



Department of
Veterans Affairs

Office of Human Resources and Administration
Worklife and Benefits Service (058)

Fact Sheet- Full-Time/Part-Time Comparison

This fact sheet discusses the impact of going from a **Full-Time to a Part-Time** (or visa versa) work schedule as it relates to your Federal benefits. Employees with questions regarding this information should contact their servicing Human Resources office.

Retirement

Retirement Contributions: If you are covered under the Civil Service Retirement System (CSRS) or the Federal Employees Retirement System (FERS) prior to your change in work schedule, your coverage will continue. Your percentage contribution to the retirement system will remain the same (i.e. CSRS is 7% of your bi-weekly gross base pay, FERS Basic Benefits Plan is .8% of your bi-weekly gross base pay). Since the reduced hours will result in a reduced bi-weekly gross pay, the amount of the contribution will decrease proportionately.

Retirement Eligibility: In determining eligibility for retirement, part-time service is credited the same as full-time service. In other words, 20 years of service is 20 years, regardless of whether it was full-time or part-time.

Computing Retirement Benefits: In computing retirement benefits, the retirement calculation is based on your total years and months of creditable Federal (civilian and military) service and your "high-3" average salary (which is the 3 years of highest salary you earned in any consecutive 3-year period). Please note that the explanation below is a simplified formula of the benefit calculation and that the actual calculation is more complex. Also note that there are further differences in the computation rules depending on whether you are in a Title 38 or Title 5 covered position.

CSRS: In computing a CSRS-part-time benefit, your service will be divided into two parts; part-time service worked prior to April 7, 1986, and part-time service worked on/or after April 7, 1986.

Part-time service worked **prior to April 7, 1986** is treated as full-time service. In computing the high-3 average salary, the 3-year period during your entire Federal career that produces the highest actual earnings will be used.

For part-time service **worked on or after April 7, 1986**, your service credit will be based on the relationship between the hours you worked and the hours you would have worked had you been full-time. This is called the part-time pro-rata factor. The high-3 average salary is calculated based upon the rate of pay you would have received had you worked full-time (i.e., 40 hours per week) during the period of part-time service. This is called the "deemed high-3".

FERS: In computing a FERS part-time benefit, your service credit will be based on the relationship between the hours you worked and the hours you would have worked had you been full-time. This is called the part-time pro-rata factor. The high-3 average salary used is based upon the rate of pay you would have received had you worked full-time (i.e., 40 hours per week) during the period of part-time service. This is called the "deemed high-3".

Note: Special methods are used for computing nondisability annuities under both CSRS and FERS that include full-time credit for part-time service for certain Title 38 occupations.

Thrift Savings Plan (TSP)

You may contribute a dollar amount or percentage of pay up to the IRS maximum regardless of the retirement system under which you are covered. If you are contributing a percentage amount when your pay reduces as a result from changing from a Full-time to a Part-time position, so will the amount you contribute each pay period.

Federal Employees Health Benefits (FEHB) Program

If you are currently enrolled in a plan under the FEHB program, your coverage will continue even if you change your tour of duty to part-time. The Federal government pays a percentage of the total cost of your health insurance, and you pay the remainder. For most part-time employees the government contribution is pro-rated based on the official part-time tour of duty. Therefore, a part-time employee will pay a higher premium than a full-time employee although the coverage is the same.

If you change from a full-time to part-time position, you have **60 calendar days** from the effective date of your change to part-time to change your health plan and/or options. You also have **60 calendar days** to change health plans or options if you change from part-time back to full-time.

Federal Employees' Group Life Insurance (FEGLI)

FEGLI coverage includes Basic Life, Option A - Standard, Option B - Additional, and Option C - Family.

Basic life – this amount of coverage is determined by your annual basic pay, rounded to the next \$1,000, plus \$2,000.

Option A –Standard is equal to \$10,000 coverage. The cost for Option A is based on your age.

Option B – Additional coverage is based on your annual basic pay, rounded to the next \$1,000. You may elect coverage at 1, 2, 3, 4, or 5 times your pay. The cost of Option B insurance is determined by the amount of coverage you elect and your age.

Option C – Family covers eligible family members including your spouse and all unmarried, dependent children under age 22. You may elect 1, 2, 3, 4, or 5 multiples of coverage. Each multiple is equal to \$5,000 for your spouse and \$2,500 for each eligible, dependent child. The cost for Option C insurance is based on your age and the number of multiples which you elect.

When you change your work schedule from full-time to part-time, your coverage under Basic Life and Option B – Additional will change because both are based on your annual basic pay (which will be less since you will be working fewer hours). The cost for insurance will also decrease since it will be calculated based on your lower annual basic pay. Any coverage under Option A –Standard and Option C – Family will not change since they are based on set dollar amounts.

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