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(i) If OPM affirms its earlier decision, continue payments to the claimant(s) OPM originally determined to be entitled; or

(ii) If OPM reverses its earlier decision, suspend payment to the claimant(s) OPM originally determined to be entitled and immediately begin payment to the claimant(s) OPM determines to be entitled in its decision under paragraph (b) of this section. OPM will not take action to collect the overpayment until the time limit for filing an appeal has expired or the MSPB has issued a final decision on a timely appeal, whichever comes later.

Subpart D—Government Costs

SOURCE: 51 FR 47187, Dec. 31, 1986, unless otherwise noted.

§ 841.401 Purpose and scope.

(a) The purpose of this subpart is to regulate the Government contributions to the Civil Service Retirement Fund under FERS.

(b) This subpart covers—

(1) Factors considered in the computation of agency contributions under FERS;

(2) Publication of notice of the normal cost rates for each category of employees;

(3) Agency appeals of rate determinations; and

(4) Methodology for determining the amount due from each agency.

§ 841.402 Definitions.

In this subpart—

Actuary means an associate or fellow in the Society of Actuaries and one who is enrolled under section 3042 of Pub. L. 93–406, the ''Employee Retirement Income Security Act of 1974.''

Administrative expenses means the normal cost loading applicable to the administration of FERS.

Age means age, as of the beginning of the fiscal year, rounded to the nearest birthday.

Agency head means, for the executive branch agencies, the head of an executive agency as defined in 5 U.S.C. 105; for the legislative branch, the Secretary of the Senate, the Clerk of the House of Representatives, or the head of any other legislative branch agency; for the judicial branch, the Director of the Administrative Office of the United States Courts; for the Postal Service, the Postmaster General; for any other independent establishment that is an entity of the Federal Government, the head of the establishment.

Board means the Board of Actuaries of the Civil Service Retirement System.

Category of employees means a grouping of employees under § 841.403.

Child survivor termination and death rates means the rate, by age of the child, at which child survivor benefits terminate.

CSRS means subchapter III of chapter 83 of title 5, United States Code.

Death and recovery rates for disability annuitants means the rate, by age, sex, and duration on the roll, at which disability annuitants are removed from the annuity roll because of death; and the rate, by age, sex, and duration on the roll, at which disability annuitants are removed from the annuity roll because of recovery or restoration to earning capacity.

Death and remarriage rates for surviving spouses means the rate, based on the sex of the employee, age of the survivor annuitant, and the duration on the annuity roll, at which spousal survivor annuitants are removed from the annuity roll because of death; and the rate, based on the sex of the employee, age of the survivor annuitant, and the duration on the roll, at which survivor annuitants are removed from the annuity roll because of remarriage.

Death rates for non-disability annuitants means the rate, by age and sex of the annuitant, at which non- disability annuitants are removed from the annuity roll because of death.

Disability retirement rates means the rate, by age, sex, length of service, and whether the employees are eligible for social security disability benefits, at which employees retire for disability.

Duration on the roll means the number of full years on the annuity roll as of the beginning of the fiscal year.

Economic Assumptions means the assumptions used by the Board with respect to inflation, interest rates, and wage and salary growth.

Employee death rates means the rate, by age and sex of the employees and

whether the employees are survived by spouses entitled to survivor annuities, at which employees die in service.

Employees means employees as defined in section 8401(11) of title 5, United States Code, and Members, as defined in section 8401(20) of title 5, United States Code.

Family characteristics of annuitants means, based on the annuitant's age and sex, and in some cases, on the type of annuity (regular, disability, or deferred), the number and average age of child survivors at the death of the annuitant, the percentage of annuitants with an annuity reduced to provide survivor benefits, the percentage of annuitants who actually leave a surviving spouse entitled to a survivor annuity at the annuitant's death, and the average age of the surviving spouse.

Family characteristics of employees means, based on the employee's age at death and sex, the number and average age of child survivors and the average age of the surviving spouse, per death of an employee with a survivor.

FERS means chapter 84 of title 5, United States Code.

Involuntary retirement rates means, by age and sex of the employee, the rate of involuntary retirements (discontinued service and optional early retirements).

Merit salary increases means salary increases, by age and length of service, that are not general salary increases. ''Merit salary increases'' include promotions and within-grade and similar increases based in whole or in part on employee performance, but do not include comparability increases, Postal Service COLA, or similar adjustments to entire pay scales; or premium pay.

Military service rates means the fraction, by age and sex, of employees who have military service to all employees, and the average length of military service and the salary on which their deposits to receive credit for military service are based for these employees.

Normal cost percentage or *normal cost* means the entry-age normal cost of the provisions of FERS which relate to the Fund, computed by the Office in accordance with generally accepted actuarial practice and standards (using dynamic assumptions) and expressed as a level percentage of aggregate basic pay.

Service means all creditable service, including military service, rounded to the nearest number of years as of the beginning of the fiscal year.

Single agency rate means a normal cost percentage for one category of employees in one agency. A single agency rate is set under § 841.412 as a result of a successful appeal.

Voluntary retirement rates means the rate, based on the sex, age, and service of the employee, of regular longevity retirements.

Withdrawal rates means the rate at which employees leave FERS-covered service without retiring, including employees who are paid refunds and employees who take deferred retirement. These rates are of two types: ''not offset for reentry'' and ''offset for reentry.'' These rates are by age and service.

§ 841.403 Categories of employees for computation of normal cost percentages.

Normal cost percentages will be determined for each of the following groups of employees:

(a) Members;

(b) Congressional employees;

(c) Law enforcement officers, firefighters, and employees under section 302 of the Central Intelligence Agency Act of 1964 for Certain Employees;

(d) Air traffic controllers;

(e) Military reserve technicians;

(f) Employees under section 303 of the Central Intelligence Agency Act of 1964 for Certain Employees when serving abroad;

(g) All other employees.

[52 FR 25196, July 6, 1987]

§ 841.404 Demographic factors.

(a) The Office of Personnel Management (OPM) will consider the factors listed below in determining normal cost percentages. To the extent data are available for the factor by specific category of employees, such data will be used. To the extent category specific data are not available, the most relevant available data will be used.

(1) Distributions of new entrants by age, sex, and service;

(2) Withdrawal rates;