

# The Federal Employee 411

2ND QUARTER NEWSLETTER 2015



FEDERAL EMPLOYEE BENEFITS  
Serving Civil Service and Military Members

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May 07, 2015**

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## Double Dipping Active Duty Time

As **Civil Service Reservists**, are you aware that your active duty military time can be counted toward both your reservist retirement pension and your civil service retirement pension?

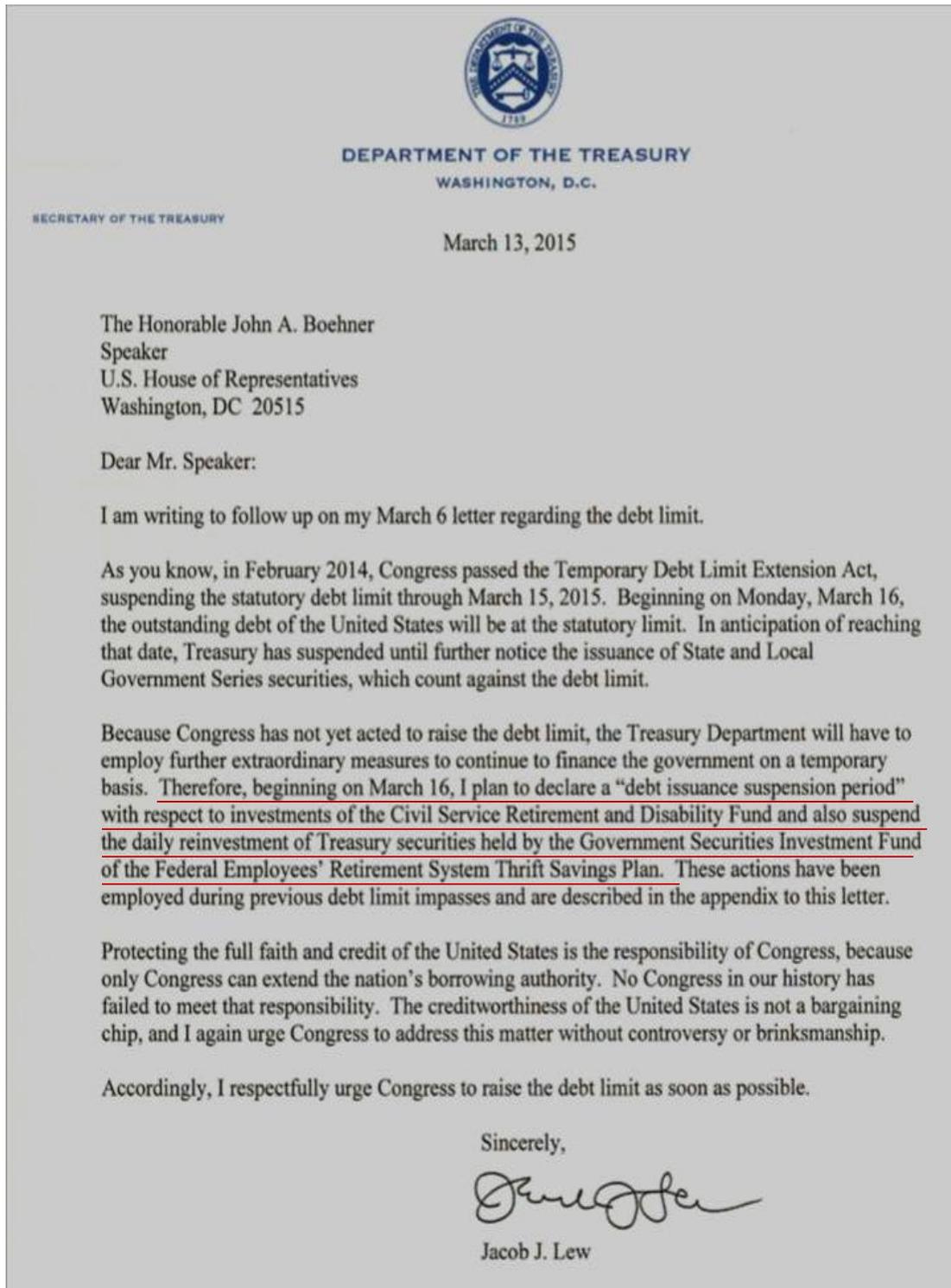
Some people think that because their SCD leave date already includes their active duty time that their Civil Service retirement pension already includes that time. That is not correct. It only counts toward your sick and annual leave time.

### For Example

If you are currently a Civil Service employee with at least 5 years in the system and also have 7 years of active duty military service. You can count the same 7 years towards both your civil service time and also your reservist time. It automatically counts toward your reservist time but needs to be bought back for your civil service time for retirement purposes.

