



SEPTEMBER 2002

## QUARTERLY PAYROLL NEWSLETTER FORT DETRICK, MARYLAND

Welcome to the quarterly payroll newsletter provided to you by the Payroll Liaison. I hope that this newsletter helps keep everyone informed on new issues from payroll.



## REACHING THE RETIREMENT SUMMIT

If you have reached the retirement summit in your career and are planning to accept the flag, here are a few things you should know. If you retire voluntarily under the Civil Service Retirement System (CSRS), you can set your retirement date for the first, second, or third day of the month, and you annuity begins to accrue the following day. If you retire voluntarily on the fourth day or after, you will not begin to accrue an annuity until the following month. If you retire under the Federal Employees Retirement System (FERS), your annuity will begin to accrue the first day of the following month that you retire. For FERS, if you retire on

April 1, you will not start to accrue an annuity until May 1, to be paid June 1. However, if you set your retirement date on March 30, your annuity will begin to accrue on April 1, to be paid May 1. When you complete your retirement application, always use your "official" name that is used on your payroll records. It is important that your name matches the payroll records. Ensure that you use the full name to include suffixes, such as Jr., III, etc. Ensure that all documents to support relevant periods of service (DD 214s for military service, statements for deposit payments for civilian service, etc) are included with your retirement application. In addition, if you have previous periods of service recorded under other names, ensure those names are recorded in the appropriate block on your application.

The information that is used by payroll for your direct deposit, mailing address, Federal and State income tax withholdings, etc WILL FLOW to OPM from the Defense Civilian Pay System (DCPS) database. If this information is not correct, you should ensure that any necessary changes are made prior to your retirement. OPM will use whatever is sent by payroll as the current information for annuity payments and to communicate with you upon retirement.

## VERIFY MAILING ADDRESS

With the end of the pay year fast approaching, it is recommended that ALL employees verify their mailing address for accuracy. ANY address changes MUST BE INPUT by 13 December 2002 to ensure timely receipt of the W-2 tax forms.



# BOND RATES AND INTEREST INFORMATION

The current bond rates, through October 2002, are I Bonds = 2.57%; EE Bonds = 3.96%; and HH Bonds = 4.00%.

It is important that you periodically check your savings bonds to make sure that they are still earning interest. If your bonds have stopped earning interest, you should either cash them in or exchange them. The following savings bonds are no longer earning interest:

- Series E, Issue date May 1941 through 1962 and Issue date December 1965 through May 1972
- Series H, Issue date June 1952 through May 1972
- Series HH, Issue date January 1980 through May 1982
- Savings Notes, Issue date May 1967 through October 1970
- Series A, B, C, D, F, G, J, K, All issue dates Above

The Bureau of Public Debt says that retirees own billions of dollars in matured U.S. Savings Bonds - some 30 to 40 years old, some worth more than 5 times their fair value. U.S. Savings Bond information is posted on the Public Debt website at <http://www.savingsbonds.gov>. It is designed to help owners determine the value of their savings bonds, final maturity dates, interest accrual dates and yield information. This site is updated monthly and has also provided a special section about matured and maturing bonds.

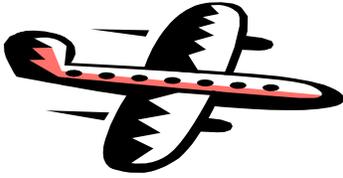


# YOUR SOCIAL SECURITY STATEMENT

Your Social Security Statement is a concise, easy-to-read personal record of the earnings on which you have paid Social Security taxes, this includes Medicare also, during your working years and a summary of the estimated benefits you and your family may receive as a result of those earnings. This statement should be reviewed to ensure that your reported earnings and other important information, such as your name and date of birth, are correct on your record. Mistakes could keep you from getting all of the benefits that you have earned. The sooner you identify mistakes, the easier it will be to help correct them. The Social Security Administration is required by law to send this statement automatically to eligible people:

- Who have worked in Social Security-covered employment or self-employment.
- Who are not yet receiving benefits, and
- For whom a current mailing address can be found.

Statements are mailed to workers age 25 or older and are delivered each year about 3 months before your birthday. Before you file your statement away, please review the earnings chart carefully using your own records to make sure the information is correct and that each year you worked is recorded. You are the only person who can look at the earnings chart and know whether it is complete.



# FREQUENT FLYER MILES

The General Services Administration (GSA) has issued a final rule permitting federal employees to use frequent flyer miles and other promotional benefits earned while on official travel to be retained for personal use. Previously, frequent flyer miles that federal employees earned while they were on government travel were considered the property of the government and could not be used by employees for their personal travel. Under the fiscal 2002 Defense Authorization Act, federal employees, including military personnel and Foreign Service employees, were allowed to keep the frequent flyer miles for their personal use. The new benefit is intended to help the federal government attract, and retain, a high-quality workforce. The final rule is effective 12 April 2002 and applies to travel taken before, on, or after 28 December 2001, the date the legislation was signed into law.

## TSP'S NEW RECORDKEEPING SYSTEM DELAYED

The new recordkeeping system, for TSP, is being delayed once again. The new system, which will give TSP participants more control over their accounts, will be delayed from September until at least November. The delay is due to the unexpected time it took the contractors to convert the TSP records into the new system. The new system will allow for daily valuation of federal employees' retirement investments and daily processing of investment transactions, as opposed to the current monthly processing schedule. Investors will also be able to apply for loans and make withdrawals online.

## TSP OPEN SEASONS CHANGE

The dates of the Thrift Savings Plan (TSP) open seasons will change to October 15 through December 31 and April 15 through June 30. The corresponding election periods will then be the months of December and June. FERS employees may elect to contribute up to 13% of the basic pay and CSRS employees may elect to contribute up to 8% of the basic pay that is earned each pay period. ALL TSP changes MUST be made through ABC-C at <https://www.abc.army.mil>.



According to the DFAS E/MSS Project Manager, a report was generated to indicate how many civilians received their LES via EMSS versus getting their LES mailed to them at their record address. According to this report, only 1.79% of Army civilians receive their LES via E/MSS. Per DFAS, the Military Services can save 34 cents (FY03) per LES IF the employee would use E/MSS to receive his/her LES versus receiving it in the mail. In order to "turn off" his/her LES and only receive it via E/MSS, the employee would have to go to the EMSS web site at <http://www.dfas.mil> and click Civilian LES (View/Print) and then click "turn off HARD COPY LES" located at the top right hand corner of the screen.

## FEHB OPEN SEASON

The next FEHB open season will begin on 11 Nov 2002 and will close on 9 Dec 2002. Any changes that you may have, MUST be processed through the ABC-C web site at <https://www.abc.army.mil>.

## USE OR LOSE LEAVE

It is time, once again, to start thinking about what to do with that USE OR LOSE leave that you may have. Please remember the employees on the leave transfer program that could benefit from your generous donation of leave. If you plan on donating some of your leave, you need to donate it no later than 14 December 2002. Currently, there are several recipients that are enrolled in the Leave Transfer Program. They are: Debra Bavari, Health Clinic; Beverly Dyas, USAMRIID; Pat Henson, USAG-DIS; Judy Hoffman, USAG-SPO; Ken McKinney, USAMRIID; Diana Miner, Industrial Hygiene; Harry Shields, 1110<sup>th</sup> Signal Battalion; and Pilar Lopez, AFMLO.

## END OF THE PAY YEAR (2002)

For tax purposes, the end of the pay year is 14 December 2002.

## END OF THE LEAVE YEAR (2002)

The end of the 2002 leave year is 11 January 2003.