

**THE EMPLOYEE'S  
GUIDE TO BENEFITS  
FOR THOSE  
AFFECTED BY  
REDUCTION IN  
FORCE**

**U.S. OFFICE OF  
PERSONNEL MANAGEMENT**

**WORKFORCE  
RESTRUCTURING OFFICE**

OCTOBER 1999 (Revised)

The Office of Personnel Management (OPM) created the Workforce Restructuring Office in March 1994, in response to Administration and Congressional downsizing initiatives. The Office provides assistance to agency personnelists and Federal employees on all aspects of downsizing. These areas include, but are not limited to:

- H early retirements
- H buyouts
- H alternatives to RIF
- H reorganization and delayering tools and strategies
- H reductions in force and furlough procedures
- H grade and pay retention, and severance pay
- H unemployment compensation
- H retraining programs
- H inplacement and outplacement programs
- H on-site technical assistance

The telephone number for the Workforce Restructuring Office is (202) 606-0960. The fax number is (202) 606-2329. To request that information be mailed to you, please call (202) 606-2425 and leave your name, address, and the type of information you would like to receive.

Additional information on downsizing may also be obtained from the linked OPM and Department of Labor websites at **<http://safetynet.doleta.gov>** and **<http://www.opm.gov>** .

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## Reduction in Force Downgrading or Separation Benefits

There are a variety of potential benefits available to employees facing downgrading or separation because of Reduction in force (RIF). The information presented in this Guide is intended to provide an overview of how RIF affects various benefits and entitlements of a Federal employee. The information is general and cannot possibly cover every circumstance. It is not necessarily applicable to every Federal employee. If you need specific information or more details, please contact your servicing personnel office.

### Benefits for Downgraded Employees



#### ***Grade and Pay Retention***

An employee who is placed in a lower-graded position in his or her agency through reduction in force (RIF) procedures is normally entitled to retain the same grade for two years. An employee who is downgraded after receiving a specific RIF notice and taking a lower-graded position offered at management-initiative is eligible for grade retention on the same basis as an employee who is actually downgraded by a RIF action.

Grade and pay retention do not apply to employees holding temporary or term appointments at the time of the RIF. Also, an employee who is downgraded during a RIF is eligible for grade retention only after first completing at least 52 consecutive

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weeks at a higher grade than the position into which he or she is placed.

The employee's retained grade is considered to be the grade the employee holds after RIF downgrading for most Abenefits@ purposes (including pay and pay administration, retirement, life insurance, eligibility for training, noncompetitive promotions, and within-grade increases), but the retained grade CANNOT be used as the employee=s grade for future RIF competition. For example, a GS-12 employee who is downgraded because of a RIF to a GS-9 position is still considered to be a GS-12 for most pay-related purposes, but would compete as a GS-9 in any subsequent RIF.

After grade retention expires, the employee is eligible for indefinite pay retention. An employee who is downgraded because of a RIF, but who does not meet the 52-week eligibility for grade retention, is also eligible for indefinite pay retention. If an employee=s former rate of basic pay fits in the pay range for the lower-graded position, the employee is placed in the pay range without a reduction in pay and pay retention ceases. If an employee=s former rate of basic pay is greater than the maximum rate of the pay range, the former rate is continued as a Aretained rate@ (not to exceed 150% of the maximum rate for the grade in which the employee is placed). The employee then receives 50% of any adjustments (e.g., an annual increase) in the maximum rate for the grade to which he or she was reduced until that maximum rate equals or exceeds the employee's retained rate and pay retention ceases.

Part 536 of Title 5, Code of Federal Regulations, contains more information on grade and pay retention.



### ***Repromotion Consideration***

Agencies are authorized to provide in their internal placement plans that those employees who are downgraded because of a RIF may receive priority consideration for promotion to positions up to their former grade level. The specific policies and procedures for such consideration are established by each agency.

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## Benefits for Separated Employees



### ***Severance Pay***

Severance pay is available to an involuntarily separated employee provided that the employee did not refuse an offer of a position that is (1) in the same commuting area, (2) in the same agency, and (3) no more than two grades lower than the employee's current grade level. In addition, the employee must have been employed for at least 12 continuous months, and cannot be eligible for an immediate annuity as a Federal employee or as a retired member of the armed forces. The employee also cannot be receiving workers-compensation benefits for wage loss due to an on-the-job injury.

