

Your Retirement Planning Checklist

Advance Planning

Start planning for retirement several years before your planned retirement date. If you didn't start early, start now, by following these guidelines:

____ Please read all retirement information provided to you, and contact your retirement counselor (Benefits Specialist) if you have any questions.

____ Attend a pre-retirement seminar, if available. There are a variety of vendors and retirement seminars available to Federal employees. We have listed some options on our website at <https://www.aphis.usda.gov/aphis/ourfocus/business-services/HRD/Benefits/Seminars>

If you can't get to a seminar, look at the online tools available on AGLEARN, and on our website: <https://www.aphis.usda.gov/aphis/ourfocus/business-services/HRD/Benefits/Retirement>

____ If you are uncertain that all of your prior military and civilian service has been credited, request a Certified Summary of Federal Service from your retirement counselor. Review it and take steps to correct errors or document any missing service.

____ Review the annual Personal Benefits Statement provided by the National Finance Center for a general overview of your retirement benefits. If you are within 3 years of retirement, ask your Benefits Specialist for annuity estimates for the date or date(s) you are thinking of retiring. You should be able to determine from the estimate whether your CSRS or FERS annuity, along with any expected income from other sources, will meet your needs at the time you plan to retire. The estimates will also give you information on whether there are any deposits for temporary or military service, or any redeposit for refunded retirement contributions, that you may want to pay to improve your basic annuity benefit. Although our retirement estimates should be fairly accurate, the Office of Personnel Management will make the actual calculation after you have retired from Federal Service.

____ If you have performed active duty military service after December 31, 1956, you should determine whether you will be eligible for Social Security benefits at age 62, and if so, decide whether it would be to your benefit to make the deposit for the military service. You may read more about this in the "Post-1956 Military Service Deposit" information available from your Benefits Specialist. Don't wait until the last minute – interest accrues annually, and post-1956 military service deposits must be paid to your agency before you separate/retire from Federal service.

If you are a military retiree who may waive military retired pay to have the service used in your CSRS or FERS annuity, you need to decide whether you want to do this by requesting annuity estimates with and without the military service, and considering the cost of the military deposit.

____ Are you eligible to continue your Federal Employees Health Benefits (FEHB) coverage as a retiree? If you are retiring with 5 or more years of creditable service, and were covered by any FEHB plan for 5 years of service immediately preceding retirement or since your first opportunity to enroll, you are eligible to retain your health insurance coverage as a retiree. Your FEHB benefits will continue at the same coverage and cost that is available to employees. The deductions for FEHB will be taken from your monthly annuity check. If you are eligible to continue your FEHB, no action is required by you. Please be aware that you must elect a survivor benefit and also have a self and family FEHB enrollment in effect at the time of death in order for your surviving spouse to continue enrollment in the FEHB plan after your death.

____ Are you eligible to continue your Federal Employees Group Life Insurance (FEGLI) coverage as a retiree? When you retire with 5 or more years of creditable service, and you were covered by FEGLI for 5 years immediately preceding retirement, or since your first opportunity to enroll, you are eligible to retain your life insurance as a retiree. Double indemnity and dismemberment protection stops at retirement. Basic and Optional insurance will be continued according to your election on the SF-2818, Continuation of Life Insurance Coverage as a Retiree or Compensation. For more information, review the SF-2818.

____ Check any Designations of Beneficiary forms you have on file to be sure that they reflect your current needs. If you have not filed designations of beneficiary for retirement, life insurance, unpaid compensation, or the Thrift Savings Plan, make sure that the normal order of precedence for payments will meet your needs. For more information, go to https://www.aphis.usda.gov/aphis/ourfocus/business-services/HRD/Benefits/Designations_Beneficiary

____ Find out if you will be eligible for a Social Security benefit. Call the Social Security Administration at (800) 772-1213 or visit their website at <http://www.ssa.gov> to request a Social Security Statement or to obtain information about Social Security benefits.

