DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY

DEPARTMENTAL PERSONNEL MANUAL SYSTEM

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DPM LETTER: 841-1

SUBJECT: Personnel and Payroll Office Standard Procedures for Retirement Case Processing

DATE:

(Cross Reference: DPM Letter 831-1; same subject)

Attached for implementation are standard procedures for processing retirement actions by personnel offices in the Department. We request that your office follow these procedures effective immediately. Also attached for your information are the procedures to be followed by the payroll service centers and the payroll retirement office in Oklahoma City.

As you know, the timeliness of retirement processing by agencies has been a constant topic of discussion and concern over the past several months by Congress, the Office of Personnel Management (OPM), and by the Department's payroll and personnel staffs. We have expressed a desire and commitment to improve our performance so that our retirees receive their retirement checks in a timely fashion. As a Department, our retirement processing record with OPM has improved dramatically over the past several months. In June 1988, we sent 60 percent of our cases to OPM within 30 days of the employee's retirement date and for September, our performance improved to 74 percent. This shows we can do a better job of processing retirement actions. We now must meet the challenge to maintain timely processing at a consistently high rate.

Our initial goal for processing retirement actions within 30 days is 80 percent. The standard processing procedures should allow us to achieve this goal. As the months progress, we plan to initiate other actions designed to improve our performance even further.

We will be developing a management report in the near future to assist you in tracking your personnel office performance in retirement processing. This report will tell you the percentage of cases that are not being processed in a timely fashion on a

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monthly basis. We encourage you to use this information as a regular part of monitoring and evaluating your organization's performance. However, we recognize this report will only reflect personnel office efforts. We will work with the payroll staff to develop a similar tracking system so we have a complete method of evaluating how well the Department meets the OPM 30-day processing standard.

We are also working on a way to show the procedures in chart form. This chart could be used as a counseling tool to explain to employees what the processing steps are and when they take place, and as a work planner for staff members to use when processing retirement actions.

If there are any questions, please contact Terry Smith in the Labor and Employee Relations Division (M-17). He can be reached on 366-9440.

Director of Personnel

Attachments

Department of Transportation
Retirement Processing Steps
For
Personnel and Payroll Offices

Retirement Processing
Personnel Office Procedures
(An example showing the processing steps is attached)

Step 1:

Obtain retirement application package (SF-2801 or SF-3107, Application for Immediate Retirement under CSRS or FERS respectively and related forms) from the employee **no later than 30 days before the effective date of retirement.**

Request immediately (if applicable, prepare) an SF-52, Request for Personnel Action, from the employee's organization to be received in the personnel office within 5 days. **If the SF-52 does not arrive, do not delay processing the retirement action.** Use the retirement application as the authority to effect the personnel action. An SF-52 is not required to process a personnel action when you have the employee's Official Personnel Folder (see FPM Supplement 296-33, Subchapter 3-2c). By all means, try to obtain the SF-52 if you can, but do not hold the retirement action for this reason!

Verify the consistency of the employee's data in CUPS and CPMIS using the Integrated Personnel/Payroll System (IPPS), screen number 20. (On a continuing basis, review the CPMIS/CUPS Comparison Summary to resolve data discrepancies which should minimize the need for last minute corrections.) Resolve, with your payroll service center, any discrepancies in employee data. Take corrective action, if necessary. It is important to proceed immediately with this step so that all corrections are made **no later than the second Tuesday of the pay period before the pay period of the effective date of the retirement action.** The specific data elements you need to check are:

(a) Name
(b) SSN
(c) DOB
(d) Retirement/FICA code
(e) Salary
(f) SCD
(g) FEGLI
(h) Health Benefits enrollment code
(i) Tour of duty
(j) Annuitant indicator code
(k) Grade/step
(l) Pay status
(m) Pay plan

Step 2:

Generate an SF-50, Notification of Personnel Action, after you have corrected CUPS/CPMIS discrepancies **no later than the second Friday of the pay period before the pay period in which the employee is retiring.** This means you have an accurate SF-50 in your hands on Friday, not that the action was entered into CPMIS on Friday. This step is critical to insure timely processing of the retirement action to OPM. As stated earlier, do not delay processing because you have not received an SF-52.

One word of caution, though - be aware of any other personnel actions to be processed before the employee's retirement date. Coordinate with your CPMIS manager and/or the servicing personnel specialist to make sure actions are processed and in the correct sequence.

Step 3a:

Mail documents (by Federal Express/Overnight/Airborne/Express Mail etc.) to AAC-25 **no later than 2 working days into the first week of the pay period in which the employee is retiring.** Do not mail via regular U.S. Postal Service methods.

The following is a **complete** package:

(1) "Employing Office Checklist of Necessary Forms for a CSRS Retirement Case" (May 1988 version) or "Employing Office Checklist of Necessary Forms for a FERS Retirement Case" (May 1988 version) - complete parts A and B.

(2) All documents required by the appropriate checklist.

Special note on the SF-2821, Agency Certification of Insurance Status: Send the entire form to AAC-25, along with a self-addressed franked envelope. AAC-25 will provide the payroll records certification, items 14a-14g, and return parts 2 and 3 in the envelope for further distribution by the personnel office.

