

United States Air Force Reserve

Integrity - Service - Excellence

Retirements



U.S. AIR FORCE



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Will You Be Able To Retire?

Prepare now so you do not have to worry later

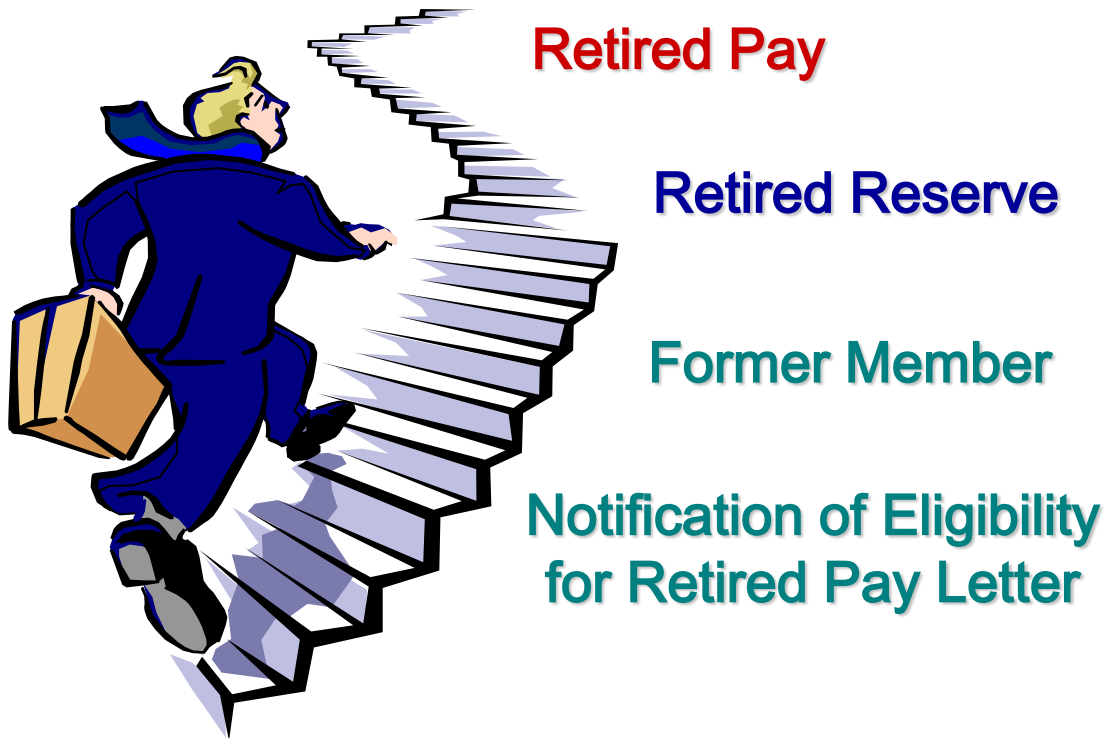


What you do today affects tomorrow



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Retirement Life Cycle





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Retirement Life Cycle



Notification of Eligibility
for Retired Pay Letter



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Notification of Eligibility for Retired Pay Letter (“aka 20-Year Letter”)

- **Eligibility Requirements**
 - **20 years of satisfactory service**

- **Satisfactory Service**
 - **Minimum of 50 points earned through a combination of active duty, IDT, IDS, ECI, and membership points during a specific 12 month period (Retention/Retirement Year)**
 - **Partial R/R, points required are prorated for partial year credit**
 - **Maximum 130 reserve points (IDT, ECI, membership) may be credited towards retirement each year**
 - **Total points for any R/R year cannot exceed 365/366**

- **Retrieve letter from vPC approximately 120 days after R/R close-out for 20th year**





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Retirement Life Cycle



Former Member

Notification of Eligibility
for Retired Pay Letter



What is a Former Member?