The Social Security Statement provided by the SSA is not adjusted for the Windfall Elimination Provision, which is a provision of the Social Security law that reduces the Social Security-covered benefits of CSRS retirees. You also may be entitled to benefits based on the Social Security-covered earnings of your spouse or former spouse. However, this benefit may be affected by the Government Pension Offset, another provision of Social Security law, which reduces the Social Security benefit by two-thirds of the amount of your CSRS benefit. To find out more about these Social Security provisions, review the “*Windfall Elimination Provision*” (SSA Publication No. 05-10045), and the “*Government Pension Offset*” (SSA Publication No. 05-10007), at <http://www.ssa.gov> or contact Social Security at (800) 772-1213.

When you are within 3 months of age 62 or older, you may contact the Social Security Administration directly to apply for any Social Security retirement benefit you are eligible for, or you may delay your Social Security benefit to a later date. You can apply for benefits at the SSA website, by calling (800) 772-1213, or by visiting your local Social Security office.

When you are within 3 months of age 65 or older, you should contact the Social Security Administration to apply for Medicare benefits. For more information on Medicare, call 1-800-MEDICAR (1-800-633-4227) visit their website at <http://www.medicare.gov/>, and read pamphlet RI 75-12, *The FEHB Program and Medicare*.

____ Have you determined whether you or your spouse will need long term care insurance? Call 1-800-LTC-FEDS (1-800-582-3337) or visit <http://www.ltcfeds.com/> for information and applications.

____ If you are enrolled in FSAFEDS, have you reviewed your Flexible Spending Account to ensure that you will be able to spend your account on eligible expenses prior to your retirement date? Your eligibility for the Flexible Spending Account ends when you retire. Go to www.FSAFEDS.com or call 1-877-FSAFEDS (1-877-372-3337) if you have any questions about your account or eligible expenses.

____ Review your Thrift Savings Plan (TSP) withdrawal options by visiting the TSP website, <https://www.tsp.gov/index.shtml>, which has a calculator to estimate and help you evaluate your TSP monthly payment options. When you retire, you will receive a TSP Withdrawal Package from Human Resources. You may *not* submit your withdrawal request to the TSP Service Office until at least 30 days *after* you have separated from Federal service.

____ If you have a TSP loan that has not been repaid, you cannot continue to make TSP loan payments after you have retired. You may repay the loan in full, or the TSP will notify the IRS that you have received a taxable distribution.

____ If you have not already done so, obtain information about Federal and, if applicable, State taxation of your annuity and other income.

If you do not submit a W-4 or W-4P Federal Tax Withholding form with your retirement application, Federal tax will be withheld from your annuity payments as though you are a married individual claiming three withholding allowances. You may make changes after your retirement according to instructions you will receive from the Office of Personnel Management.

OPM provides a Federal Tax Withholding calculator at their web site:

http://apps.opm.gov/tax_calc/withhold_calc/index.cfm

Although Federal civilian retirees are not taxed on the part of the annuity that represents their own contribution, the rest of the annuity is taxable, including disability retirement benefits. The Internal Revenue Service Publication 721, Comprehensive Tax Guide to U.S. Civil Service Retirement Benefits, explains the taxation of Federal retirement benefits, and is available by calling the IRS at 1-800-829-1040, or at their website, <http://www.irs.gov>.

The following calculator may be helpful when you need to calculate the tax-free portion of your annuity when you file your taxes the years after you retire: http://apps.opm.gov/tax_calc/index.cfm

State tax withholdings may be made if your State participates in the withholding program administered by OPM. Participating jurisdictions are: Arkansas, Arizona, California, Colorado, Connecticut, Delaware, District of Columbia, Georgia, Idaho, Indiana, Iowa, Louisiana, Maine, Maryland, Michigan, Minnesota, Mississippi, Missouri, Montana, Nebraska, New Jersey, New Mexico, North Carolina, North Dakota, Ohio, Oklahoma, Oregon, Rhode Island, South Carolina, Utah, Vermont, Virginia, West Virginia, and Wisconsin. You will receive instructions from OPM after you retire regarding how to start or change *state* tax withholdings.