(3) For disability retirement cases, include as the cover-sheet for the documents the internal form titled "Application for Disability Retirement". This form should be reproduced locally on GSA stocked pink paper. This will assist AAC-25 to quickly identify the type of case and give it priority handling. (A copy of the form is included with this package).

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*************************************************************
*                                                           *
*  Do not wait until you have a complete package to forward *
*  the retirement action to AAC-25. Note on the checklist   *
*  which form is missing and what action is being taken to  *
*  obtain the form. Send the form to AAC-25 once you have   *
*  received it.                                             *
*                                                           *
*************************************************************
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The mailing address to use is:

Federal Aviation Administration
Mike Monroney Aeronautical Center
6500 South MacArthur Blvd.
CUPS Operations Branch (AAC-25)
MPB-Room 124
Oklahoma City, OK 73125

Step 3b:

Mail documents (by Federal Express/Overnight/Airborne/Express Mail etc.) or hand carry to your payroll service center **no later than 2 working days into the first week of the pay period in which the employee is retiring.** Do not mail via regular U.S. Postal Service methods.

The following is a <u>complete</u> package :

(1) SF-50, Notification of Personnel Action

(2) SF-2810, Notice of Change in Health Benefits Enrollment (Copy 2 and Copy 3)

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*****************************************
*                                       *
*   NOTHING ELSE IS TO BE SENT TO THE   *
*   PAYROLL SERVICE CENTER!             *
*                                       *
*****************************************
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The mailing addresses to use are:

Federal Aviation Administration
Mike Monroney Aeronautical Center
Payroll Service Center (AAC-24)
6500 South MacArthur Blvd.
Oklahoma City, OK 73125

Federal Aviation Administration
Central Region
Accounting Control and Payroll Branch (ACE-27)
601 East 12th Street
Kansas City, MO 64106

Federal Aviation Administration
Payroll Branch
ASO-24 or ASO-26
1001 International Blvd. - Suite 902
Hapeville, GA 30354

Step 4 (if necessary):

Respond to a request from the payroll service center for a FAX copy of an SF-50 **no later than Wednesday morning of the second week of the pay period in which the employee is retiring.** This step is critical to processing the retirement action because the payroll service center deactivates the employee from CUPS using the SF-50. If the employee's record in CUPS is not deactivated, then the retirement action cannot be submitted to OPM.

Step 5:

Call or visit your CPMIS Manager to make sure the retirement action has been updated in CPMIS **no later than 2 working days after the effective date.** If the action did not update, you must find out why, get the problem solved, and have the action reentered as soon as possible. Do not delay informing your payroll service center of the situation.

Step 6 (if necessary):

Respond to inquiries from AAC-25 **no later than Friday of the second week of the pay period following the effective date of the retirement action.** If missing documents are needed, mail them (by Federal Express/Overnight/Airborne/Express Mail/etc.) by Friday.

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*****************************************************************
*  Communicate to your payroll service center (1) problems      *
*  with processing, and (2) discrepancies in data between CPMIS *
*  and CUPS. Communicate to your payroll service center and     *
*  to AAC-25 a change in the retirement date once documents     *
*  have been mailed.                                            *
*****************************************************************
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Retirement Processing
Payroll Service Center Procedures
(An example showing the processing steps is attached)

Step 1:

Resolve with the personnel office CUPS and CPMIS discrepancies in employee data - take corrective action, if necessary, so that all corrections are made **no later than Tuesday of update week of the pay period before the pay period in which the retirement action is effective.**

Step 2:

Review each suspense file upon receipt. If you have not received an SF-50 for a retirement action that is on the suspense file, contact the personnel office **no later than Wednesday morning of update week of the pay period in which the retirement action is effective.** Insist that the personnel office FAX an SF-50 to you immediately.

Step 3:

Process the CUPS SF-50 deactivation screen for a retirement action, using the SF-50 received from the personnel office, **no later than Wednesday of update week of the pay period in which the retirement action is effective.**

Step 4 (if necessary):

Respond to inquiries from AAC-25 **no later than Friday of update week of the pay period following the pay period in which the retirement action is effective.** If missing documents are needed, mail them (by Federal Express/Overnight/Airborne/Express Mail/etc.) by Friday.

Retirement Processing
CUPS Operations Branch (AAC-25) Procedures
(An example showing the processing steps is attached)

Step 1:

Upon receipt of the biweekly Retirement Register, SF-2807/SF-3103, match retirement documents received from the personnel offices with the Individual Retirement Record, SF-2806/SF-3100. **(i.e., at the end of time and attendance week of the pay period following the pay period in which retirement action is effective.)**

Step 2 (if necessary):

If the names and documents do not match, contact either the personnel or payroll office (as appropriate) to resolve the discrepancies - **no later than Monday of update week of the pay period after the pay period in which the retirement action is effective for personnel problems and no later than Thursday of update week of the pay period after the pay period in which the retirement action is effective for payroll problems.**

Step 3:

If the names and documents match, prepare Retirement Registers for mailing to OPM **no later than 5 working days after the last pay date for the employee** (i.e., the pay date that immediately follows the date the SF-2806 is produced).