- **An individual who, for whatever reason, was separated or discharged instead of transferring to the Retired Reserve**
 - **May **not** be reappointed or enlisted solely for retirement**
 - **Do not accrue longevity**
 - **Must contact ARPC for pay application forms**
 - **Receive DD Form 2765 ID card**
-

Former Members Pay

If initial entry into military service is:

- **Prior to 8 Sep 80**
 - **Pay scale in effect on retired pay effective date**

- **On or after 8 Sep 80**
 - **Average of highest 36 months prior to date of discharge**



Retirement Life Cycle



Retired Reserve

Former Member

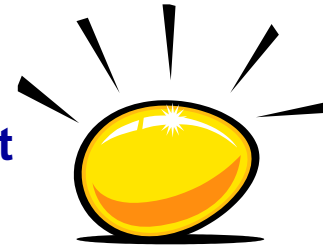
**Notification of Eligibility
for Pay Letter**



- Must meet qualification

20 Years of Satisfactory Service

- **10 years commissioned service requirement**
 - Applies only to Active Duty retirements





Applications to Retired Reserve

- **Voluntary Retirement**
 - **Guardsmen/Reservists apply to transfer to the Retired Reserve using the vPC online application**
 - **Track application online as it gets processed**
 - **Automatically routed to commanders for coordination**
 - **MPF can utilize vPC reports to see which members have applied for retirement**
 - **Members must comply with yearly end strength policies in place at the time of retirement application**
- **Involuntary Retirement/Separation**
 - **Transfer to Retired Reserve is automatic unless otherwise requested**
 - **Mandatory Service Date (MSD)**
 - **High Year of Tenure (HYT) - Reserves only**



- **ETS/MSD/HYT**
 - **Retirement effective date must be on or before ETS/MSD/HYT**
- **Withdrawals/Cancellations**
 - **Over 30 days prior to retirement effective date (member uses vPC application to request, vPC application automatically re-routes through coordination)**
 - **Under 30 days prior to retirement effective date**
 - **Written request by member and Commander(s)/Program Manager must be sent to ARPC prior to effective date**
 - **ARPC will update the vPC application and process if meets all requirements**



Applications to Retired Reserve

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- **General Officers**

- **ANG**

- Complete AF IMT 131
- Obtain state TAG recommendation
- NGB/GO
 - IG check
- Forward to ARPC Contact Center

- **Reserve**

- Complete AF IMT 131
- HQ AF/REG
 - IG check
- Forward to Total Force Service Center - Denver



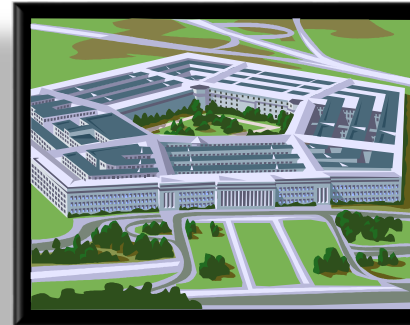


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Retired Reserve

- **Highest Grade Held (HGH)**
 - **Orders will indicate HGH**

- **Grade Approval Authority:**
 - **ARPC, delegated from SAF**
 - **Only SAF can approve grade lower than HGH**





Officer Time in Grade – By Law

- **Voluntary Retirement**

- Lt Col and above three years satisfactory service TIG
- Major and below six months satisfactory service TIG

- **Involuntary Retirement/Separation**

- All officers separated due to MSD, age 60 or medical disqualification six months satisfactory service TIG
- ANG – Selected non retention is not involuntary for TIG purposes



- **Enlisted Time-In-Grade – No TIG requirement – By Law**
 - **Guard Policy**
 - **Guard service commitment policy**
 - **In-residence training – 2 to 3 years**
 - **ANGI 36-2101, 5.1 and 5.2**
 - **Promotions for top three ranks**
 - **CMSgt, SMSgt – 2 years**
 - **MSgt AGR – 2 years**
 - **MSgt Traditionals/Techs – 1 year**
 - **Reserve Policy**
 - **Reserve service commitment policy**
 - **In-residence training – 3 years**
 - **Promotions for top three – 2 years**