____ What other sources of income will you have in retirement? Make sure to obtain current information about expected income from other sources when you are making your retirement plans. How much do you need for retirement? Use the Federal Ballpark Estimate provided by the Office of Personnel Management to help you determine if you will have enough retirement income to maintain a comfortable lifestyle: https://www.aphis.usda.gov/aphis/ourfocus/business-services/hrd/benefits/retirement/federal_ballpark_estimate

Three Months Before Retirement

____ Choose your exact retirement date. The effective date of a voluntary retirement should be at the close of business on your last day of work. Most employees choose a Friday at the end of a pay period, and as close to the end of the month as possible. CSRS employees may retire within the first 3 days of a month and be eligible for an annuity beginning the next day. FERS employees do not have that flexibility, as FERS annuities begin on the first day of the month following the retirement date. Under CSRS or FERS, employees who retire due to disability or discontinued service are eligible for an annuity beginning the next day.

____ Obtain all the necessary forms and complete them. Ask your Benefits Specialist for assistance if you have any questions. Failure to complete any form or item of information that may be required in your case may cause a delay in the final processing of your application for retirement.

The forms needed for CSRS retirements are:

- SF-2801, CSRS Application for Immediate Retirement (revised June 2013)
- W4P, Withholding Certificate for Pension or Annuity Payments, for Federal tax withholding
- SF-2818, Continuation of Life Insurance Coverage (revised February 2012)
- A copy of your marriage certificate, if you are married

The forms needed for FERS retirements are:

- SF-3107, FERS Application for Immediate Retirement (revised May 2014)
- SF-3113, Applying for Immediate Retirement under FERS, which provides information and instructions to the retiring FERS employee
- W4P, Withholding Certificate for Pension or Annuity Payments, for Federal tax withholding
- SF-2818, Continuation of Life Insurance Coverage (revised February 2012)
- A copy of your marriage certificate, if you are married

The forms needed for disability retirement applications under CSRS or FERS are:

- The forms listed above, and
- SF-3112, Documentation in Support of Disability Retirement (revised May 2011), which requires statements from you, your doctor(s) and your supervisor. Information about Disability Retirement for CSRS is in SF-3112-1, and for FERS, in SF-3112-2.
- A copy of your marriage certificate, if you are married

You may find the forms at https://www.aphis.usda.gov/aphis/resources/forms/ct_sf_forms

___If you have a CSRS voluntary contributions (VC) account, you should be aware that interest stops accruing when you separate for retirement. If you plan to request a refund of your account, you should ask your Benefits Specialist for a form RI 38-124, Voluntary Contributions Election, which you should complete and submit with your retirement application.

___If you are a military retiree who wants to waive your military retired pay, you should notify the Retired Pay Operations Center from your branch of service in writing at least 90 days, but no later than 60 days, before your planned retirement date. Include a photocopy of your waiver letter with your application for retirement.

___Clear up any indebtedness to your agency -- for example, for an outstanding travel advance or advanced leave.

___Be aware that when you retire, any agreements you had with the National Finance Center, such as tax withholdings, allotments to savings or checking accounts, charitable contributions, union dues, etc., are canceled. Because of technological limitations and the fact that your retirement income will probably be less than your salary, it is neither feasible nor desirable to keep all of the same withholdings you had as an employee.

___If you are covered by Federal Long Term Care Insurance or Dental and/or Vision Insurance and have premiums deducted from your salary, call BENEFEDS now at 1-877-888-FEDS (1-877-888-3337), to advise them of your retirement date and to make alternative arrangements for paying your premiums, such as direct billing or deduction from your bank account. The Long Term Care and Dental and Vision premium deductions do not transfer to the retirement system, and are not deducted from interim annuity payments; therefore, you must pay these premiums promptly to avoid loss of coverage.