#### **Computation of Severance Pay:**

Only civilian service is creditable for severance pay. An employee is entitled to 1 week's basic pay for each year of civilian service up through 10 years, plus 2 weeks' basic pay for each year of creditable service beyond 10 years. In addition, an age adjustment allowance of 2.5 percent is added for each full quarter of a year the employee is over 40 years of age. The maximum amount of severance pay eligibility is one year's salary (52 weeks). (This is a lifetime limitation; thus, any severance pay an employee has received in the past is taken into account in applying the limit.) Severance payments are equal to the employee's rate of basic pay at separation and are paid out at regular pay period intervals (usually biweekly) until the severance pay is exhausted. The only deductions made from severance pay are taxes, social security (if applicable), and Medicare.

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Severance pay computation sheets may be found at the end of this Guide. The actual calculation formula is somewhat more complicated and technical. The samples are intended to help compute the *approximate* amount of severance pay an employee may receive. To receive an actual computation, please contact your servicing personnel office.

If an employee is reemployed in a permanent position with the Federal Government or the District of Columbia, severance payments are immediately stopped. If an employee is reemployed in the Federal Government on a temporary appointment after a break of **more** than 3 calendar days, severance pay will be suspended temporarily. At the termination of the temporary appointment, the unexpired portion of severance pay will be restarted by the agency. If an employee accepts a temporary appointment **within** 3 calendar days of separation and subsequently leaves that temporary job on an involuntary basis (e.g., expiration of appointment), the employee would be eligible for severance pay based on the separation from the temporary job. Severance pay would be calculated based on the rate of pay received when separated from the temporary job. Employment in the private sector has no effect on an employee's severance pay entitlement.



## ***Unemployment Compensation***

The unemployment insurance program for Federal employees is administered by the Department of Labor through State governments. States, including the District of Columbia, determine the eligibility for benefits and the amounts to be paid to unemployed individuals. The program provides a weekly income for a limited period of time. The length of time is determined by the jurisdictional State's law. A separated employee should file a claim for benefits at his or her State Employment Service office or unemployment insurance claims office. These State offices also allow individuals to register for potential employment opportunities. The employee must take his or her social security card, official notice of separation or non-pay status (Standard Form 50), specific RIF notice letter, and notice about unemployment insurance (Standard Form 8).



### ***Unused Annual Leave***

All civilian employees covered by annual leave laws are entitled to receive a lump sum payment for accrued annual leave when separated from the Federal Government.

In some cases, employees close to retirement eligibility may be able to use annual leave to qualify for retirement benefits. See the Retirement® section later in this guide for more information.



### ***Unused Sick Leave***

There is no payment for unused sick leave. However, an employee who is separated from the Federal Government is entitled to have his or her sick leave restored to his/her sick leave account if the individual is reemployed in the Federal Government. All unused sick leave is added to the total service of an employee who is eligible for an annuity under the Civil Service Retirement System (CSRS). For a Federal Employees Retirement System (FERS) employee who switched from CSRS, the unused sick leave balance accrued at the time of transfer may be applied to the CSRS retirement component. Regular FERS employees cannot apply unused sick leave to total service for retirement.



### ***Federal Employees Health Benefits Program (FEHBP)***

#### **Separated Employees Only:**

After separation, an employee not eligible for an immediate

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annuity can continue health insurance free for 31 days. The employee may then elect to continue receiving benefits under FEHBP. However, this request for continued coverage is not automatic--it must be requested in writing within 60 days of separation (or within 60 days of receiving a notice from the agency that FEHB coverage is terminating) and the employee must pay their own share, the government's cost, and an additional 2% administrative fee (this totals 102 percent of the cost). This temporary extension of coverage can only last for 18 months. Dependents of employees may carry this coverage for up to 36 months. An employee may also convert to a private plan.

Department of Defense employees who are separated may continue enrollment for 18 months following separation. During this time the agency continues to pay its share and any additional administrative costs. Employees continue to pay their share.



### ***Federal Employees Group Life Insurance (FEGLI) Program***

#### **Separated Employees Only:**

Separated employees are covered free by FEGLI for 31 days. An employee who is separated and is not eligible for an immediate annuity may convert all or part of the life insurance to an individual policy without having to take a medical examination. The individual policy may be purchased from any eligible insurance company selected by the employee and is considered a private transaction between the employee and the company. The employee pays the entire premium of the conversion policy, and the conversion must be made within 31 days after the effective date of the separation.