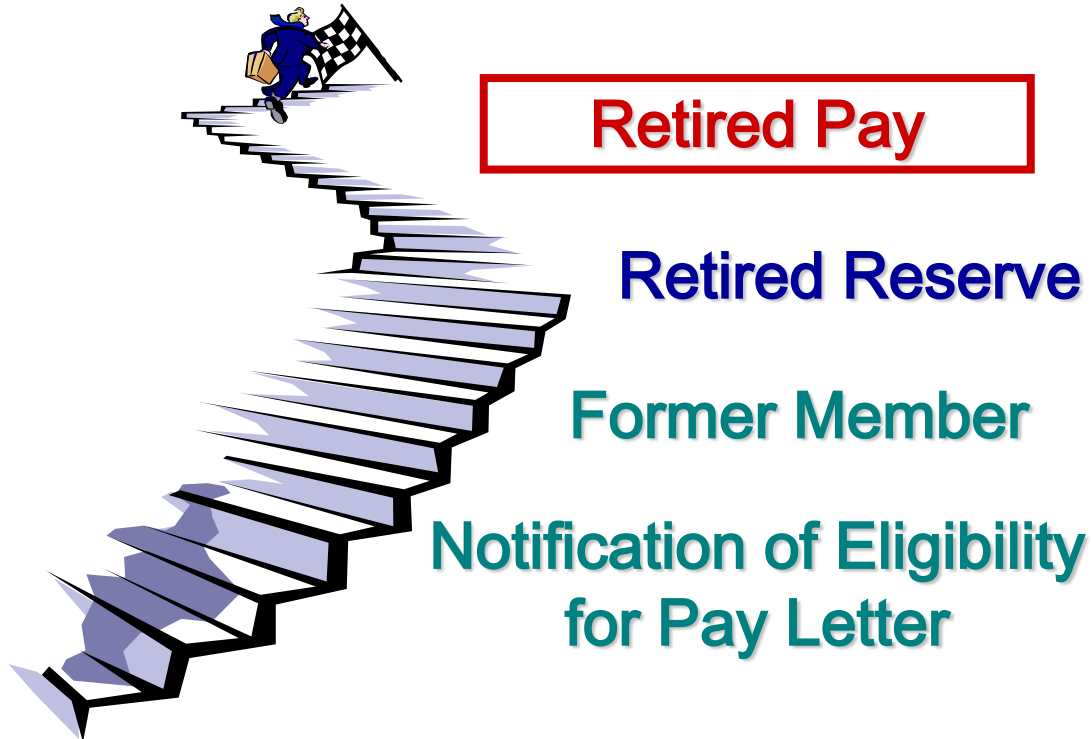


- **Retirement Package**
 - Retirement Certificate
 - Spouse Certificate
 - Presidential Certificate
 - Presidential Letter - with 30 years of service
 - Retirement Pin
 - **Flags for Guardsmen and Reserve/IMA members are provided by Total Force Service Center – Denver**





Retirement Life Cycle





Reserve Retired Pay

- **Qualifications for Reserve Retired Pay**
 - **20 Years Satisfactory Service**
 - **Generally Age 60**
 - **Title 10 U.S.C. Section 12308 waiver is required for for service credit past age 60, Points and service will not be credited towards retired pay without the waiver**

However...





Reduced Retired Pay Age

- **Effective with the NDAA signed on 28 Jan 08**
 - **Age 60 may be reduced by 3 months for each 90 days cumulative qualifying AD service in a fiscal year (FY). However, beginning w/FY15/16, qualifying active duty may be combined between consecutive fiscal years.**
 - **Qualifying AD**
 - **Qualifying service is identified in Title 10, U.S.C. Section 101(a)13(b) or 12301(d)**
 - **MPA, RPA (special, school)**
 - **Non-qualifying AD**
 - **AT, AGR, Disciplinary holds**
 - **ANG: State AD and Title 32 (unless called to Federal Emergency under 502(F))**
 - **May not be reduced below 50 years of age**
 - **Not retroactive for service prior to 29 Jan 08**



Reduced Retired Pay Age Application

- **Submit qualifying orders using the vPC online application**
- **ARPC doesn't have access to your orders**
- **Working on automated flow of AROWS data to the RRPA application**
- **Be sure to keep track of all your participation for proper credit**
- **Don't wait to be contacted, use the online application, if you think you have eligible service, *especially* if you are nearing your reduced retired pay age**
- **Contact ARPC four months prior to your confirmed reduced pay age to apply for pay**



- **You must apply, not automatic**
 - 4 months prior to retired pay effective date (usually age 60), you will receive application instructions
 - **Make sure your address, e-mail, and telephone number are always current!**



- **6 Year Statute of Limitation—Barring Act**
 - Any claim received after eligibility, can only be paid retroactive for pay - 6 years maximum

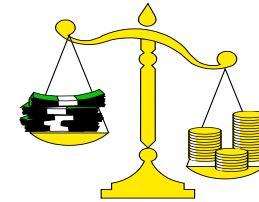


Retired Pay Computations

- Which one applies to you...