Attachments (2)

FOR PERSONNEL

Step 1: Application to personnel
NLT 10-31-88

SF-52 to personnel
NLT 11-07-88

Correct CUPS/CPMIS data
NLT 11-15-88

Step 2: Create SF-50
NLT 11-18-88

Step 3: Mail application to AAC-25
and SF-50 to payroll
NLT 11-22-88

Step 4: FAX SF-50 to payroll
(if necessary)
NLT 11-30-88

Step 5: Check CPMIS for
employee record update
NLT 12-02-88

Step 6: Follow-up with AAC-25
(if necessary)
NLT 12-16-88

FOR PAYROLL SERVICE CENTER

Step 1: Correct CUPS/CPMIS data
NLT 11-15-88

Step 2: Request SF-50 after review
of suspense file (if necessary)
NLT 11-30-88

Step 3: Deactivate CUPS record
NLT 11-30-88

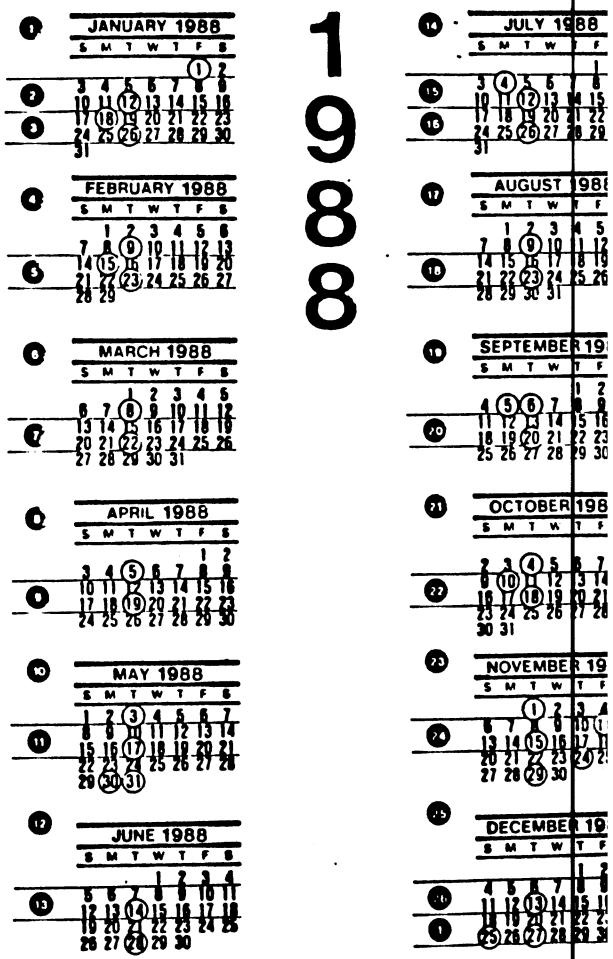
Step 4: Follow-up with AAC-25
(if necessary)
NLT 12-16-88

FOR PAYROLL RETIREMENT OFFICE (AAC-25)

Step 1: Match application with
Individual Retirement
Record NLT 12-09-88

Step 2: Contact personnel
and/or payroll if
no match in Step 1
NLT 12-12-88 (personnel)
NLT 12-15-88 (payroll)

Step 3: Send application to OPM
NLT 12-20-88



° – Denotes pay period

* These dates represent the <u>last</u> day that the action for the steps can be taken and still result in the retirement application getting to OPM within 30 days.

APPLICATION FOR DISABILITY RETIREMENT

SSN: _____ NAME: _____
(LAST, FIRST, MIDDLE)

REGION: _____

DATE OF APPLICATION: _____ USE SL: _____
(SF-2801) (YES) (NO)

DATE LEAVE ENDS: _____
(IF ON LEAVE, DATE LEAVE WILL EXPIRE)
(IF ON LWOP, LAST DAY EMPLOYEE WAS PAID)

BASIC LIFE REDUCTION: _____
(75%) (50%) (NO)

* STANDARD OPTION: _____ → COVERAGE BEGAN: _____

* ADDITIONAL OPTION: _____ → COVERAGE BEGAN: _____

  (LOWEST MULTIPLE PAST 5 YEARS): _____

* FAMILY OPTION: _____ → COVERAGE BEGAN: _____

DUTY STATUS: _____
(WORKING, AL, SL, LWOP)

* NOTE (OPTIONAL CODES):
  (1) DECLINED
  (2) ELIGIBLE TO CONTINUE, SHOW WHEN COVERAGE BEGAN.
  (3) NOT ELIGIBLE TO CONTINUE

RETIREMENT SYSTEM: CSRS _____
FERS _____

IF CSRS, WHAT IS SICK LEAVE BALANCE _____

SUBMITTED BY: DATE

NOTE: ENDING DATE OF LEAVE FURNISHED BY:

(REPRODUCE LOCALLY-PINK)