### ***Thrift Savings Plan (TSP)***

#### **Withdrawing Money:**



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When an employee separates from Federal service for more than 31 days, the employee can choose to either leave their money in their TSP account or to withdraw the vested TSP account balance.

There are several options for withdrawal:

1. If the account balance is under a certain amount (currently \$3500 or less), the TSP Service Office will notify the employee and the employee's account balance will be paid to the employee automatically in a single payment, unless the employee requests that it be retained or selects another withdrawal option.
2. After separation from Federal service, the employee may:
  - 0 Leave it in the TSP.
  - 0 Transfer it entirely to an Individual Retirement Account (IRA) or other eligible retirement plan.
  - 0 Purchase a life annuity immediately or at a later date if the account balance is at least \$3,500.
  - 0 Receive a single payment immediately or at a later date.
  - 0 Receive a single payment and ask the TSP to transfer a portion of it to an IRA or other retirement plan.
  - 0 Receive a series of equal monthly payments beginning immediately or at a later date.
  - 0 Receive a series of equal monthly payments and ask the TSP to transfer each payment (or a portion of it) to an IRA or other eligible retirement plan if the series of payments is expected to last less than 10 years and is not based on the employee's life expectancy.

Any funds paid directly to the employee from TSP are taxable; a 10 percent penalty may be charged for early withdrawal if the employee separates before the year the employee attains age 55. Options are outlined in detail in the booklet, "Withdrawing Your TSP Account" dated December 1996. The employee will also receive all appropriate forms to exercise the withdrawal option.



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## **Retirement Benefits**

Most Federal employees who were first hired before January 1, 1984, are covered by CSRS. Most employees first hired on or after January 1, 1984, are automatically covered by FERS.



### ***Refunds***

An employee who separates from Federal employment before completing a minimum of 5 years of creditable civilian service are not eligible to receive optional or deferred annuity benefits under CSRS or FERS. An employee who receives a refund of retirement deductions under CSRS may, after reemployment with the Federal Government, repay the amount refunded plus interest so that the period of service covered by the refund may be included in the computation of annuity benefits. However, while an employee covered by FERS may also receive a refund of his or her retirement contributions, a FERS employee will not be eligible to receive annuity benefits based on the period of service covered by the refund if the employee is reemployed in the Federal Government. There is no provision in law which permits the repayment of FERS contributions that have been refunded. A separated employee does not have to take a refund. Interest has been paid on all funds in a FERS account, while CSRS employees receive no interest for accounts more than 5 years old. Taxes have already been paid on the deductions themselves. Payment of taxes is required only on the interest earned on money in the retirement account.



### ***Deferred Annuity***

An employee who separates from the Federal service after completing at least 5 years of creditable civilian service, but

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before becoming eligible for an immediate annuity, is entitled to a deferred annuity at age 62 under both CSRS and FERS. Under certain conditions, a FERS employee may be eligible for a deferred annuity before age 62. An employee who is eligible for a deferred annuity may, in lieu of the annuity at a later date, receive a refund of his or her retirement deductions, provided that the employee is not eligible to receive an annuity within 31 days after filing a refund application.



### ***Using Annual Leave to Reach Eligibility***

An employee scheduled for RIF separation may use his or her accumulated annual leave to remain on an agency's rolls past the RIF effective date if doing so would allow the employee to reach his or her first retirement eligibility date. The employee must have enough annual leave to cover the period from the RIF effective date to the first date he/she meets the minimum age and service criteria for CSRS or FERS retirement (as applicable). The employee must meet the other eligibility requirements for optional or discontinued service retirement as described below.

The accumulated annual leave balance generally includes all annual leave in the employee's account as of the RIF effective date, plus the annual leave earned while on leave between the RIF effective date through first retirement eligibility date. Employees wishing to exercise this option should check with their personnel office for the necessary steps to take.



### ***Immediate Annuity (CSRS)***

An employee serving under CSRS for at least 1 of the last 2 years

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before his or her separation is eligible for an immediate annuity if he or she meets the following minimum age and service requirements:

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***Optional Retirement:***

- (a) Age 62 and 5 years creditable civilian service.
- (b) Age 60 and 20 years total creditable service.
- (c) Age 55 and 30 years total creditable service.

***Discontinued Service Retirement:***

- (a) Age 50 and 20 years total creditable service.
- (b) Any age and 25 years total creditable service.