- If initial entry into military service is:

- Prior to 8 Sep 80 = more money



- Pay scale in effect on your retired pay effective date

- On or after 8 Sep 80 = less money (High 3)

- Average of the last 36 months of basic pay in effect prior to your retired pay effective date

Retired Pay/RCSBP Calculator

***Compute Retired Pay
using the RCSBP Calculator***



Located on myPers at: <https://mypers.af.mil>



Retired Pay Offset

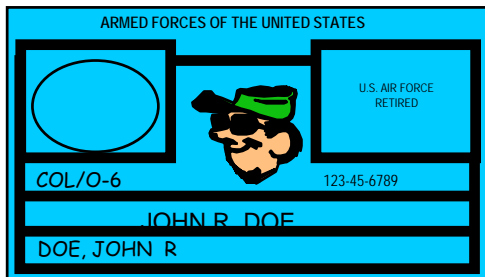
- **Federal law requires recoupment of VSI, SSB, or VSP payments from those who receive retired pay**
 - **Your pay will be adjusted by DFAS-Cleveland**

 - **Maximum payback percentage will be 40%**

- **VA disability**
 - **Off set if less than 50%**



Retired Pay Offset



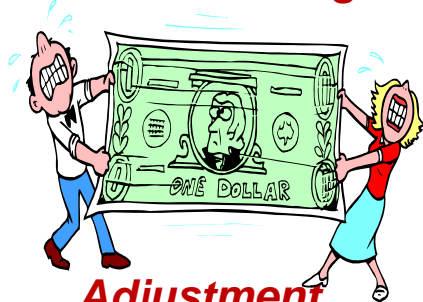
New Identification Card

Expanded Space A Travel



Medical until Age 65
TRICARE for Life
Option at Age 65

Cost of Living



Adjustment



AGR/Active Duty Retirements

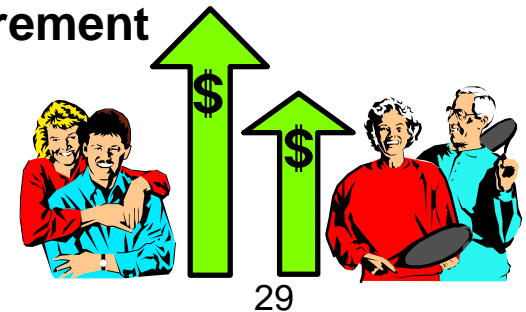
- **Eligibility Requirements**
 - **Must complete 20 Years Total Active Federal Military Service (TAFMS)**
 - **Officers – 10 years of active commissioned service required**
 - **Retired pay effective date is the first day of the month**



- **Complete on line application using vPC**
 - **HQ AGRs apply thru AFPC**
- **Track application online as it is processed**
- **Application is automatically routed to commanders for coordination**
- **Must apply 6 months but no more than 1 year plus any terminal leave, prior to requested effective date**
- **Withdrawal/Change date requests – AFI 36-3203**
 - **Over 30 days prior to retirement effective date (member uses vPC application to request providing STRONG justification, vPC application automatically re-routes through coordination)**
 - **Under 30 days prior to retirement effective date (requires a written request by member providing STRONG justification, coordinated through member’s chain of command, and sent to ARPC prior to effective date)**



- **Make Survivor Benefit Plan (SBP) election**
 - **DD Form 2656 – Attach to on-line retirement application**
 - **Cost-approximately 6.5% of retired pay for spouse coverage**
 - **Previous RCSBP election becomes invalid upon retirement**
 - **But, be sure to make your RCSBP election when you reach 20 years satisfactory service for Reserve retirement**