## Suspension of G Fund Reinvestments

Read here the letter written from Treasury Secretary Jacob Lew to House Speaker John Boehner regarding the debt limit and its effects on TSP investments.



See this letter on the Treasury website at

<http://www.treasury.gov/connect/blog/Pages/Secretary-Lew-Sends-Debt-Limit-Letter-To-Congress-030615.aspx>

# Let's Rodeo San Antonio!

## Active Duty Members Enjoyed a Free Night at the Rodeo



National military charity, Wish for Our Heroes, partnered for the 4th year with the rodeo committee to provide free tickets for recent wounded and active duty families to attend the San Antonio Rodeo. Over 750 individuals were able to attend the rodeo and concerts. Charity director Brad Tobler says, "Our goal is to allow as many active duty military members and their families to attend the Rodeo at least once while they are stationed here. This year, we had over 3,000 requests for tickets and are sorry for those that didn't get to attend. We look forward to partnering with the rodeo committee again next year and hope to get tickets to those who missed it this year."

This year Wish for Our Heroes also helped distribute free San Antonio Spurs basketball tickets (donated by the players) to active duty families.



Want to know more about what Wish for Our Heroes is doing in San Antonio and nation-wide?

Follow them on facebook and visit their website <https://wishforourheroes.org>.



FEDERAL EMPLOYEE BENEFITS  
Serving Civil Service and Military Members

Come learn what you can do now to maximize your retirement.

**Attend the free seminar for FEDERAL EMPLOYEES  
Thursday, April 9, 2015 @ 6:00pm**

**16845 Blanco Road #104, San Antonio, TX 78232**

We especially invite Federal Law Enforcement Employees to attend. During the seminar there will be a separate presentation for those with law enforcement benefits.

Register online at [www.federalemployeebenefits.com](http://www.federalemployeebenefits.com) or by calling Cindy at (210) 349-6987 Ext. 1.

Spouses welcome. Sandwiches will be provided.

# The Service Computation Date Comes in Five Flavors

By John Stohlman

There are potentially five different Service Computation Dates that you should be familiar with. They are used to determine your leave accrual rate, career tenure, in grade pay increases, retirement eligibility, retirement annuity, retention position during a reduction in force, and [TSP](#) vesting. For many Federal Employees, their service computation date for all purposes is the first day they started working for the Federal Government.

## Service Computation Date Used for Life Insurance Payout and Career Tenure

The first service computation date (SCD) is the SCD CIV. This date is essentially the day you start working for the Federal Government. If you are a FERS covered employee, this date is used to calculate your life insurance payout formula. This benefit is free and is not part of the FEGLI program. Your SCD CIV is also used to determine when you achieve career tenure. Achieving career tenure makes it easier to return to federal service if you left for a period of time. It takes three years of “substantially continuous” service to achieve this status.

## Leave Accrual Rate and Retirement Eligibility

The SCD found on your leave and earnings statement only pertains to your leave accrual rate. Depending on how much creditable service you have, your leave accrual could be either 4, 6 or 8 hours per pay period depending on the length of your federal service. Your personal statement of benefits only has an estimate of your retirement SCD. To determine your actual SCD for retirement purposes you need to look at your [SF-50s](#), Notice of Personnel Action. Of course, your SF-50s may be filled out incorrectly so it is important to regularly review them.

## Service Computation Date: An Often Adjusted Date

As mentioned before, a Federal Employee’s SCD for all purposes is most often the day they start their Federal service. But as OPM’s personnel handbook points out, this is not always the case. The handbook reads: a date, either actual or constructed, that is used to determine benefits and is generally based on how long the person has been in the Federal Service. Anytime a law, regulation or policy that has the words “constructed” and “generally based”, that usually means there is a little work involved. Take the next few examples.

## Reductions in Force

SCD RIF means your retention position if there is a reduction in force in your agency or department. The earlier your adjusted SCD during a reduction in force, the better position you will be to keep your job. The adjustment to your SCD comes from your performance ratings. You are given additional retention service credit based on your average three most recent performance ratings during the four year lookback period. The lookback period is a time window prior to the date your agency either issues a RIF notice or sets a cutoff date where subsequent performance ratings will no longer be given consideration, whichever is earlier. Your retention position is also affected by whether your Federal position was by appointment and veterans’ preference.

## Service Computation Date for Former Military

Those in the military do not have an SCD. But, if you left the military and then began to work for the Federal Government on or after October 1, 1982, you have to effectively purchase your military time to move back your SCD for retirement eligibility and annuity purposes. For those former military personnel that later become FERS covered employees, this payment would be 3% of your total military earnings plus interest. However, for determining your leave accrual rate for civilian Federal service, your SCD automatically includes your time in the military. No purchase is necessary.