The CSRS annuity of an employee who retires before age 55 is reduced by 2 percent for each year the employee is under age 55 at the time of retirement.

An employee is eligible for discontinued service retirement under both CSRS and FERS only if the employee is reached for an involuntary action (such as job abolishment or reassignment to a position in a different commuting area), and does not receive an offer from his or her agency of another position in the same local commuting area that is within two grades of the employee's present position.



***Immediate Annuity (FERS)***

An employee serving under FERS is eligible for an immediate annuity if he or she meets the following minimum age and service requirements:

***Optional Retirement:***

- (a) Age 62 and 5 years creditable civilian service.
- (b) Age 60 and 20 years total creditable service.
- (c) Minimum retirement age and 10 years total

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creditable service.

The minimum retirement age for FERS employees born before 1948 is 55, but gradually increases from 55 to 57 for employees born between 1948 and 1970. Also, the FERS annuity is reduced by 5 percent for each year the employee is under age 62. The employee can avoid the age reduction entirely by choosing as the commencing date of annuity either: 1) a date that is less than 1 full month before the employee reaches age 62 if he or she has less than 20 years of service; or 2) the first day of any month after reaching age 60 if he or she has at least 20 years of service.

***Discontinued Service Retirement:***

- (a) Age 50 and 20 years total creditable service.
- (b) Any age and 25 years total creditable service.

There is no annuity reduction in FERS for employees who retire on a discontinued service annuity under the age of 55. Transferees with a CSRS annuity component will have the CSRS portion of the annuity reduced by 2 percent per year if he or she is under age 55.

**Reemployment and Retraining Programs**

For further information regarding reemployment programs, please call OPM's Restructuring Hotline on 202-606-2425 to order a free copy of the *Employee's Guide to Career Transition*. This guide and additional information on career transition is also available the linked OPM and Department of Labor websites at <http://safetynet.doleta.gov> and <http://www.opm.gov> .



***Agency Career Transition Assistance Plans (CTAP)***

Agencies are required to provide assistance to help their surplus

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and displaced employees find new employment. Each agency will provide 1) services to help their employees find new employment, either in the public or private sector, and 2) selection priority for competitive service vacancies within the agency. Agencies have developed specific Career Transition Assistance Plans with the specific policies on what types of assistance are available to their employees. Copies of individual agency plans are posted on the web at <http://safetynet.doleta.gov>. Specific questions regarding an agency's CTAP should be referred to the agency's personnel office.



### ***Priority Placement Program (PPP)***

The Priority Placement Program (PPP) also sometimes called the "ADOD Stopper List", is a program run solely by the Department of Defense for its employees. It is the equivalent of a non-Defense agency's Career Transition Assistance Plan. Questions regarding the PPP should be referred to the nearest Department of Defense personnel office or the DOD Civilian Assistance in Re-Employment (CARE) Office at (703) 696-1799.



### ***Reemployment Priority List (RPL)***

RPL is a post-RIF program that provides separated employees first opportunity for positions within their former agency that would otherwise be filled by employees from outside the agency. A separate RPL must be established for each commuting area from which eligible employees have been separated due to RIF.

#### ***Eligibility:***

An eligible employee is entitled to consideration for positions for which that employee is available providing all of the following conditions are met:

1. The employee must meet the qualification requirements for the position;



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2. The position must be at no higher grade (or equivalent) and have no greater promotion potential than the position from which separated;

3. The position must have the same work schedule as the position from which separated; and

4. The position must be in the same commuting area as the position from which separated.

To be eligible to apply for the RPL, an employee must: a) be serving under an appointment in the competitive service in tenure group I or II at the time of RIF separation; b) have not refused an offer of assignment to a position at the same grade or representative rate during RIF; and c) have a current rating of record of at least *A* minimally successful<sup>@</sup>. Tenure group I employees can remain on the RPL for 2 years. The time limit for tenure group II employees is 1 year.

### ***How To Apply:***

The employees applies through the servicing personnel office within 30 days after separation.



### ***Interagency Career Transition Assistance Plan (ICTAP)***

The Interagency Career Transition Assistance Plan (ICTAP) is designed to help Federal employees who lose their jobs due to downsizing find jobs in other Federal agencies.

#### ***How the ICTAP Works:***

1) Agencies' competitive service vacancies are available on OPM's automated Governmentwide employment information system, **USAJOBS**.