10 USC 8911 Retirement (Officer)

- **TIG Requirement**
 - **Voluntary Retirement**
 - Major and below - 6 months *active duty service*
 - Lt Col and above - 3 years *active duty service*
 - **Involuntary Separation**
 - All officers - 6 months *active duty service*
 - MSD or involuntary separation from AD





10 USC 8914 Retirement (Enlisted)

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- **Will retire in grade held on date of retirement**

- **Service commitment TIG policy**
 - **MSgt, SMSgt and CMSgt - 2 years**

- **Highest Grade Held**
 - **Pay may be at highest grade held**

 - **Only SAF can approve grade lower than HGH**
 - **If demoted for cause but higher grade is approved, then member will be advanced on the Retired List at 30 year date**





Retired Pay Computation

- **Defense Finance Accounting Service-Cleveland (DFAS-CL) calculates and disperses pay**
- **There are 3 computations needed to determine Active Duty retired pay**
 - **TAFMS - determines eligibility**
 - **1405 Service - determines retired pay percentage multiplier**
 - **Service for Basic Pay (Longevity Service)**
 - **Determines what pay scale to use**
- **Which Retired Pay Formula – is based on Date of Initial Entry into the Uniformed Services (DIEUS)**



How to Compute 1405 Service

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- **What is 1405 Service?**
 - Inactive duty days a member is credited with when not on full time active duty

- **To compute 1405 Service**
 - Credit one day for each Reserve point
 - Limited to (60/75/90) 130 points (days) per R/R year
 - Total points for any R/R year cannot exceed 365/366
 - Total Reserve points, divide by 30 = years, months, days
 - Add this figure to TAFMS to get 1405 service



- **Total years of service in military**
- **Subtract beginning date from ending date (add a day)**
- **Minus any breaks in service**



AD Retired Pay Computations

Which one applies to you...

- **If initial entry into military service is:**
 - **Prior to 8 Sep 80**
 - Pay scale in effect on retired pay effective date
 - **On or after 8 Sep 80**
 - Average of the high 36 months of AD prior to retired pay effective date
 - **On or after 1 Aug 86**
 - Applies to members who accepted *15 year career status bonus*
 - Referred to as Redux or 40% at 20 years
 - Reduced by 1% for each full year of service less than 30 years
 - Average of the high 36 months of AD prior to retired pay effective date

AD Retired Pay Calculator at:

<http://www.defenselink.mil/militarypay/retirement/calc/index.html>



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AD Retirement Pay Calculator - AFPC

<https://w45.afpc.randolph.af.mil/RetSepCalcNet40/Home.aspx>

Retirement Estimate Form [Help](#)

**The Retired Pay Estimator does not consider any prior reduction in grade which may negatively impact your retired pay.*

Last Name:

Rank: ▼

Pay Date: **YYYYMMDD**

1405 Date: **YYYYMMDD**

DIEMS Date: **YYYYMMDD**

TAFMS Date: **YYYYMMDD**

Effective Date of Rank: **YYYYMMDD**

Projected Retirement Date: **YYYYMMDD, ex: 1 Oct 2001 = 20011001**

TAFCS Date: **(Officers Only)** **YYYYMMDD**

Did you take a REDUX payment? YES NO

Move Mouse over labels for help.



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AD Retirement Pay Calculator - AFPC

[Home](#) | [Instructions](#) | [Pay Tables](#) | [Retired Pay Estimate Form](#) | [Survivor Benefit Plan - Cost/Annuity Estimate](#)

Retirement Estimate Form

The dollar amount shown below is an **ESTIMATE** of your retirement pay. This **ESTIMATE** is before taxes.
 Contact DFAS for official retired pay estimates: DFAS, US Military Retirement Pay, P.O. Box 7130, London KY 40742-7130.

