

Minutes Policy

POLICY GROUP MEETING

00-30 Sept

Tuesday, 30 September

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STAT decisions so I decided to review them. [ ] reviewed what has been accomplished in the Working Group over the last several weeks including

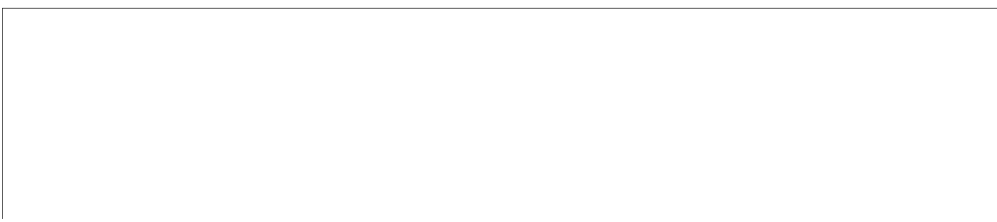
STAT meetings with CCS and meetings on the TCN issue. [ ] raised the issue of the retirement process. Although unsaid, it appeared again OF is interested in managing and probably controlling this project. We did not come to any agreement on this issue.

STAT [ ] again raised the question why CCS was not attending these meetings. I explained that they were invited to all meetings and in many

STAT instances they had elected not to attend the meetings. [ ] grouched somewhat about this fact and expressed some concern about OIT's involvement in the requirements process. I pointed out that the requirements would be reviewed by the Working Group after they were completed and that they would be

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Attendees :



formerly reviewed by OIT before being made available for final printing. I then reviewed the issues that we had discussed with OPM raised last Friday, describing OPM's reaction to our proposals. The attendees seemed surprised and pleased with the results especially [redacted] who was somewhat skeptical about the results. I explained that the details would be worked out with OPM with members of the Working Group with guidance from this office. [redacted] indicated that he might have some problem meeting the 1 January deadline for the changes in the payroll system to accommodate thrift reductions and reductions for the new retirement system. I indicated that OF had been slow in providing specifications and making necessary modifications once reviewed by OIT. He indicated to [redacted] that his incumbent to the OF moved things quickly and to complete testing on other programs developed by OIT so that the changes in the payroll system could start being tested. [redacted] asked what he could do and [redacted] detailed what was necessary. I learned after the meeting that the system is ready or will be ready and Jim simply attempted to get OF to move more quickly in several areas.

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Retirement Policy Group Meeting

30 September 1986

1530 hours

Room 6N20



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Agenda

- (1) General Information
- (2) Meeting with the DDA on Retirement Policy Issues
- (3) Update on Working Group Activities
- (4) Meeting with OPM on Internal Retirement Administration
- (5) Other items

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## SOFTWARE FOR NEW RETIREMENT SYSTEM

This note is to advise you on the status of software that will enable Agency employees to calculate their benefits under the old and new retirements systems. Work on the software is nearing completion and will soon be made available to Agency employees.

The software will be provided initially to component personnel officers and to retirement specialists in the Retirement Division for a test period of two to three weeks. During this time, personnel officers will assist employees in calculating their retirement benefits and advise the Retirement Task Force of any problems encountered in using the system.

After completion of testing, the software will be provided to components which have access to IBM or WANG Personal Computers (a Wang PC must have <sup>an</sup> IBM emulator board). A user's guide will accompany each copy of the software given to components to assist employees in operating the software. However, component personnel officers may still be called upon to assist employees in its operation.

To prepare component personnel officers for their role in providing assistance, a half-day training session will be provided by our contractor, Hay-Huggins Inc. These sessions will be held at \_\_\_\_\_ on \_\_\_\_ November in Room \_\_\_\_ from 0900 - 1200 and 1300 - 1600. Only thirty officers can be accommodated at each session, so class assignments will be done on a first come, first serve basis. Please contact Cathy Bailey on 2-4078 or 34-0094 to indicate your preference of training time. A sufficient number of personal computers will be available to provide participants with ample hands-on experience in operating the software.

By early January 1987, the software will be available to employees who have access to the Agency mainframe computer systems. More information on its availability and how it can be accessed will be provided in the near future.

16 October 1986

MEMORANDUM FOR THE RECORD

SUBJECT: Meeting with Office of Personnel Management Officials on Status of OPM action on FERS Regulations

1. A meeting was held at OPM (at [redacted] request) this afternoon to discuss status of OPM's efforts to develop new guidance and regulations on revisions to CSRS regs and the FERS.

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Attendees were:

OPM - Mr. Frank Titus, Assistant Director for Financial Control and Management and Mrs. Mary Sugar (Soo-gar) Staff Officer.

CIA - [redacted] and the undersigned.

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2. [redacted] had met Mr. Titus at a previous meeting at OPM where the ramifications of certain provisions of the FERS Act on CIA's internal administration of CSRS and FERS were discussed. Mr. Titus therefore was cognizant of the need for CIA to be currently informed on the new regulations developed by OPM in order to develop CIA's internal regulations on the CSRS, FERS, and CIARDS.

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3. Status of OPM on developing new regulations.

° Mr. Titus confirmed that his staff is charged with the OPM regulation project and is working against a final deadline of 31 December 86 for completion of a full set of "interim" regulations addressing the primary features of changes to CSRS and the new FERS.