## TSP Vesting

For TSP vesting of the automatic 1% agency contribution and its associated earnings, three years of civilian Federal service are required. It does not matter whether or not you are a TSP participant. Congressional employees or employees in certain non-career positions need only two years to vest. There is no vesting requirement if the Federal Employee dies while in service. TSP participants are always vested in their own TSP contributions and in the agency matching of up to 4%. No SCD TSP can be earlier than January 1, 1984 when all new Federal hires would be covered under FERS. If you have an earlier SCD, for TSP purposes, it will appear as January 1, 1984. For retirement eligibility, your SCD will have to be adjusted forward for the period of time you left government service. If you took leave without pay for more than six months in a calendar year, your SCD will be adjusted by the excess time after that.

## Getting Control over Your Federal Benefits

When it comes to most things about your Federal benefits, the answer is not usually straight-forward. Your SCD is another example of this. If you need help understanding your Federal benefits, see a professional federal benefits consultant.

*This article was originally posted on FedSmith.com by John Stohlman who has been serving clients in the DC metro area since 1983. He is a frequent keynote speaker throughout the DC area and co-author of Navigating Your Federal Retirement Benefits. See the article at <http://www.fedsmith.com/2014/11/19/the-service-computation-date-comes-in-five-flavors/#sthash.pXbn2cWl.dpuf>.*

# About Us

We are an Independent Federal Employee Benefits Group who follows the Federal Employee News Digest. Our expertise in the civil service industry, as well as active military has led us to a committed career with emphasis on coordinating government benefits and financial planning.

Our organization has conducted civil service workshops at various locations including Randolph Air Force Base, Wilford Hall Hospital, Lackland Air Force Base, VA hospitals, Social Security Administration, Brooke Army Medical Center, Department of Labor, DCMA, DEA, FBI, FDA, FAA, USDA, IRS, GSA, SBA, HUD, Secret Service, CBP, TSA, Probation and the USPS.

We also conduct onsite and offsite briefings (TSP, CSRS/FERS Retirement and Disability) which are open to all employees, including military personnel from new hire to retirement eligible. There is no cost to have us provide these briefings to your staff.

We dedicate our efforts towards helping Civil Service and Military employees maximize their benefits amid the ever changing rules and regulations. This enables you to make better decisions about today's issues and tomorrow's retirement.

Our coordinators understand the importance of ensuring you have a complete understanding of your benefits and options associated with your financial situation. This allows you to choose the most appropriate decisions to achieve the greatest retirement benefits for you and your family.

Of all of our accomplishments and successes, we take greatest pride in our educational approach which allows employees to retire with dignity and, most importantly, peace of mind.

## Our Benefit Coordinators



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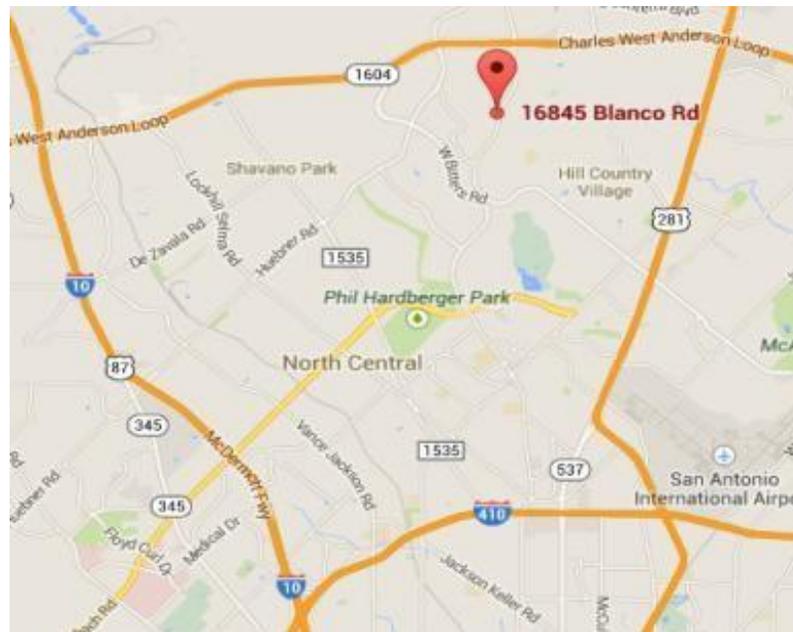
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Visit our website to request a personalized retirement packet or a one-on-one with a benefit coordinator.

[www.federalemployeebenefits.com](http://www.federalemployeebenefits.com)