Return to Retirement Form Printed: 11/2/2015 10:46:12 AM

		Monthly Retired Pay Estimate
Last Name	JOE	
Grade	E8 - Sr Master Sergeant	
Pay Date	9/23/1988	
1405 Date	8/20/1991	
DIEMS Date	9/23/1988	
TAPMS Date	4/3/1992	
TAFCS Date		
Effective Date of Rank	3/1/2008	
Projected Retirement Date	5/1/2012	
1405 Service Time	20 YEARS 08 MONTHS	
Multipier Percent	51.67%	
Penalty Percent	0	
36 Month Average AD Pay	\$4,764.18	
Retirement Pay	\$2,461.00 **	

SBP Monthly Cost And Annuity Estimate

SBP Base Amount	\$2,461.00
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	Monthly Cost	Annuity
Spouse Cost/Annuity	\$159.97	\$1,353.55

Special Conditions/Information

**MARRA Retirement Estimate Given.
 **Estimate based on average base pay over the last 36 months.

SBP NOTES:

- (1) The above SBP estimate is for full spouse coverage only. Other SBP election options that may be available to you are: child only coverage, spouse and child coverage, former spouse coverage, former spouse and child coverage, or insurable interest coverage. You may also elect reduced coverage for some options. For more SBP cost and annuity calculations, see your SBP Counselor.
- (2) Once retired, cost and annuity values will increase by retiree cost-of-living adjustments (COLAs).
- (3) This estimator is not programmed to compute costs associated with an SBP open enrollment election.

[Return to Retirement Form](#)

[Home](#) | [Instructions](#) | [Pay Tables](#) | [Retired Pay Estimate Form](#) | [Survivor Benefit Plan - Cost/Annuity Estimate](#)

This contains information which must be protected IAW AFI 33-332 and DoD Regulation 5400.11. Privacy Act of 1974 as Amended applies, and it is For-Official-Use-Only (FOUO). It must be protected or privacy act information removed prior to further disclosure.

Air Force Personnel Center, Randolph AFB, Texas 78150
 Last Reviewed: 13 OCT 2011

See Your Retirement Order (Example)

TAFMSD:

2012 05 01 (Ret Date)

- 20 00 27 (TAFMS)

1992 04 04

1405 Date:

2012 05 01 (Ret Date)

- 20 08 10 (1405)

1991 08 21



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AD Retirement Pay Calculator - AFPC

	PTS	ACCRUED	TO 000331	7384	0596	00130	513	08623	08242	320101			
AD Time	H	590828	600827	0365	0000	0000	000	00365	00365	010000	AR	1	
	H	600828	610827	0366	0000	0000	000	00366	00366	010000	AR	1	
	H	610828	620730	0337	0000	0000	000	00337	00337	001103	AR	1	
	H	620731	630730	0000	0000	0000	015	00015	00015	000000	YU	1	
1405 Service	H	630731	640730	0000	0000	0000	015	00015	00015	000000	YU	1	
	H	640731	650730	0000	0000	0000	015	00015	00015	000000	YU	1	
	H	650731	660730	0000	0000	0000	015	00015	00015	000000	YU	1	
	H	660731	670730	0000	0000	0000	015	00015	00015	000000	YU	1	
	H	670731	670827	0000	0000	0000	001	00001	00001	000000	YV	1	
	H	670828	710202	CIVI	LIAN	STA	TUS				XC		
	H	710203	720202	0015	0048	0017	015	00095	00075	000000	FV	1	
	H	720203	730202	0017	0048	0000	015	00000	00077	000000	FV	1	
	H	730203	740202	0015	0048	0009	015	00087	00075	000000	FV	1	
Misc. AD Time	H	740203	750202	0015	0048	0000	015	00078	00075	000000	FV	1	
	H	750203	760202	0015	0048	0000	015	00078	00075	000000	FV	1	
	H	760203	770202	0015	0052	0000	015	00082	00075	000000	FV	1	
	H	770203	780202	0015	0046	0015	015	00091	00075	000000	FV	1	
	H	780203	790202	0015	0046	0021	015	00097	00075	000000	FV	1	
	H	790203	800202	0015	0048	0009	015	00087	00075	000000	FV	1	
	H	800203	810202	0015	0048	0000	015	00078	00075	000000	FV	1	
	H	810203	820202	0015	0048	0000	015	00078	00075	000000	FV	1	
	H	820203	830202	0030	0048	0000	015	00093	00090	000000	FV	1	
	H	830203	840202	0217	0020	0031	015	00283	00277	000000	FV	1	
	H	840203	850202	0366	0000	0028	015	00409	00366	000000	FV	5	
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	H	860203	870202	0365	0000	0000	015	00380	00365	000000	FV	1	
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	H	880203	890202	0366	0000	0000	015	00381	00366	010000	FV	1	
	H	890203	900202	0365	0000	0000	015	00380	00365	010000	FV	1	
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	H	910203	920202	0365	0000	0000	015	00380	00365	010000	FV	1	
	H	920203	930202	0366	0000	0000	015	00381	00366	010000	FV	1	
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	H	960203	970202	0366	0000	0000	015	00381	00366	010000	FV	5	
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	H	980203	990202	0365	0000	0000	015	00380	00365	010000	FV	4	
	H	990203	000202	0365	0000	0000	015	00380	00365	010000	FV	4	
	H	000203	000331	0058	0000	0000	002	00060	00060	000128	FV	4	

