



**Information & Instructions
for Completing an
Application for
Full Retirement Status
(from Phased Retirement)
under the Civil Service
Retirement System
(CSRS)**

SF 2826
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a New Day for Federal Service

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Introduction

These instructions pertain to an application for full retirement status when phased employment/phased retirement status ends. They should be used in conjunction with the instructions for the *Application for Immediate Retirement, Civil Service Retirement System*, Standard Form (SF) 2801. If you are covered by the Federal Employees Retirement System, you must use SF 3118 in conjunction with SF 3107 to apply for a phased retirement.

Electing Full Retirement Status

As a phased retiree, you can elect to enter full retirement status at any time by submitting an SF 2801 application as described in these instructions.

Deemed Election of Full Retirement Status

Your phased employment/phased retirement status is deemed to end if you separate from federal service (and therefore, from phased employment) for more than three days. Upon being separated from service for more than three days, you are deemed to have elected full retirement status and your composite retirement annuity will begin to accrue as of the day after your separation from federal service.

Deposits and Redeposits

You must have already paid deposits and redeposits for civilian service as of commencement of your phased employment/phased retirement regular payment and therefore, you cannot make service credit payments at full retirement status. Interest on a pre-October 1, 1982 deposit continues to accrue until the annuity commencing date of your composite retirement annuity. If we applied an actuarial reduction to your phased annuity, the actuarial reduction amount will be increased by applicable cost of living adjustments. The resulting amount will be applied to the composite benefit as described in the Composite Retirement Computation.

Military Deposits

If you performed military service after your phased retirement commenced (*i.e.*, due to a call up for active military service) you may complete a deposit ***for this military service period only*** at your agency no later than the day before the effective date of the composite retirement annuity. If the deposit is not paid, your military service performed during phased employment will be credited as described below.

If you were first employed in a position subject to civil service retirement before October 1, 1982: We will credit your military service until age 62 if you do not make the deposit. If you are eligible for Social Security benefits at age 62, your annuity will be

recomputed at age 62 to eliminate credit for the post-1956 military service. If you are age 62 or older when you enter into full retirement status and are eligible for Social Security benefits, no credit for post-1956 military service will be allowed in the computation of your annuity unless you pay the deposit as described in the paragraph preceding this one. Please note, that you can only pay a deposit for military service performed while you were a phased retiree. Your opportunity to pay for any post-1956 military service performed prior to your phased employment expired as of the annuity commencing date of your phased retirement.

If you were first employed in a position subject to civil service retirement on or after October 1, 1982: You will not receive any retirement credit for your military service performed during phased retirement if you do not make the deposit as described in this section.

If you have questions concerning the payment of a military deposit, contact your employing agency.

Computing the Fully Retired Phased Component

Part of your full retirement status annuity (the “composite retirement annuity”) involves the “fully retired benefit”. The fully retired benefit equals the product obtained by multiplying:

- the working percentage by
- the amount of an annuity computed under the applicable CSRS formula that would have been payable at the time of full retirement had you not elected a phased retirement and as if you had been employed on a full-time basis and before any reduction for survivor annuity. The general formula for a CSRS annuity is:

1.5 percent	x	“high-3” average pay	x	5 years of service; <i>plus</i>
1.75 percent	x	“high-3” average pay	x	years of service between 5 and 10; <i>plus</i>
2 percent	x	“high-3” average pay	x	years and months of service over 10 years

Note: certain types of employees who perform service at a different (enhanced) accrual rate will be credited with 2.5% of average salary multiplied by the years and months of the enhanced service up to 20 years.

In computing this amount, the unused sick leave equals the quotient of the unused sick leave hours to your credit at separation for full retirement divided by the working percentage; and, if applicable, the reduction for any unpaid deposit plus interest for pre October 1, 1982 non-deduction service is calculated to the commencing date of the composite annuity.

Computing the Composite Retirement Annuity

The computation of a composite retirement annuity equals the sum obtained by adding:

- The amount of the annual benefit used in your initial phased retirement increased by applicable cost of living adjustments (COLAs); and
- The fully retired benefit

This amount is adjusted by applying the appropriate reduction, if any, for a survivor annuity benefit.

Also, if applicable, the monthly annuity derived from this formula is adjusted by any actuarial reduction that was applied to the phased retirement, increased by applicable cost of living adjustments (COLAs).

If you are a CSRS Offset retiree and have attained age 62 at the time of the full retirement status, you will be subject to a full Social Security offset, obtained at the time of the computation of the composite annuity. If you are a CSRS Offset retiree and have not attained age 62 when the full retirement commences, you will be subject to a full Social Security offset when you reach age 62.