**USAJOBS** is easily accessible Federal employment information. **USAJOBS** provides worldwide job vacancy information, employment information fact sheets, job applications and forms, and has on-line resume development and electronic transmission capabilities. In many instances, job

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seekers can apply for positions on-line. **USAJOBS** is updated every business day from a database of more than 12,000 worldwide job opportunities. **USAJOBS** is available to job seekers in a variety of formats, ensuring access for customers with differing physical and technological capabilities. It is convenient, user friendly, accessible through the computer or telephone and available 24 hours-a-day, seven days-a-week.

**USAJOBS** consists of:

**INTERNET** - The official world wide web site for jobs and employment information, may be accessed at <http://www.USAJOBS.opm.gov>.

On the web site, job seekers can access worldwide current job vacancies, employment information fact sheets, applications and forms, and in some instances, apply for jobs online. Complete job announcements can be retrieved from the web site. The **USAJOBS** web site also has an **Online Resume Builder** feature. Using the resume builder, job seekers can create online resumes specifically designed for applying for Federal jobs. Resumes created on the **USAJOBS** resume builder can be printed from the system for faxing or mailing to employers; and saved and edited for future use. For many of the vacancies listed on the site, job seekers can submit resumes created through **USAJOBS** directly to hiring agencies through an electronic submission process.

**TOUCH SCREEN COMPUTER KIOSK** - A kiosk network of self-service information providers located in OPM offices and many Federal buildings nationwide.

At the touch of a finger, job seekers can access worldwide current job vacancies, employment information fact sheets, and applications and forms. Complete job announcements can be retrieved from the kiosk.

**AUTOMATED TELEPHONE SYSTEM** - An interactive voice response telephone system which can be reached at (912) 757-3000 or TDD (912) 744-2299 or at 17 OPM Service Centers located throughout the country (local numbers listed in the blue pages).

By telephone, job seekers can access worldwide current job vacancies, employment information fact sheets, and applications and forms, and in some instances, apply for jobs by phone.

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- 2) When an employee sees a vacancy for which he/she is qualified, the employee would tailor the application package to show how he/she meets the specific qualification requirements of the position, attach appropriate proof of eligibility, and apply directly to the location stated on the vacancy announcement. Displaced employees must meet all the requirements stated on the vacancy announcement (e.g., closing date, area of consideration, etc.).
  - 3) Agencies will review the displaced employee's application material. If the employee meets all of the qualification requirements of the position, is considered well-qualified for the job, and the vacancy is in the same local commuting area from which the employee was separated, agencies are required to select the displaced employee over any candidate from outside the agency.
  - 4) Questions regarding specific vacancies and well-qualified requirements may be addressed to the specific agency that is conducting the recruitment.

### ***Eligibility Requirements***

- a. **Separated by RIF:** Employees who have received a specific RIF separation notice.
- b. **Declined Directed Reassignment/Transfer of Function:** Employees who have been or are being separated because they declined a transfer of function or directed reassignment outside the commuting area.
- c. **Discontinued Service Retirement/Retirement in Lieu of RIF:** Employees who retire in lieu of RIF (separate under the discontinued service retirement option, or retire **ON** the last day of the RIF).

### ***Eligibility Periods***

Depending on eligibility category, employees are eligible for special selection priority in other agencies for the time periods listed below:

- a. **Separated by RIF:** 1 year after the RIF separation date.
- b. **Declined Directed Reassignment/Transfer of Function:** 1 year after separation due to declination of reassignment or transfer of function outside the commuting area.

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c. **Discontinued Service Retirement/Retirement in Lieu of RIF:** 1 year after separation by discontinued service retirement or retirement in lieu of RIF.

### ***Proof of Eligibility***

When applying for positions, in order to exercise selection priority, employees must attach the following proof of eligibility:

a. **Separated by RIF:** i) A copy of the Standard Form 50 (personnel action) stating you were separated by RIF, or ii) a copy of the RIF separation notice.

b. **Declined Directed Reassignment/Transfer of Function:** A copy of the Standard Form 50 indicating that the employee was separated because he/she declined a transfer of function or directed reassignment outside his/her local commuting area.

c. **Discontinued Service Retirement/Retirement in Lieu of RIF:** A copy of the Standard Form 50 stating that the employee retired in lieu of RIF.



### ***Retraining Opportunities***

Many states offer excellent opportunities for displaced employees to take various types of training through government funding to help them qualify for jobs. This may include the opportunity to train for a new career field.

