIME			E TIME FACTORS	F SALARY EARNED (C x E)
YR	MO	DAY	YR	MO	DAY		YRS	MOS	DAYS		
'87	4	7	'88	1	2	26,429		8	26	.738889	19,528.10
'88	1	3	'88	12	31	27,005		11	28	.994444	26,854.96
'89	1	1	'90	1	13	27,698	1	0	13	1.036111	28,698.20
'90	1	14	'90	4	6	28,525		2	23	.230556	6,576.61
					TOTALS	3	0	0	** 3.000000	81,657.87

$\underline{\hspace{2em}81,657.87\hspace{2em}}$ $\div$ **3** = $\$\underline{\hspace{2em}27,219.00\hspace{2em}}$

  Total Salary Earned   **High-3 Average Salary**

*   **High-3 period is usually the last 3 years, but see section 50A2.1-4.**

** **Factors should total 3, but may be slightly more or less because of rounding.**

PRE-APRIL 7, 1986 BASIC ANNUITY COMPUTATION

High-3 Average Salary	**$ 27,219.00**
Retirement Factor (22) yrs. (1) mos. (See section 50C1.1-1, Chart 4*)	**X** .424167
Pre-4/7/86 Basic Annuity	**$ 11,545.40**

*To determine the retirement factor when pre-April 7, 1986, service is less than 5 years, multiply 1.5 percent by the time factor for pre-April 7, 1986, service (see section 50C1.1-1, Chart 1).

Section 55C1.1-4 FERS Examples Example E: (Cont.)

POST-APRIL 6, 1986 BASIC ANNUITY COMPUTATION

POST-APRIL 6, 1986 AVERAGE SALARY*

A FROM			B TO			C ANNUAL BASIC PAY	D TOTAL TIME			E TIME FACTORS	F SALARY EARNED (C x E)
YR	MO	DAY	YR	MO	DAY		YRS	MOS	DAYS		
'92	8	1	'93	1	9	31,214		5	9	.441667	13,786.19
'93	1	10	'94	1	8	32,155		11	29	.997222	32,065.67
'94	1	9	'95	1	7	33,221		11	29	.997222	33,128.71
'95	1	8	'95	7	31	34,349		6	23	.563889	19,369.02
					TOTALS	3	0	0	** 3.000000	98,349.59

$_____98,349.59_____   ÷ **3** = $_____32,783.00_____
Total Salary Earned   **High-3 Average Salary**

*   **High-3 period is usually the last 3 years, but see section 50A2.1-4.**

**   **Factors should total 3, but may be slightly more or less because of rounding.**

POST-APRIL 6, 1986 BASIC ANNUITY BENEFIT

POST-APRIL 6, 1968 RETIREMENT FACTOR	
.015 X _____ = _____ Length of Service	
.0175 X _____ = + _____ Length of Service	
.02 X ___4___ = + ___.08___ Length of Service	
Total	.08
Post-4/6/86 High-3 Average Salary	x $ 32,783.00
Post-4/6/86 Basic Annuity Before Proration	= $ 2,622.64
CSRS Proration Factor	x N/A
Post-4/6/86 Basic Annuity Benefit	= $ 2,622.64

Section 55C1.1-4 FERS Examples Example E: (Cont.)

COMPUTATION OF CSRS TOTAL BASIC ANNUITY

Pre-4/7/86 Basic Annuity	**$**	11,545.40
Post-4/6/86 Basic Annuity	**+ $** 2,622.64	
Total CSRS Basic Annuity	**$**	14,168.04
Reductions are made for:		
1) Under age 55 (See section 50C1.1-1, Chart 5)	**x**	N/A
Reduced Annuity	**$**	14,168.04
2) Non-deposit for service prior to 10-1-82 (subtract 10% of deposit due)	**-**	
Reduced Annuity *	**$**	14,168.04

3) Survivor Annuity:
 	
  Base selected by retiree $_____
  Amount up to $3600   _____ **x .025 =** $_____
  Plus amount over $3600 _____ **x .10 =** _____		

Total Reduction = $	**-**	N/A
Annual Annuity	**$**	N/A
MONTHLY ANNUITY (Divide by 12, round down to next lower dollar)	**$**	N/A

*CSRS component for FERS transferee.

SURVIVOR ANNUITY COMPUTATION

Amount designated as survivor base	**$**	N/A
Spouse or former spouse entitled to 55% of survivor base	**x**	.55
Annual Survivor Annuity	**$**	N/A
MONTHLY ANNUITY (Divide by 12, round down to next lower dollar)	**$**	N/A

Section 55C1.1-4 FERS Examples Example E: (Cont.)