1405 Service



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AD Retirement Pay Calculator - AFPC

Active Duty Time	02 11 03	
AGR Time		16 09 00
Misc AD	+00 06 17	
TAFMS	20 02 20 = 50.43%	
<u>1405 Service</u>	+02 04 16	
		22 07 06 = 56.45%

E7 w/over 26 yrs 50.43% = \$2428

E7 w/over 26 yrs 56.05% = \$2698

Pay calculated off Longevity Years
(over 20, 22, 24 up to 40 years)



Blended Retirement Systems

- **Modernized retirement plan**
 - **Known as Blended Retirement System (BRS)**
 - **FY16 National Defense Authorization Act (NDAA)**
 - **Public Law 114-92**

 - **Eligible pool**
 - **Mandatory for members entering service on or after 1 Jan 2018**
 - **Optional for members with less than 12 years of service (less than 4320 retirement points for ARC) as of 31 Dec 2017**

 - **REDUX / Career Status Bonus (CSB) ends upon implementation of BRS**
-



- **Legacy Retirement System (High-3)**
 - Must serve at least 20 years of service to qualify
 - Only 20% of members entering service reach retirement
 - Defined retirement annuity computed as
2.5% X Years of Service X High-3 average
 - **Blended Retirement System**
 - Must serve at least 2 years (from pay date) to be vested
 - 85% of service members will receive benefits
 - Defined retirement annuity computed as
2.0% X Years of Service X High-3 average
 - Blends retirement annuity with TSP
 - Continuation pay
 - Lump sum retired pay option (25 or 50% with reduced annuity)
-



TSP Contributions

Individual Contribution	Agency Automatic Contribution (after 60 days)	Total TSP Monthly Contribution (after 60 days)	Agency Matching Contribution (after 2 YOS)	Total TSP Monthly Contribution (after 2 YOS)
0%	1%	1%	0%	1%
1%	1%	2%	1%	3%
2%	1%	3%	2%	5%
3%	1%	4%	3%	7%
4%	1%	5%	3.5%	8.5%
5%	1%	6%	4%	10%
6%	1%	7%	4%	11%

- Member contributions begin first pay period after opting in
- DoD automatic begin first pay period after enrollment
- Matching contributions vested after two years from paydate



- **Mid-career retention incentive**
 - **Offset reduced retired pay / encourage retention**

- **Eligible at 8-12 YOS with 4-year service commitment**
 - **Must agree to service commitment and obtain retainability at time of election**

- **Pay ranges from 2.5 to 13 times monthly base pay**
 - **Secretary will determine based on manning / AF needs**



Opt-in Process

- **May elect to opt-in 1 Jan 2018 thru 31 Dec 2018**
 - **Decision to opt-in is irrevocable**
 - **Must take DoD opt-in training prior to election**
 - **Election made through myPay website**
-



Other Concerns

- **BRS does not change division of retired pay under Uniformed Services Former Spouses Protection Act**

 - **Airmen under the Blended Retirement System may still elect the Survivor Benefit Plan**

 - **Lump sum election may impact other programs (TBD)**
 - **Department of Veterans Affairs (VA) compensation**
 - **Combat Related Special Compensation or Concurrent Retirement Disability Pay (CRDP)**
 - **Survivor Benefit Plan payout**
-



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Questions

