

BENEFITS

Leave (Vacation & Sick)
Flexible Work Schedule
Paid Holidays

Health Insurance
Life Insurance
Retirement Benefits

Leave Entitlements

Annual Leave

Federal employees earn annual leave hours for each pay period worked. The amount of annual leave hours earned for each pay period is based upon the number of years that the employee has worked for the Federal Government:

Years of Employment	Leave Hours Earned Per Pay Period	Annual Accumulation (For 26 Pay Periods)
Less Than 3	4	13 Days
3 Through 14	6	20 Days
15 and Over	8	26 Days

Always request annual leave from your supervisor as far in advance as possible so he or she can effectively plan the workload. Supervisors will normally grant annual leave but keep in mind that it is requested, not demanded (with the exception of emergencies). Employees may “carry over” a maximum of 240 accumulated annual leave hours from one calendar year into the next. Any annual leave hours in excess of 240 must be used by the end of December or they will be forfeited (hence the term “use or lose”).

Sick Leave

All Federal employees earn four (4) hours of sick leave per pay period or 13 days per year, regardless of the number of years of service. Sick leave may be used for illness, or for medical, dental or optical treatment or examination. It may also be used for pregnancy, childbirth, and any activities related to the adoption of a child. As a result of the Family Friendly Leave Act, employees may even use sick leave (on a limited basis) to care for ill family members or to attend the funeral of a family member.

Sick leave for routine medical or dental treatment should be scheduled in advance. For unexpected events, such as illness, the employee should notify their supervisor no later than two hours after the beginning of the workday. A medical certificate that is signed and dated by the attending physician must support absence in excess of three working days due to illness.

There is no limit on the amount of sick leave which employees may accumulate and “carry over” from one calendar year into the next.

Alternate Work Schedule

Employees within the Contracting Organization have the option to work a compressed schedule in which the basic work requirement is scheduled for nine (9) rather than ten (10) days during the biweekly pay period. With this alternate work schedule (AWS), the employee will work eight (8) days that consist of nine (9) hour shifts and one (1) day that consists of an eight (8) hour shift. Thus the 80-hour work requirement for the pay period is fulfilled and the employee is entitled to one (1) day off. Employees are usually granted their choice of which day they wish to have as the “AWS day off”, and

this day remains the same for each pay period (such as the last Friday or the first Monday of the pay period).

While attending formal training, employees must convert back to the normal schedule for that entire pay period. Therefore, although trainees are not excluded from the AWS option, this schedule is difficult to maintain due to the substantial amount of formal training involved in the trainee program.

Paid Government Holidays

The following ten days are observed as paid Federal holidays:

First Day of January.....	New Year's Day
Third Monday in January.....	Dr. Martin Luther King's Birthday
Third Monday in February.....	Washington's Birthday
Last Monday in May.....	Memorial Day
Fourth Day of July.....	Independence Day
First Monday in September.....	Labor Day
Second Monday in October.....	Columbus Day
Eleventh Day of November.....	Veterans Day
Fourth Thursday in November.....	Thanksgiving Day
Twenty-fifth Day of December.....	Christmas Day

Federal Employees Health Benefits (FEHB) Program

Federal employees enjoy the widest selection of health plans in the country. Plan choices vary from managed fee-for-service (FFS) plans and plans offering a point of service (POS) product, to health maintenance organizations (HMO). In deciding which plan to choose, the following should be considered: a family's medical needs, the cost of each plan, and the type of health benefit plan (FFS, POS, HMO) preferred.

One of the features of FEHB is that the Government usually pays 75% of the total cost of the plan premium. The employee's share is automatically withheld from his or her paycheck. There is no waiting period, medical examination or restriction because of age or physical condition. It is possible to choose coverage for just yourself, or for you, your spouse and/or for unmarried dependent children under age 22. Enrollment becomes effective on the first day of the first pay period after receipt of the completed Standard Form 2809 (Health Benefits Registration Form) at the Civilian Personnel Administration Center. Each year during "Open Season" Government employees have the opportunity to enroll, change plans or change options.

The FEHB Program offers continued coverage for you and/or your family under the following circumstances: retirement, divorce, employee death, move, transfer, and leave without pay.

Life Insurance

All permanent Federal employees are eligible to enroll in a Group Life Insurance Plan. Basic life insurance coverage equals the amount of your annual salary (rounded to the next thousand) plus

\$2,000. Extra benefits (more insurance coverage) may also be available if you meet the eligibility requirements. The cost of the insurance is shared between the employee and the Government. The employee's share, which is nominal, is automatically withheld from his or her paycheck. Upon entry into Federal Service, all employees are provided with an information pamphlet explaining enrollment procedures and benefit entitlements.

Retirement (FERS)

The Federal Government offers a retirement program for new employees that helps provide financial security for you and your family. You have the opportunity to participate in the Federal Employees Retirement System (FERS). This is one of the most important benefit programs you receive as a Federal employee. The Federal Employees Retirement System is the new Federal retirement system that is responsive to the changing times and Federal work force (employees hired before December 31, 1983 are covered under the Civil Service Retirement System). Many of its features are "portable" so that if you leave Federal employment, you may still qualify for the benefits.