The best source of information on such training is the individual state dislocated workers unit or state unemployment office. If you are interested in training or retraining opportunities, you should contact your local state employment services department and ask about training/retraining possibilities under the Economic Dislocation and Worker Adjustment Assistance Act (EDWAA). The U.S. Department of Labor administers a dislocated worker program authorized under EDWAA to assist workers who have been laid off and who are unlikely to return to their previous industry or occupation. The dislocated worker program authorizes a wide range of services to help individuals obtain meaningful re-employment. These services may include assessments of

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skills and interests, job development, counseling, job search assistance, career exploration, basic and remedial training, and occupational skills retraining, like computer training. The particular mix and availability of services are decided upon by the States and their local substate grantees that administer the program. The program is funded by U.S. Department of Labor, Employment & Training Administration, Office of Work-Based Learning, 200 Constitution Avenue, NW, Room N-5426, Washington, DC 20210; their telephone number is (202) 219-5577.

## **Severance Pay Computation Worksheets**

The following are samples for use in *estimating* the amount of severance pay. The actual calculation formula is somewhat more complicated and technical. The samples are intended to allow you to figure the *approximate* amount of severance pay you may receive. The computation presumes that you were a full-time employee and that you have not previously received severance pay based on an earlier involuntary separation. OPM is not responsible for the accuracy of the results that this worksheet may give you. IF YOU WANT AN ACCURATE CALCULATION, PLEASE CONTACT YOUR SERVICING PERSONNEL OFFICE.

### **Severance Pay Estimation Worksheet**

line 1. Annual Rate of Basic Pay (at time of separation) = \_\_\_\_\_

line 2. Weekly Rate (divide line 1 by 2087 and then multiply result by 40) = \_\_\_\_\_  
 (Note: This weekly rate can also be derived by dividing the annual rate by 52.175.)

line 3. Years of Service (see A and B below)

A. If your length of service is LESS THAN 10 years, enter your length of service on line 3a.

B. If your length of service is MORE THAN 10 years:

(1) enter your length of service: \_\_\_\_\_

(2) subtract 10 from your length of service: -10 = \_\_\_\_\_

(3) multiply the result by 2: < 2 = \_\_\_\_\_

(4) add 10 to the amount listed in 3): +10

(5) enter this total on line 3a. \_\_\_\_\_

line 3a. Adjusted Years of Service = \_\_\_\_\_

line 4. Basic Severance Pay (multiply amount on line 2 by the number on line 3a) = \_\_\_\_\_

line 5. Age Adjustment Factor (if your age is above 40, look your age up on the "AGE TABLE AND FACTORS" chart attached. Enter the "factor" number shown.)

Age = \_\_\_\_\_ years and \_\_\_\_\_ months. Factor = \_\_\_\_\_

line 6. Adjusted Severance Pay (multiply the amount in line 4 by the line 5 factor) = \_\_\_\_\_

line 7. Multiply the amount in line 2 by 52 weeks. = \_\_\_\_\_  
 This is the maximum amount of severance pay payable under the 1-year (52 weeks) limit.

line 8. If line 6 exceeds line 7, enter amount on line 7. Otherwise enter the line 6 amount. = \_\_\_\_\_  
 This is the estimated amount of your **total severance pay fund**.

line 9. Multiply the amount in line 2 by 2. = \_\_\_\_\_  
 This is the estimated amount of your **biweekly severance payment** (before deductions).

line 10. Divide the amount in line 8 by the amount in line 9 and multiply the result by 2. = \_\_\_\_\_  
 This is the approximate number of **weeks of severance payments** you will receive (assuming you are not reemployed by the Government).

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## **Severance Pay Computation Worksheet**

The following are samples for use in *estimating* the amount of severance pay. The actual calculation formula is somewhat more complicated and technical. The samples are intended to allow you to figure the *approximate* amount of severance pay you may receive. The computation presumes that you were a full-time employee and that you have not previously received severance pay based on an earlier involuntary separation. OPM is not responsible for the accuracy of the results that this worksheet may give you. IF YOU WANT AN ACCURATE CALCULATION, PLEASE CONTACT YOUR SERVICING PERSONNEL OFFICE.