Insurance Coverage- FEHB and FEGLI

If you want to continue your Federal Employees Health Benefit (FEHB) and/or Federal Employees' Group Life Insurance (FEGLI) coverage as a retiree, you must meet the following basic requirements. You must be retiring on an immediate annuity, and you must have been enrolled in the program for the five years of Federal service immediately preceding your annuity commencing date for final retirement status; or if enrolled less than five years, for the full period(s) of service during which coverage was available. FEHB coverage as a family member (and coverage under TRICARE or CHAMPVA) counts toward the five year requirement for health benefits.

Federal Dental and Vision Insurance Program

Your Federal Dental and Vision Insurance Program (FEDVIP) coverage will automatically continue into retirement as long as you continue to pay the applicable premiums. Until work on your annuity is completed, you may receive bills from BENEFEDS. You must pay these bills in order to keep your FEDVIP coverage. After work on your annuity is completed, BENEFEDS will automatically begin deducting from your annuity to pay future premiums.

Federal Long Term Care Insurance Program

Your Federal Long Term Care Insurance Program (FLTCIP) coverage will automatically continue into retirement as long as you continue to pay applicable premiums. If you are currently paying FLTCIP premiums by agency payroll deduction, you must arrange to pay premiums another way, either by deductions from your annuity, through automatic bank debit or direct bill. You may call LTC Partners at 1-800-LTC-FEDS (1-800-582-3337) to make these arrangements.

Court Orders

Composite retirement annuities are subject to court orders providing for division, allotment, assignment, execution, levy, attachment, garnishment, or other legal process on the same basis as other annuities.

Death while Awaiting Processing of Final Retirement

If you should die after separation for a final full retirement status, OPM will deem that a composite annuity will have accrued from the day after separation through the date of death. The maximum survivor annuity will be payable upon receipt of an application for the benefit from your spouse.

Annuity Commencing Date

The commencing date of your composite annuity retirement is the day after your final separation from your federal employing agency.

Cost of Living Adjustment (COLA)

Cost of living increases are effective on December 1 and are payable in the January annuity payment. When the COLA is payable, you will receive a full COLA on your composite annuity benefit.

Withdrawing an Application for Full Retirement Status

You may withdraw your application to enter full retirement status by submitting a signed written request to your agency before the effective date of the full retirement status.

Please use these instructions for completing CSRS form Standard Form (SF) 2801

Section A – Identifying Information

You must complete all items in this section except for item # 8, regarding a disability application, which is not applicable. Please refer to the Instructions for Completing Application for Immediate Retirement on SF 2801 for detailed information pertaining to completing this Section.

Section B – Federal Service

Complete items 1- 3 and 5 in this section. If you performed active military service during phased employment, complete item 4. Please refer to the Instructions for Completing Application for Immediate Retirement on SF 2801 for detailed information pertaining to completing this Section.

Section C – Other Claim Information

You must complete all items in this section. Please refer to the Instructions for Completing Application for Immediate Retirement on SF 2801 for detailed information pertaining to completing this Section.

Section D – Insurance Information

Complete all items in this section. Please refer to the Instructions for Completing Application for Immediate Retirement on SF 2801 for detailed information pertaining to completing this Section. Particularly note that for item 2, you must indicate whether there is a court order currently in effect that requires you to provide health benefits coverage for your child(ren). If you answer “yes”, you must submit a copy of the court order or administrative order.

Section E – Marital Information

Complete all items in this section. Please refer to the Instructions for Completing Application for Immediate Retirement on SF 2801 for detailed information pertaining to completing this Section.

Section F – Annuity Election

Complete all items in this section. It is very important that you read the detailed information on the Annuity Election in the Instructions for Completing Application for Immediate Retirement on SF 2801.

Section G – Information about Your Unmarried Dependent Children

Complete all items in this section. Please refer to the Instructions for Completing Application for Immediate Retirement on Standard Form (SF) 2801 for detailed information pertaining to completing this Section.

Section H – Direct Deposit and Tax Withholding Information

Complete all items in this section. Please refer to the Instructions for Completing Application for Immediate Retirement on SF 2801 for detailed information pertaining to completing this Section.

Section I – Applicant’s Certification

Be sure to sign (do not print) and date your application after reviewing the warning.

Schedule A – Military Service Information

You must complete all items in this Schedule if you performed military service during phased employment. Please refer to the Instructions for Completing Application for Immediate Retirement on SF 2801 for detailed information pertaining to completing this Schedule. Please note that if you wish to pay a deposit for this period of military service, you must make payment in full to your agency no later than the day before the effective date of your full retirement status.

Schedule B – Military Retired Pay

You must complete all items in this Schedule. Please refer to the Instructions for Completing Application for Immediate Retirement on SF 2801 for detailed information pertaining to completing this Schedule.

Schedule C – Federal Employees’ Compensation Information

You must complete all items in this Schedule. Please refer to the Instructions for Completing Application for Immediate Retirement on SF 2801 for detailed information pertaining to completing this Schedule.

Applicant’s Certification

Be sure to sign (do not print) and date this portion if you have completed any part of it.



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