FERS PART-TIME ANNUITY COMPUTATION

YR - MO - DY

Name: <u>**Brian Evans (Cont.)**</u>   **Date of Retirement**: _____

Date of Birth: _____

Age: <u>56 - 06 - 12</u>

COMPUTATION OF FERS SERVICE CREDIT

A	B	C	D (Do not list noncreditable periods of service)		
STARTING YR-MO-DY	**ENDING YR-MO-DY**	**COVERED/REFUNDED/ NONDEDUCTION/MILITARY**	**YRS**	**MOS**	**DAYS**
92-3-15	92-8-14	Offset Service	0	5	0
92-8-15	95-7-31	Paid	2	11	16
TOTAL CIVILIAN/MILITARY			3	4	16
TOTAL SERVICE FOR COMPUTATION PURPOSES			3	4	

Section 55C1.1-4 FERS Examples Example E: (Cont.)

FERS PRORATION FACTOR WORKSHEET

Columns

A, B: Beginning and ending dates of all periods of service creditable under FERS. Each change in tour of duty should be treated as a separate period of service. Periods of full-time and intermittent service should also be entered separately. (See section 55A3.1-2 for special procedures that apply to nondisability retirees who had part-time service with the Department of Veterans Affairs, Veterans Health Administration.)

C: Total calendar time in years, months, and days for each period of service (or tour).

D: Time factor for each period. Use the 360 Day Factor Chart, Chart 1, in Chapter 50, section 50C1.1-1.

E: The yearly multiplier, in most cases, is 2080 for service performed before March 1, 1986 and 2087 for service performed on or after March 1, 1986.

F: The product of D x E (round up). This represents the equivalent full-time hours for the period, that is, the number of hours that would have been worked if the tour of duty had been full-time.

G: The employee's tour of duty. Enter the tour as described on the employee's service record--either a fraction or a decimal that represents the ratio of part-time to full-time service. If the employing agency provides actual hours worked during part-time service or for intermittent service, skip this step, and enter the hours in column H.

H: The product of F and G (round up).

A From			B To			C Total Time			D Time Factor	E Multiplier	F Full-Time Hrs (DxE)	G Tour	H Hours Worked (FxG)
Yr	Mo	Day	Yr	Mo	Day	Yrs	Mos	Days					
'92	3	15	'95	7	31	3	4	16	3.377778	2087	7,050	32/40	5,640
										Totals-------	7,050		5,640

PRORATION FACTOR (total column H ÷ total column F) = ___.80___ ROUNDED TO NEAREST PERCENT

Section 55C1.1-4 FERS Examples Example E: (Cont.)

FERS PART-TIME BASIC ANNUITY

HIGH-3 AVERAGE SALARY*

A FROM			B TO			C ANNUAL BASIC PAY	D TOTAL TIME			E TIME FACTORS	F SALARY EARNED (C x E)
YR	MO	DAY	YR	MO	DAY		YRS	MOS	DAYS		
'92	8	1	'93	1	9	31,214		5	9	.441667	13,786.19
'93	1	10	'94	1	8	32,155		11	29	.997222	32,065.67
'94	1	9	'95	1	7	33,221		11	29	.997222	33,128.71
'95	1	8	'95	7	31	34,349		6	23	.563889	19,369.02
					TOTALS	3	0	0	**3.000000	98,349.59

$_____98,349.59_____   ÷ **3** = $_____32,783.00_____

   Total Salary Earned   **High-3 Average Salary**

* **High-3 period is usually the last 3 years, but see section 50A2.1-4.**

** **Factors should total 3, but may be slightly more or less because of rounding.**

FERS BASIC ANNUITY BENEFIT

High-3 Average Salary	$ 32,783.00
Retirement Factor (3) yrs. (4) mos. (See section 50C1.1-1, Chart 6 or 7)	**X** .033333
Basic Annuity Before Proration	$ 1,092.76
FERS Proration Factor	**X** .80
FERS Basic Annuity	$ 874.21

Section 55C1.1-4 FERS Examples Example E: (Cont.)

COMPUTATION OF FERS MONTHLY ANNUITY

FERS Basic Annuity	**$**	874.21
CSRS Annuity After Reduction Made for Non-Deposit for Service Prior to 10-1-82*	**+ $**	14,168.04
Total FERS Basic Annuity	**$**	15,042.25
Reductions are made for:		
1) **Under age 62 (not 60/20 or 55/30)** (See section 50C1.1-1, Chart 8)	**x**	N/A
Reduced Annuity	**$**	15,042.25

2) **Survivor Annuity:**
 	
      Base selected by retiree $_____   **(full or one-half)**
                 x_____.10
      Total reduction $_____		

	-	N/A
Annual Annuity	**$**	15,042.25
MONTHLY ANNUITY (Divide by 12, round down to next lower dollar)	**$**	1,253.00

SURVIVOR ANNUITY COMPUTATION

Survivor Base Selected (full or one-half)	**$**	N/A
Spouse or former spouse entitled to 50% of survivor base	**x**	.50
Annual Survivor Annuity	**$**	N/A
MONTHLY SURVIVOR ANNUITY (Divide by 12, round down to next lower dollar)	**$**	N/A