



Benefits Administration Letter

Number: 11-304

Date: June 2011

Subject: Changes to FERS Contribution Rates for Fiscal Year 2012

At its 2010 meeting, the Board of Actuaries of the Civil Service Retirement System recommended revised economic assumptions for use in actuarial valuations of CSRS and FERS. These new normal cost percentages will increase the employer contributions that agencies pay for FERS employees.

While agency payments under CSRS are not affected by the CSRS normal cost percentages for the vast majority of agencies, the CSRS normal cost percentages are used to determine the dynamic actuarial liabilities which are included in Governmental financial statements. The Fiscal Year 2011 Factors for Calculating Imputed Costs Benefits Administration Letter, to be published in August, 2011 will provide the cost factors agencies should use for reporting actuarial liabilities in their Agency Financial Reports.

New employer contribution rates will become effective with the first pay period beginning on or after October 1, 2011.

The following table summarizes changes to FERS contribution rates:

Category	FERS Agency Contribution Rate (%)		
	CPDF Code	Current	10/2011
Regular	K	11.7	11.9
Law Enforcement Officer	M	25.7	26.3
Air Traffic Controller	L	25.5	26.0
Military Reserve Technician	N	14.5	14.9
Employees under section 303 of the CIA Act of 1964 for certain employees (when serving abroad)	NONE	16.8	17.2
Member of Congress	NONE	17.9	18.3
Congressional Employee	NONE	16.4	16.7

If you have any questions about this letter, feel free to email us at finance@opm.gov. You may also call us at 202-606-0606.

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