### **Severance Pay Estimation Worksheet**

line 1.	Annual Rate of Basic Pay (at time of separation)	= \$ 73,619
line 2.	Weekly Rate (line 1 divided 2087 and then multiplied by 40) (Note: This weekly rate can also be derived by dividing the annual rate by 52.175.)	= \$1,411
line 3.	Years of Service (see A and B below)	
	A. If your length of service is LESS THAN 10 years, enter your length of service on line 3a.	
	B. If your length of service is MORE THAN 10 years:	
	(1) enter your length of service:	18
	(2) subtract 10 from your length of service:	-10 = 8
	(3) multiply the result by 2:	< 2 = 16
	(4) add 10 to the amount listed in 3):	+10
	(5) enter this total on line 3a.	26
line 3a.	Adjusted Years of Service	= 26
line 4.	Basic Severance Pay (multiply amount on line 2 by the number on line 3a)	= \$ 36,686
line 5.	Age Adjustment Factor (if your age is above 40, look your age up on the "AGE TABLE AND FACTORS" chart attached. Enter the "factor" number shown.)	
	Age = 52 years and 0 months. Factor = 2.2	
line 6.	Adjusted Severance Pay (multiply the amount in line 4 by the line 5 factor)	= \$ 80,709.20
line 7.	Multiply the amount in line 2 by 52. This is the maximum amount of severance pay payable under the 1-year (52 weeks) limit.	= \$73,372
line 8.	If line 6 exceeds line 7, enter amount on line 7. Otherwise enter the line 6 amount. This is the estimated amount of your <b>total severance pay fund</b> .	= \$73,372
line 9.	Multiply the amount in line 2 by 2. This is the estimated amount of your <b>biweekly severance payment</b> (before deductions).	= \$ 2,822
line 10.	Divide the amount in line 8 by the amount in line 9 and multiply the result by 2. This is the approximate number of <b>weeks of severance payments</b> you will receive (assuming you are not reemployed by the Government).	= 52 weeks

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**AGE TABLE AND FACTORS**

Yrs.	Mos.	Factor	Yrs.	Mos.	Factor	Yrs.	Mos.	Factor
40	3-5	1.025	48	4-8	1.850	56	9-11	2.675
40	6-8	1.050	48	9-11	1.875	57	0-2	2.700
40	9-11	1.075	49	0-2	1.900	57	3-5	2.725
41	0-2	1.100	49	3-5	1.925	57	6-8	2.750
41	3-5	1.125	49	6-8	1.950	57	9-11	2.775
41	6-8	1.150	49	9-11	1.975	58	0-2	2.800
41	9-11	1.175	50	0-2	2.000	58	3-5	2.825
42	0-2	1.200	50	3-5	2.025	58	6-8	2.850
42	3-5	1.225	50	6-8	2.050	58	9-11	2.875
42	6-8	1.250	50	9-11	2.075	59	0-2	2.900
42	9-11	1.275	51	0-2	2.100	59	3-5	2.925
43	0-2	1.300	51	3-5	2.125	59	6-8	2.950
43	3-5	1.325	51	6-8	2.150	59	9-11	2.975
43	6-8	1.350	51	9-11	2.175	60	0-2	3.000
43	9-11	1.375	52	0-2	2.200	60	3-5	3.025
44	0-2	1.400	52	3-5	2.225	60	6-8	3.050
44	3-5	1.425	52	6-8	2.250	60	9-11	3.075
44	6-8	1.450	52	9-11	2.275	61	0-2	3.100
44	9-11	1.475	53	0-2	2.300	61	3-5	3.125
45	0-2	1.500	53	3-5	2.325	61	6-8	3.150
45	3-5	1.525	53	6-8	2.350	61	9-11	3.175
45	6-8	1.550	53	9-11	2.375	62	0-2	3.200
45	9-11	1.575	54	0-2	2.400	62	3-5	3.225
46	0-2	1.600	54	3-5	2.425	62	6-8	3.250
46	3-5	1.625	54	6-8	2.450	62	9-11	3.275
46	6-8	1.650	54	9-11	2.475	63	0-2	3.300
46	9-11	1.675	55	0-2	2.500	63	3-5	3.325
47	0-2	1.700	55	3-5	2.525	63	6-8	3.350
47	3-5	1.725	55	6-8	2.550	63	9-11	3.375
47	6-8	1.750	55	9-11	2.575	64	0-2	3.400
47	9-11	1.775	56	0-2	2.600	64	3-5	3.425
48	0-2	1.800	56	3-5	2.625	64	6-8	3.450
48	3-5	1.825	56	6-8	2.650	64	9-11	3.475