° The structure of the new OPM regulations will be:

A. Same format as the current FPM Part 831 (covering CSRS).

B. New regs will be developed within seven new FPM issuances:

1. Part 841 - FERS - General Administration
2. Part 842 - FERS - Basic Annuity
3. Part 843 - FERS - Survivor and Lump Sum Benefits
4. Part 844 - FERS - Disability Retirement
5. Part 845 - FERS - Debt Collection
6. Part 846 - FERS - Elections by Employees under CSRS
7. Part 847 - FERS - Co-ordination with Social Security Administration

C. Regulatory topics under each of the new "parts" above are cited in the attachment.

- Work has begun on most of the regulatory topics but priorities for completion of certain areas have been set according to implementation sequences of the FERS. First emphasis on producing drafts of regs are focussed on FPM Part 842 (Basic Annuity), topics: Employee coverage; eligibility, basic annuity computation and Part 841 (General Administration), topic: normal cost.

4. °Mr. Titus expects completion of the draft employee coverage regulation early next week and volunteered to send OP a copy as soon as it is produced. He further volunteered to send copies of each subsequent draft as they are available. He advised us that before their regs are finally issued they must be sent to OMB for review and approval -- a procedure which he said usually is very, very slow -- sometimes months!!

5. °Mr. Titus further stated that he will propose to his boss, Mr. Morrison, that he be permitted to provide us (OP) with early working drafts of subsequent OPM regulations as they are developed (i.e. prior to final approved form of the regulation).

6. Mr. Titus stated that in near future he will be scheduling monthly meetings at OPM for Executive Dept. Agency personnel reps to provide information, guidance, and clarify issues on the FERS. He will notify   when meetings are scheduled.

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7. Apart from the primary topic re: OPM's efforts on developing their regulations, Mr. Titus stated that they were developing guidances (booklet) relative to conversions from CSRS to FERS with publication expected in March 1987. A new FERS informational booklet has been developed (copy available) and is being produced for general employee distribution.

8. The session with Mr. Titus was encouraging and productive in terms of his apparent interest and willingness to keep us informed and provide copies of new draft regs as they are produced. The indications are however, that OPM's "road" to their final approved regs will be long and slow -- even though they will designate them as "interim" regulations.



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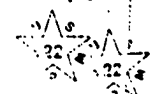
Following is a proposed overall outline of regulations under FERS. It is intended as a working outline to permit better organization of new regulations than currently exists in Part 831, and to allow division of work among staff. Inclusion of certain items doesn't mean anyone has concluded that regulations are needed-only that they are accounted for in the basic structure. For the time being, some topics will simply be covered by cross-referencing existing regulations in Part 831 (State tax, debt collection, etc.)

PART 841 FEDERAL EMPLOYEES RETIREMENT SYSTEM--GENERAL ADMINISTRATION

- A. GENERAL PROVISIONS
- B. APPLICATIONS FOR BENEFITS
- C. EMPLOYEE CONTRIBUTIONS
- D. NORMAL COST ✓
- E. CLAIMS PROCESSING (INCLUDING RECONSIDERATION & APPEALS)
- F. SERVICE CREDIT DEPOSITS
- G. COST OF LIVING ADJUSTMENTS
- H. WAIVER, ALLOTMENT, OR ASSIGNMENT OF BENEFITS
- I. COURT ORDERS AFFECTING BENEFITS
- J. STATE INCOME TAX WITHHOLDING
- K. REEMPLOYMENT OF ANNUITANTS

PART 842 FEDERAL EMPLOYEES RETIREMENT SYSTEM--BASIC ANNUITY

- A. COVERAGE ✓
- B. ELIGIBILITY ✓
- C. SERVICE CREDIT
- D. BASIC ANNUITY COMPUTATION ✓
- E. ANNUITY SUPPLEMENT
- F. SURVIVOR ELECTIONS
- G. ALTERNATIVE FORMS OF ANNUITY
- H. SPECIAL COMPUTATIONS (6(c), CONGRESSIONAL, ETC.)
- I. EARLY RETIREMENT (DSR, VOLUNTARY)





**PART 843 FEDERAL EMPLOYEES RETIREMENT SYSTEM--SURVIVOR AND LUMP-SUM  
BENEFITS**

- A. LUMP-SUM BENEFITS**
- B. CURRENT AND FORMER SPOUSE BENEFITS**
- C. CHILD ANNUITIES**
- D. INSURABLE INTEREST ANNUITIES**

PART 844 FEDERAL EMPLOYEES RETIREMENT SYSTEM--DISABILITY RETIREMENT  
(EVERYTHING, INCLUDING ELIGIBILITY, COMPUTATION, PROCEDURES,  
RECOVERY, ETC.)

PART 845 FEDERAL EMPLOYEES RETIREMENT SYSTEM--DEBT COLLECTION

PART 846 FEDERAL EMPLOYEES RETIREMENT SYSTEM--ELECTIONS BY EMPLOYEES  
COVERED BY CIVIL SERVICE RETIREMENT SYSTEM

PART 847 FEDERAL EMPLOYEES RETIREMENT SYSTEM--COORDINATION WITH SOCIAL  
SECURITY ADMINISTRATION