Two Months Before Retirement

___Submit all forms to your Benefits Specialist, preferably 6 to 8 weeks before your retirement date. Keep a copy for your own records. Your forms will be reviewed and acknowledged, and any missing items will be requested from you.

___If you have not already done so, inform your supervisor of your retirement date, and ask your supervisor to submit an SF-52, Request for Personnel Action, to Human Resources.

Final Week

____ Complete any necessary exit paperwork with your supervisor or administrative contact.

____ Ask your timekeeper to prepare the AD-581, Lump Sum Leave or Compensatory Time Payments, and submit it to Human Resources the week after you have retired so that you are paid for your unused annual leave without delay. If there are no discrepancies or indebtedness, you should be paid for your unused leave within 4 to 6 weeks following your retirement date.

____ Submit your final T&A prior to your retirement and ask your timekeeper to mark your last Time and Attendance card as "Final." If you do not work during the pay period in which you retire (e.g., if you retire on the Sunday of the beginning of a pay period), please remind your timekeeper that they must submit your final T&A for the pay period in which you retire regardless of whether you worked. Failure to do this will delay your retirement processing.

____ When your retirement application has been processed by Human Resources, you will receive a package of information regarding the transition from being a Federal employee to becoming an annuitant serviced by the Office of Personnel Management (OPM). This package will tell you how to contact OPM after you retire.

After Retirement

Four to six weeks after retirement, OPM will send you a retirement claim number beginning with the letters "CSA" (Civil Service Annuity). You will need to refer to this number any time you call or write to OPM about your retirement or insurance benefits. Six to eight weeks after retirement, OPM will normally authorize interim annuity payments of approximately 50-60 percent of your estimated annuity until your retirement case is finalized. You can expect this interim annuity status to last 6-12 months from your date of retirement until your final annuity information is received from OPM.

Publications

You may obtain copies of most the pamphlets listed below from your retirement counselor or from OPM's website, <http://www.opm.gov/retirement-services/publications-forms/pamphlets/>

Pamphlets in the Retirement Fact Series, which provide more detailed information about the Civil Service Retirement System (CSRS) are:

- Retirement Facts #1** - The Civil Service Retirement System (RI 83-1)
- Retirement Facts #2** - Military Service Credit Under CSRS (RI 83-2)
- Retirement Facts #3** - Deposits and Redeposits Under CSRS (RI 83-3)
- Retirement Facts #4** - Disability Retirement Under CSRS (RI 83-4)
- Retirement Facts #5** - Survivor Benefits Under CSRS (RI 83-5)
- Retirement Facts #6** - Early Retirement Under CSRS (RI 83-6)
- Retirement Facts #7** - Computing Retirement Benefits Under CSRS (RI 83-7)
- Retirement Facts #8** - Credit for Unused Sick Leave Under CSRS (RI 83-8)
- Retirement Facts #9** - Refunds Under CSRS (RI 83-9)
- Retirement Facts #10** - Voluntary Contributions Under CSRS (RI 83-10)
- Retirement Facts #11** - Information for Separating CSRS Employees Who Are Not Eligible for an Immediate Annuity (RI 83-11)
- Retirement Facts #12** - Information About Reemployment for CSRS Annuitants (RI 83-18)
- Retirement Facts #13** - CSRS Offset Retirement (RI 83-19)

Pamphlets for employees who are under the Federal Employees Retirement System (FERS) are:

FERS - An Overview of Your Benefits (RI 90-1)

FERS Facts #1 - Information for Separating FERS Employees Who Are Not Eligible for an Immediate Annuity (RI 90-11)

FERS Facts #2 - Information About Reemployment for FERS Annuitants (RI 90-18)

Information about the Thrift Savings Plan (TSP) may be obtained from your retirement counselor or the TSP website, <https://www.tsp.gov/index.shtml>

Summary of the Thrift Savings Plan (TSP) (TSP BK 08)

Withdrawing Your TSP Account (TSP BK 02)

TSP Annuities (TSP BK 05)

TSP In-Service Withdrawals (TSP BK 12)

Here is useful information from Thrift Savings Plan Highlights (July 2004):

How much do you need for retirement?

