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The Service Computation Date Comes in Five Flavors

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By: John Stohlman

There are potentially five different Service Computation Dates that you should be familiar with. They are used to determine your leave accrual rate, career tenure, in grade pay increases, retirement eligibility, retirement annuity, retention position during a reduction in force, and TSP vesting. For many Federal Employees, their service computation date for all purposes is the first day they started working for the Federal Government.

Service Computation Date Used for Life Insurance Payout and Career Tenure

The first service computation date (SCD) is the SCD CIV. This date is essentially the day you start working for the Federal Government. If you are a FERS covered employee, this date is used to calculate your life insurance payout formula. This benefit is free and is not part of the FEGLI program. Your SCD CIV is also used to determine when you achieve career tenure. Achieving career tenure makes it easier to return to federal service if you left for a period of time. It takes three years of "substantially continuous" service to achieve this status.

Leave Accrual Rate and Retirement Eligibility

The SCD found on your leave and earnings statement only pertains to your leave accrual rate. Depending on how much creditable service you have, your leave accrual could be either 4, 6 or 8 hours per pay period depending on the length of your federal service. Your personal statement of benefits only has an estimate of your retirement SCD. To determine your actual SCD for retirement purposes you need to look at your SF-50s, Notice of Personnel Action. Of course, your SF-50s may be filled out incorrectly so it is important to regularly review them.

Service Computation Date: An Often Adjusted Date

As mentioned before, a Federal Employee's SCD for all purposes is most often the day they start their Federal service. But as OPM's personnel handbook points out, this is not always the case. The handbook reads: a date, either actual or constructed, that is used to determine benefits and is generally based on how long the person has been in the Federal Service. Anytime a law, regulation or policy that has the words “constructed” and “generally based”, that usually means there is a little work involved. Take the next few examples.

Reductions in Force

SCD RIF means your retention position if there is a reduction in force in your agency or department. The earlier your adjusted SCD during a reduction in force, the better position you will be to keep your job. The adjustment to your SCD comes from your performance ratings. You are given additional retention service credit based on your average three most recent performance ratings during the four year lookback period. The lookback period is a time window prior to the date your agency either issues a RIF notice or sets a cutoff date where subsequent performance ratings will no longer be given consideration, whichever is earlier. Your retention position is also affected by whether your Federal position was by appointment and veterans’ preference.

Service Computation Date for Former Military

Those in the military do not have an SCD. But, if you left the military and then began to work for the Federal Government on or after October 1, 1982, you have to effectively purchase your military time to move back your SCD for retirement eligibility and annuity purposes. For those former military personnel that later become FERS covered employees, this payment would be 3% of your total military earnings plus interest. However, for determining your leave accrual rate for civilian Federal service, your SCD automatically includes your time in the military. No purchase is necessary.

TSP Vesting

For TSP vesting of the automatic 1% agency contribution and its associated earnings, three years of civilian Federal service are required. It does not matter whether or not you are a TSP participant. Congressional employees or employees in certain non-career positions need only two years to vest. There is no vesting requirement if the Federal Employee dies while in service. TSP participants are always vested in their own TSP contributions and in the agency matching of up to 4%. No SCD TSP can be earlier than January 1, 1984 when all new Federal hires would be covered under FERS. If you have an earlier SCD, for

TSP purposes, it will appear as January 1, 1984. For retirement eligibility, your SCD will have to be adjusted forward for the period of time you left government service. If you took leave without pay for more than six months in a calendar year, your SCD will be adjusted by the excess time after that.

Getting Control over Your Federal Benefits

When it comes to most things about your Federal benefits, the answer is not usually straight-forward. Your SCD is an another example of this. If you need help understanding your Federal benefits, see a professional federal benefits consultant.