



United States
Office of Personnel Management
Retirement and Insurance Service

Benefits Administration Letter

Number: 97-704

Date: July 25, 1997

Subject: Availability of a Computer Model to Help Employees Make Retirement Coverage Elections Under Public Law 104-106.

Background

The U.S. Office of Personnel Management (OPM) and the Department of Defense (DOD) are pleased to announce availability of a computer model to help employees make retirement coverage elections under Public Law 104-106. This legislation gives certain appropriated fund and nonappropriated fund employees the opportunity to resume retirement coverage under a previous plan or to credit service under a prior plan under their current retirement plan. The model computes estimated future retirement benefits under different scenarios to help employees make their elections under Public Law 104-106.

Many employees should be able to make elections based on what they know about their past employment history, future work plans, and the features of the retirement plans that are available to them. However, others may want to see estimates of future benefits before they make a decision. To assist these employees, DOD and OPM jointly contracted for the development of a pc-based program that uses information about past service and the employee's expectations about future employment to provide estimates of future benefits.

Program Elements

The program computes basic benefits, 401(k) and Thrift Savings Plan (TSP) benefits, and Social Security benefits. It allows modeling of different scenarios by varying retirement dates and TSP/401(k) savings projections. It estimates benefits under both regular rules and special rules, such as for law enforcement officers, and allows the user to select reduced benefits for a spouse. Because benefits cannot be projected with certainty, employees should not base decisions to make an election under the law solely from this model. However, it can provide another piece of information that employees can consider in making a decision. Even though the program is easy to use, it is designed for use by human resources specialists because they are responsible for informing eligible employees of their options.

**Civil Service
Retirement
System**

**Federal Employees
Group Life
Insurance**

**Federal Employees
Health Benefits
Program**

**Federal Employees
Retirement
System**

Program Availability

The program, along with a Users' Guide, is available for downloading from:

- * OPM Web site at <http://www.opm.gov/asd/>, or
- * OPM Mainstreet (soon to be OPM ONLINE) Bulletin Board Service (BBS). The program is available in the Retirement and Insurance Forum.

In addition, diskettes will be furnished to agency headquarters level benefits officers. Other offices that need the program to counsel eligible employees may obtain it by:

- * Calling (202) 606-0788, extension 954, or
- * FAXing a request to (202) 606-1108, or
- * Emailing a request to ASD@OPM.GOV.

There is no charge for the diskettes or program.

System Requirements

The APF-NAFI Transfer Benefits for Windows uses an advanced software programming platform to perform complex calculations "behind the scenes." The minimum computer requirements to run the model are:

- * 80486 33Mhz processor
- * Microsoft Windows 3.1 or NT
- * Hard Disk with at least 10 megabytes free
- * Windows-compatible printer
- * Color VGA monitor
- * Microsoft compatible mouse.

Program Demonstration

OPM and contractor staff will provide a demonstration of the program and answer questions about using it at

The Office of Personnel Management
1900 E Street, NW, Room 2416
Washington, DC

on

July 31, 1997, at 1:00 PM

The demonstration is open to both agency headquarters level benefits officers as well as other staff responsible for assisting employees regarding this legislation. Because of enhanced security measures at the OPM building, please allow time to gain access to the building.



Mary M. Sugar, Chief
Agency Services Division