

**APPROPRIATED AND NONAPPROPRIATED FUND  
BENEFIT COMPARISON**

**PAY  
INSURANCE  
RETIREMENT  
THRIFT PLAN  
LEAVE  
REDUCTION IN FORCE  
BUSINESS BASED ACTIONS  
CAREER OPPORTUNITIES**

This brochure is for Department of Defense civilian employees who move between the appropriated and nonappropriated fund employment programs.

This information will assist in selection of benefits as transition is made from one system to the other.

*Headquarters Department of Army  
Office of the Assistant G-1 Civilian Personnel Policy  
Nonappropriated Fund Personnel Policy and Program*

## COMPARISON OF APPROPRIATED FUND

AND

## NONAPPROPRIATED FUND BENEFITS

### PAY

#### Appropriated Funds

General Schedule: Pay increases with annual COLA; step increase for satisfactory or better performance.

#### Nonappropriated Funds

Pay Band: Pay increases with annual COLA; pay adjustment within pay band optional, based on performance.

### LIFE INSURANCE

#### Appropriated Funds (<http://www.opm.gov/insure/life/>)

Basic: Salary rounded to next higher multiple of \$1,000 plus \$2,000.

Optional: \$10,000 and/or five times basic salary.

Family: Up to \$25,000 for spouse and \$12,500 per dependent child.

#### Nonappropriated Funds ([http://www.armymwr.org/home/Show\\_file.asp?fileID=541](http://www.armymwr.org/home/Show_file.asp?fileID=541))

Basic: One or two times salary rounded to next higher multiple of \$ 1,000 up to \$250,000.

Optional: Up to two times basic insurance up to a maximum of \$500,000.

Family: Up to \$25,000 for spouse and \$12,500 per dependent child.

### MEDICAL INSURANCE

#### Appropriated Funds (<http://www.opm.gov/insure/health/index.asp>)

Multiple plans which offer Low/High Option for Self and Family.

Long Term Care insurance available.

Nonappropriated Funds ([http://www.armymwr.org/home/Show\\_file.asp?fileID=298](http://www.armymwr.org/home/Show_file.asp?fileID=298))

DoD plan which offers standard option for self and family, plus HMO's in some areas. Dental coverage is available.

Long Term Care insurance available with rider for foreign areas.

## **RETIREMENT**

Appropriated Funds (<http://www.opm.gov/retire/>)

FERS: 30 years service at Minimum Retirement Age (MRA), which varies by year of birth with age 55 the earliest; 20 years service at age 60, 5 years service at age 62, or at least 10 years service at MRA with annuity reduced 5% for each year under age 62.

CSRS: 30 year service at age 55; 20 year service at age 60; 5 years service at age 62. Employee may defer retirement to age 62 if departs from service prior to eligibility.

Discontinued Service Retirement for Reduction In Force, with reduced annuity.

Nonappropriated Funds  
([http://www.armymwr.org/home/Show\\_file.asp?fileID=242](http://www.armymwr.org/home/Show_file.asp?fileID=242))

Normal retirement: 30 years service at age 55; 20 years service at age 62; 5 years service at age 62.

Early Retirement: 5 years service at age 52, with reduced annuity (a reduction of 4% for each year under age 62).\*

Employee may defer retirement to age 62 if departs from service prior to eligibility.

Discontinued Service Retirement for Business Based Action, with reduced annuity.

\* All Army NAF annuities started before age 62 receive full unreduced Supplemental Early Retirement Benefit (SERB). The SERB is approximately equal to a percentage of the Social Security primary insurance amount payable at age 62 for each year of NAF service. The SERB will cease at age 62 and Normal benefits will begin.

## **THRIFT PLAN**

Appropriated Funds (<http://www.tsp.gov/features/index.html>)

FERS participants: Employer contributes 1% automatically whether or not employee participates and up to 5% match for participating employees. Employee may contribute up to Internal Revenue Code's annual limit.

CSRS participants: Employee may contribute up to 10% with no Government match. Employee may contribute up to Internal Revenue Code's annual limit.

Nonappropriated Funds- 401(k) Savings Plan

[http://www.armymwr.org/home/Show\\_file.asp?fileID=302](http://www.armymwr.org/home/Show_file.asp?fileID=302)

NAF Retirement System participants: Employer contributes up to 3% match. Employee may contribute up to Internal Revenue Code's annual limit.

## **ANNUAL LEAVE**

Appropriated Funds

Per pay period : 4 hours first 3 years, 6 hours until 15<sup>th</sup> year with 10 hours in final pay period of leave year, 8 hours after 15 years.

Lump sum payment authorized for unused leave when the employee departs service. Leave transfers between systems and may not be paid in a lump sum when moving between DoD civil service and DoD NAF without a break in service (“porting”). May not be paid in lump sum when porting.

Nonappropriated Funds

Per pay period for hours in a pay status up to maximum of 40: 5% of paid hours for first 3 years, 7.5% until 15<sup>th</sup> year with 12.5% in last pay period of leave year, 10% after 15 years.

Lump sum payment authorized for unused leave when the employee departs service. Leave transfers between systems when moving between DoD civil service and DoD NAF without a break in service (“porting”). May not be paid in lump sum when porting.

## **SICK LEAVE**

Appropriated Funds

Per pay period : 4 hours

No lump sum payment on separation. May be used for service credit on retirement under CSRS, but not FERS. Transfers between systems when moving between DoD civil service and DoD NAF without a break in service (“porting”).

Nonappropriated Funds

Per pay period for hours in a pay status up to a maximum of 40: 5% of hours in a pay status.

No lump sum payment on separation. May be used for service credit on NAF retirement. Transfers between systems when moving from NAF to DoD civil service without a break in service (“porting”).

## **REDUCTION and REALIGNMENT**

### Appropriated Funds

Reduction In Force: Points are given for performance and seniority. Retention groups determined by civil service status and veterans preference. NAF service credited if no break in service when moving between APF and NAF systems

### Nonappropriated Funds

Business Based Action: Points are given for performance and seniority plus other factors determined appropriate. APF service credited if no break in service when moving between APF and NAF systems.

## **CAREER OPPORTUNITIES**

Separate APF/NAF Career Programs allow employees the opportunity to apply for APF and NAF career programs within the Department of Army. Contact your servicing civilian personnel advisory center for additional information.

### USEFUL LINKS:

Nonappropriated Funds Employment Opportunities

<http://acpol.army.mil/employment/naf.htm>

Portability Decision Guide

[http://www.armymwr.org/home/Show\\_file.asp?fileID=725](http://www.armymwr.org/home/Show_file.asp?fileID=725)