

Non-Regular Retired Pay Process

- ### Agenda
- Retirement Points/Eligibility
 - How to transfer to the Retired Reserve (USAR)
 - Separation vs. Discharge
 - Gray Area Benefits
 - Early Retired Pay Eligibility
 - Non-Regular Retired Pay Application Process
 - Receiving First Payment

Maximum Inactive Retirement Points Allowed (Dates to Remember)

| | |
|--|--|
| 60 Point Rule 1 July 1949 thru 22 Sep 1996 | 75 Point Rule 23 Sep 1996 thru 29 Oct 2000 |
| 90 Point Rule 30 Oct 2000 thru 29 Oct 2007 | 130 Point Rule 30 Oct 2007 to Present |

Earning Retirement Where Do Points Come From?

| | |
|----------------|----------------------|
| Active Duty | 1 per day |
| Inactive Duty | 1 per period |
| Membership | 15 per year |
| Correspondence | 1 per 3 credit hours |

Final Base Pay Formula Calculation

**Calculated Service x 2.5% x final base pay = \$
Retired Pay**

- Cost of Living Allowance is at full rate as determined by the Consumer Price Index
- Retired pay is calculated on the base pay at the time of application for retired pay

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High Three Average Formula

**Calculated Service x 2.5% x average 36 months base pay = \$
Retired Pay**

- Cost of Living Allowance is at full rate as determined by the Consumer Price Index
- In Military Status - Retired pay is calculated on the average of the last 36 months of base pay at application for retired pay
- Discharged/Former Service Member will not receive longevity credit

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Retirement vs. Discharge (Practical Example)

- W-3 with over 20 years of service for pay at time of discharge or transfer to retired reserve:
- Monthly retired pay at age 60 if discharged: \$1,394.94
- Monthly retired pay at age 60 if transferred to retired reserve: \$2,542.51
- Difference: \$1147.57

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Grey Area Benefits

- ID Card(s) (DD Form 2 Red)
- Commissary and PX / shoppette and other post facilities
- MWR
- Space Available Travel (Soldier only CONUS)
- Lodging
- Limited Legal
- Survivor Outreach Services
- Refer to Gray Area Handout

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Reduced Retirement Age Eligibility

Qualifying service on 29 January 2008 or after includes service Performed under the following authorities:

-sections T10, 101(a)(13)(B), 688, 12301(a), 12302, 12304, 12305, 12406, and chapter 15 (insurrection) or under section 12301(d), 12301(h) and

-sections T32, 502(f) for purposes of responding to either a national emergency declared by the President or a national emergency supported by Federal funds

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Reduced Retired Pay Eligibility - Continued

How to calculate reduced retirement periods:

-Every 90 aggregate days performed within a fiscal year will reduce retirement age by 3 months
-Does not need to be consecutive

Example: Served on various Active Duty tours from 2 Feb 09 – 4 Jun 10 and has the following creditable periods for 12 months age reduction

- * 2 Feb – 2 May 09 = 90 days = 3 months reduced
- * 3 May – 31 Jul 09 = 90 days = 3 months reduced
- * 1 Aug – 30 Sep 09 = 61 days = 0 months
- * 1 Oct – 29 Dec 09 = 90 days = 3 months reduced
- * 30 Dec 09 – 22 Feb 10 = 55 days, continue
- * 1 May 10 – 4 Jun 10 = 35 days = 90 days = 3 months

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When do I Apply for Retired Pay?

- Application for retired pay should be completed and sent to the Human Resources Command, Fort Knox not earlier than 9 months and not later than 90 days prior to the date retired pay is to start (usually your 60th birthday).
- You are responsible for submitting your retirement application but help is never far away!
- If you are TPU contact your RSC RSO
- If you are IRR/IMA/Gray Area Retired Reserve/Discharged contact HRC

Is There a Statute of Limitations on Retired Pay?

- Yes! There is a 6 year statute of limitations for back pay of retired pay.
 - A claim must be filed within 6 years from the date of eligibility for retired pay.
 - If not filed within the 6 year limitation, 1 day's retired pay is lost for each day of delay in filing the application.
- Example: If you became eligible for retired pay on 2 July 1990 and the application for retired pay was not processed by DFAS until 2 September 1996, payment can only be made from 2 September 1990

Applying after Age 60

- If you serve past your 60th birthday, you must send your age waiver to HRC with your application for retired pay. Failure to send this waiver can create a pay debt. (Not a good way to start Retirement!)
- The Statute of Limitations still applies to you so don't put off applying for your retired pay!

Application for Retired Pay

- What do I send to apply for retired pay?
 - Your completed Retired Pay application will at a minimum consist of:
 - DD Form 108 (Application for Retired Pay)
 - DD Form 2656 (Data for Retired Pay Benefits)
 - SF 1199a (Direct Deposit Form)
 - AHRC-249-E or NGB Form 23C (Retirement Point Statements for Retired Pay)
 - Copy of your NOE (20 year or 15 year)
 - DD Form 2656-5, formerly DD 1883, RCSBP Election Certificate (if applicable)

Application for Retired Pay - Continued

- What additional documentation should I send?
 - Any forms showing changes to your RCSBP election
 - DD 2656-6, DD 2656-1, automatic election forms, divorce decrees, marriage certificates, birth certificates, adoption papers
 - Documents to support reduced age retirement (if applicable)
 - DD 214s, DD 215s, DD 220, Mobilization Orders, LES
 - Orders showing highest grade/rank held and administrative reduction (if applicable)
 - Copy of approved waiver to serve beyond age 60 (if applicable).

The Application

- DD108
- DD2656
- SF1199A
- 20 Year NOE
- ARPC 249-E (USAR), NGB 23 (ARNG)
- Retirement Orders (if not in iPERMS)
- Substantiating Documentation for early draw (where applicable)
- Any documentation showing change in status (Divorce Decree, Marriage Certificate, Birth Certificate, etc)

Mailing Address

The reserve retired pay application is sent to:

**HR Center of Excellence
ATTN: AHRC-PDP-TR
1600 Spearhead Division Ave
Department 482
Ft Knox, KY 40122**

Receiving the First Payment

If the retirement packet is submitted in 9 month – 90 day window prior to requested retirement date....
The retiree will receive the first payment by direct deposit on the first working day of the month following the approved retirement date
This check is normally a partial month check depending on the day of the month of the approved retirement date
DFAS-London, KY will provide a 3-page statement showing how the pay was calculated, tax information, survivor benefit cost data and procedures for contacting DFAS-London, KY for changes to the retiree's account.
Monthly Leave and Earnings Statements are provided to retirees. The retiree can obtain a monthly LES statement by logging on "My Pay"

Questions?

Contact information here.