If you are looking forward to a long, busy retirement, doing the things that give you pleasure, do you know how much money you will need to make your plan a reality? Many people don't take the time to figure this out until mid-career, or even later. Consequently, at retirement, they find they have to change their expectations because they haven't saved enough. Don't let this happen to you. **Consider, Calculate, Review and Revise.**

CONSIDER the factors that may affect your financial plan. For example:

- * Financial experts suggest that you may need between 60% and 100% of your preretirement income, depending on your anticipated expenses in retirement and whether you plan to maintain your current lifestyle. You may need more than you think!
- * Most people who retire at 65 can expect to live 20 years or more in retirement. If you plan to retire earlier, you will need even more resources.
- * Your health care costs are likely to increase as you get older.
- * Do you anticipate any large expenses that need to be considered, such as the purchase of a retirement home?
- * Inflation will reduce your spending power. Over a 20- to 30- year retirement, this could be significant. Your money should remain invested – even during retirement – so your spending power can keep up with inflation.
- * You will have to pay taxes on any tax-deferred amounts that you withdraw from your TSP account.

CALCULATE your anticipated expenses in retirement and your estimated savings. This is a crucial step if you are to make informed decisions about your future. Fortunately, there are many resources available to help you through this process, including:

- * The Employee Benefit Research Institute and American Savings Education Council's joint Web site offers over 100 financial planning calculators and interactive tools, including the Ballpark Estimate Calculator, at <http://www.choosetosave.org/>.
- * The TSP calculators, at <https://www.tsp.gov/planningtools/planningTools.shtml>

First, you should determine your anticipated expenses and calculate the percentage of your current income that you will need in retirement.

Next, review your current savings and other assets to see where you are now and, with your retirement date in mind, calculate the growth of your assets, including your TSP account.

Project the amount of your Federal pension, other pensions, and your Social Security payments (if you're eligible). Then calculate the amount of monthly income you can expect. The TSP withdrawal calculators can help you estimate payments from your TSP account.

Then determine the amount of additional savings you will need to accumulate in order to make up the difference in your monthly income.

When you put all the pieces together, you should be able to determine whether you will have enough money to last for your retirement years. If you need more help, consider using the services of a financial planner.

REVIEW and REVISE your retirement plan at least annually. If the numbers are not what you want them to be, what can you do to make up for a shortfall?

- * Save more. The TSP is an important part of your retirement plan. If you are covered by FERS, make sure you are contributing at least 5% so that you receive all of the matching contributions. Make sure you are saving for your other needs also, so you don't need to tap your TSP account for nonretirement purposes.
- * Review your investments and decide how much risk you are willing to take.
- * If you are over age 50 and already contributing the maximum amount of regular contributions, take advantage of catch up contributions.
- * Put additional money into IRAs.
- * You may be able to consolidate your investments by moving your other eligible retirement savings into your TSP account to take advantage of the TSP's low administrative expenses.
- * Revise your savings plan as needed so that you can reach your goals.

What else can you do? Learn more about planning for retirement. Visit your public library, surf the Internet, and check out the mid-career and preretirement seminars offered by your agency.

Remember, it's better to end up with too much than too little!

Other information:

- * Free printed materials, U. S. Department of Labor, including *Top Ten Ways to Save for Retirement* (1-800-998-7542).
- * Social Security Administration, at <http://www.ssa.gov/>.
- * National Save For Your Future Campaign, at <http://www.saveforyourfuture.org/>.
- * Alliance for Investor Education, at <http://www.investoreducation.org/>.
- * Securities and Exchange Commission, at <http://www.sec.gov/>.