

Retirement Systems

- ✓ Civil Service Retirement System – CSRS (includes CSRS Offset)
- ✓ Federal Employees Retirement System – FERS (includes FERS-RAE and FERS-FRAE)
- ✓ Social Security

Civil Service Retirement System

Basic pension plan was created in 1935 for civil service employee (aka federal employees). It is a defined benefit, contributory retirement system in which employees share the expense of the annuities. It was later replaced with FERS.

Federal Employees' Retirement System

Basic pension plan for Federal employees – three-tiered plan made up of the basic Federal annuity fund, Thrift Savings Plan contributions, and Social Security.

Thrift Savings Plan or TSP

The purpose of the TSP is to provide supplemental retirement income. It offers Federal civilian employees the same type of savings and tax benefits that many private corporations offer their employees under so – called “401(k)” plans. TSP has both Roth and Traditional plans available.

Social Security

The law passed in 1935 created an "Old-Age Reserve Account" in the US Treasury, and authorized Congress to put enough money into this reserve account each year to provide for the monthly payments that workers receive as SSA retirement benefits. Both employer and employee pay taxes to this account.

Related websites for more information:

www.opm.gov

www.tsp.gov

www.ssa.gov

Bureau of Indian Education

Human Resources Office

Informational Flyer on Retirement

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Have a question?

**Email us at
benefits@bie.edu**



When can I retire?

For voluntary immediate retirement, one must meet both age and years of service requirements.

Here are the basic milestones:

CSRS Employees:

- Age 62 with 5 years of creditable service
- Age 60 with 20 years of creditable service
- Age 55 with 30 years of creditable service

FERS Employees:

- Age 62 with 5 years of creditable service
- Age 60 with 20 years of creditable service
- MRA with 30 years of creditable service
- MRA with 10 years of creditable service*
*age penalty for every year under 62

I am a FERS employee, what is MRA?

MRA is minimum retirement age that determined by year that you were born in.

If you were born	Your MRA is
Before 1948	55
In 1948	55 and 2 months
In 1949	55 and 4 months
In 1950	55 and 6 months
In 1951	55 and 8 months
In 1952	55 and 10 months
In 1953-1964	56
In 1965	56 and 2 months
In 1966	56 and 4 months
In 1967	56 and 6 months
In 1968	56 and 8 months
In 1969	56 and 10 months
In 1970 and after	57

How many years of service do I have?

Human Resources Office evaluates your service history by reviewing your Official Personnel Folder (OPF) to review periods of civilian service (e.g., appointments, separations, non-pay status periods, etc.) to determine which periods are creditable and which ones may not be creditable based on your retirement system.

If there are DD214s on file for military service, the HRO will evaluate to determine if creditable with or without a deposit. This is sometimes referred to as “buy-back” period.

It is recommended that employees request a Retirement Estimate from their servicing HRO. Part of this process is to determine eligibility and to verify service history.

How much will I get in retirement?

The computation of the annuity is based on years of service and hi-3 salary. There are several other factors that must be considered and can affect the monthly amount. Such factors can include life insurance deductions, health insurance deductions, tax withholdings, survivor benefit, deposit service, redeposit service, etc.

Each case is different and depends on the employee’s records.

Your servicing HR Office would review that data when completing an estimate.

The basic calculations are:

CSRS:

1.75% X hi-3 salary X 5yrs of service
1.50% X hi-3 salary X 5 yrs of service
2.00% X hi-3 salary X remaining yrs of service (including unused sick leave)

FERS:

1.00% X hi-3 salary X years of service (including unused sick leave)

How do I request a Retirement Estimate?

Complete a Request form (aka Estimate Questionnaire) and FAX it to servicing HR Office at 505-563-5305.

The Request form is available online at <http://www.bie.edu/HR/index.htm>

Completing the estimate requires time-intensive review of your OPF and may take a few weeks to complete. Please indicate your mailing address on the request form.

Can I request a consultation session?

Absolutely! We recommend scheduling a consultation session after receiving your estimate to discuss the numbers in the estimate, the overall retirement paperwork, and the overall process. This allows for employees to make an informed decision on when to retire and how to better prepare for the transition from employee to annuitant.

Send consultation requests to Benefits@bie.edu. Requests should include 2 dates/times and contact phone number. Please indicate if telephone or in-person consultation.