

Know Your Benefits

Department of Transportation
Human Resources
benefits.dot.gov

Did you know . . .

Once you've designated someone as your beneficiary, that person remains your beneficiary – no matter what family or personal life changes you experience – UNLESS you cancel or change your designation in writing?

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## Take Time to Review Your Beneficiaries

Are you sure that, if you die, any money payable would be paid to the person you want? It only takes a few moments to protect your survivors.

A "designated beneficiary" will always receive any money payable, if the designation is in writing, witnessed by two people (other than the person(s) you designate), and received prior to your death. Once you've designated someone as your beneficiary, that person remains your beneficiary until you cancel or change your designation in writing. Take, for instance, a real-life example of an employee who, after divorcing, designated his children as his beneficiaries. Fifteen years later, he remarried and had additional children. When he died, the most recent designation of beneficiary was the form the employee signed 15 years earlier. The adult children of his first marriage received his life insurance and not his current spouse and small children.

If you do not complete a beneficiary form, money payable on your death will be paid as specified in law under the Federal Order of Precedence, as follows:

- First, to your spouse. If none, then to
- your children (or descendants of deceased children) in equal shares. If none, then to
- your parents, in equal shares. If none, then to
- the executor or administrator of your estate. If none, then to
- the next of kin according to the laws of the state in which you reside at the time of your death.

If you are satisfied with the above order of payment for all benefits payable, you don't need to designate a beneficiary.

If you are not satisfied, you should complete a designation of beneficiary form for each benefit using the following forms:

1. **Form TSP-3: Federal Retirement Thrift Savings Plan**. This form is used to designate how you want your Thrift Savings Plan account paid out if you die.

2. **SF 1152: Unpaid Compensation of Deceased Civilian Employee.** Use this form to name the person(s) you want to receive your unpaid salary and lump sum annual leave.
3. **SF 2823: Federal Employees' Group Life Insurance.** Use this form to designate the person(s) to receive your Federal Employees' Group Life Insurance (FEGLI) benefits, both standard and any optional coverage(s) in which you are enrolled. (Only an assignment of ownership of your FEGLI benefits or a valid court order can take precedence over a designation of beneficiary.)
4. **SF 2808: Civil Service Retirement System OR SF 3102: Federal Employees Retirement System.** Use this form to tell the Office of Personnel Management (OPM) whom to pay your contributions in the Retirement Fund. These will be paid as a lump sum only if no one is eligible for a monthly survivor benefit based on your service.

Some of the designations described above are filed in your Official Personnel Folder (OPF) in your Human Resources office. However, the SF 2808 (CSRS) is filed at the OPM and the TSP-3 is filed at the TSP Service Office. Take a few minutes to review your OPF and see what's in it – otherwise someone from your distant past may get the benefits due at your death!

You can write to OPM or to the TSP Office to request a copy of a previously-filed SF 2808 or TSP-3. However, it is easier simply to submit a new form, properly signed and witnessed, to OPM or the TSP. (These forms are not submitted to your HR office.) Be sure to keep a copy of these forms for future reference. A new designation of beneficiary will supersede any that you may have filed in the past.

If you filled out a designation in the past, but you now prefer the Federal Order of Precedence, fill out a new designation of beneficiary for that benefit, and write "Cancel prior designations." This still needs to be signed, witnessed and received prior to death to be valid.

#### **Some Things to Consider:**

Many employees think that if they have a current will, they need not worry about designations of beneficiaries. That is not true. A will does not determine who receives Federal benefits, unless an executor named in your will is either designated as your beneficiary or is entitled to receive the benefits under the Federal Order of Precedence.

Another common mistake many employees make is assuming that when they divorce and/or remarry their designation of beneficiary is automatically changed. It is not. If a beneficiary has been designated it remains in effect until the designation is canceled or superseded.

Your HR office can provide you with designation of beneficiary forms. Remember, you need to fill out up to four separate forms – one for each type of benefit!

**NOTE:** A designation of beneficiary in no way affects your survivors' eligibility for monthly survivor annuity benefits – their eligibility depends entirely on your length of service, coverage under a retirement system (CSRS or FERS), and your spouse, former spouse and/or children meeting certain eligibility requirements.