The Federal Employees Retirement System is flexible; you will be able to choose what is best for your individual situation. And, the Federal Employees Retirement System enables you to take an active role in securing your future.

FERS is a three-tiered retirement plan. The three components are:

- Social Security Benefits
- Basic Benefit Plan
- Thrift Savings Plan

You pay full Social Security taxes and a small contribution to the Basic Benefit Plan. In addition, your agency puts an amount equal to 1% of your basic pay each pay period into your Thrift Savings Plan account. You are able to make tax-deferred contributions to the Plan and a portion is matched by the Government. The above components of FERS work together to give you a strong financial foundation for your retirement years.

Social Security Benefits. For the purpose of FERS, the term "Social Security" means benefit payments provided to workers and their dependents who qualify as beneficiaries under the Old-Age, Survivors, and Disability Insurance (OASDI) programs of the Social Security Act. OASDI replaces a portion of earnings lost as a result of retirement, disability, or death. It is designed to provide benefits that replace a greater percentage of earnings of lower-paid workers than for higher-paid workers. As an employee with FERS coverage, you have OASDI coverage. You are also covered under Social Security's Medicare Hospital Insurance program. This pays a portion of hospital expenses incurred while you are receiving Social Security disability benefits or retirement benefits at age 65 or older. Social Security OASDI programs provide:

- Monthly benefits if you are retired and have reached at least age 62, and monthly benefits during your retirement for your spouse and dependents if they are eligible
- Monthly benefits if you become disabled and benefits for your spouse and dependents if they are eligible during your disability
- Monthly benefits for your eligible survivors, and
- A lump sum benefit upon your death

Most of the cost of Social Security is paid for through payroll taxes. Each year you pay a percentage of your salary up to a specified earnings amount called the maximum taxable wage base. The Federal Government, as your employer, pays an equal amount. The percentage you pay for OASDI coverage is 6.20% of your earnings up to the maximum taxable wage base.

Basic Benefit Plan. To be vested, i.e. eligible to receive your retirement benefits from the Basic Benefit Plan, even if you leave Federal Service before retiring, you must have at least 5 years of creditable civilian service. The “Benefit Formula” used to calculate your retirement benefit is based on your “high-3-average pay.” This is figured by averaging your highest basic pay over any 3 consecutive years of creditable service. More in depth information on this subject can be obtained by contacting the Civilian Personnel Administration Center.

Thrift Savings Plan. The TSP is a tax-deferred retirement savings and investment plan that offers you the same type of savings and tax benefits that many private corporations offer their employees under 401(k) plans. By participating in the TSP, you have the opportunity to save part of your income for retirement and reduce your current taxes, Public Law 106-361, which provides for immediate participation in the TSP for newly hired (and rehired) employees covered by FERS or CSRS. However, this provision applies only to employee contributions; agency contributions remain on the current open season waiting period schedule. There are three types of contributions that may be made to the TSP account:

- Agency automatic 1% contributions
- Employee contributions
- Agency matching contributions

Agency Automatic (1%) Contributions. Your agency will set up a TSP account for you and will automatically contribute an amount equal to 1% of your basic pay each pay period. These contributions are not taken out of your salary and are made whether or not you contribute your own money.

Employee Contributions. You may make your own contributions by payroll deductions. The money you contribute is taken out of your pay before Federal and, in almost all cases, State income taxes are calculated. You may contribute up to 11% of the basic pay you earn each pay period up to the Internal Revenue Service Limit (\$9,500 for 1997). Effective January 2002 and each following year, the contribution limits will increase by one percent until January 2006, at which time the limit will be eliminated completely. The IRS annual deferral limit (\$10,500 for 2001) remains in effect.

Agency Matching Contributions. If you make employee contributions, your agency will make matching contributions to your TSP account according to the following:

Your Contribution	Agency Match
First 3% of Basic Pay	\$1.00 for each \$1.00 you contribute
Next 2% of Basic Pay	\$0.50 for each \$1.00 you contribute
Next 5% of Basic Pay	0

Your agency’s contributions are not taken out of your salary. When you separate from Federal service, you must meet the TSP vesting requirement to be entitled to, or vested in, your agency automatic (1%) contributions and associated earnings. This vesting requirement is 3 years of civilian service.

At present, there are three types of TSP Investment Funds into which you may invest any percentage of future contributions to your account. You can also transfer any portions of your existing account balance among the three Funds. These funds differ in the rate of return and amount of risk involved. They are the Government Securities Investment (G) Fund, the Common Stock Index Investment (C) Fund, Small Capitalization Stock Index Investment (S) Fund and the International Stock Index Investment (I) Fund and the Fixed Income Index Investment (F) Fund. A thorough TSP manual is available through the Civilian Personnel Office or website www.tsp.gov.