

NAVY Supply Corps

NR

RETIREMENT



Table of Contents

FOREWORD	1
Retirement – Reserves	1
Qualifying Years for Retirement	1
Creditable Service	2
Service Not Creditable.....	2
Annual Retirement Point Record/Statement of Service History	2
Active Duty for Retirement Eligibility Purposes	4
Computation of Reserve Retirement Pay.....	4
Notice of Eligibility.....	5
Statutory Requirement	6
Application for Retired Pay	7
APPENDIX A.....	8

* **Disclaimer** – All information contained in this playbook (including web and email addresses) is considered current as of the latest update, but is subject to change prior to the release of another update.

FOREWORD

Having closely followed all of the guidelines of Reserve Play Books, passed all of the milestones you have set for yourself, and properly managed your career, you have reached the final milestone of your Reserve Component (RC) Supply Corps Officer career – retirement. The [NPC \(PERS-9\) Reserve Personnel Management](#) website contains the latest information on retirements. The following are the basics you should be familiar with early in your career. An Active Duty (AD) retirement and a reserve retirement have separate eligibility requirements, governed by two or more separate policies, but have similar calculations.

Retirement – Reserves

The Army and Air Force Vitalization and Retirement Equalization Act of 1948 (Public Law 810, 80th Congress: 10 USC 1331-37) established a retirement system for members of the Reserve Forces. Title III of this act states that any member of the RC who has accumulated 20 years of creditable service, and has reached age 60, is entitled to retirement pay, computed on the basis of the number of retirement points accumulated.

Qualifying Years for Retirement

It is important to note that it takes 20 qualifying years of service to reach eligibility for retirement pay. This is not the same as calendar years. The qualifying years can be earned on AD, inactive duty or a combination of both. For the purpose of retirement and qualifying years, the start date is a member's anniversary date - the day the member joined the military. Each year from this date is an anniversary year. It is vitally important to review your Statement of Service annually, after the anniversary date, to ensure that it is correct. Statement of Service is reflected in Navy Standard Integrated Personnel Systems (NSIPS) and is serviced via PSD or NOSC.

Leaving AD or the RC for reasons such as transferring to the Inactive Ready Reserve (Inactive Status List (ISL/S2)), discharge or resignation, breaks the cycle. Rejoining the RC establishes a new anniversary date. Thus, anniversary dates remain the same unless a break in service has occurred. Moving from drilling to non-drilling status does not constitute a break in service for anniversary year purposes.

Participation for the prior year is reviewed and credited to the record based on your anniversary date. A qualifying year cannot be credited unless a yearly minimum of 50 retirement points have been earned. For example: assume that a non-drilling Reservist with 19 qualifying years of service, completed two 15 point correspondence courses during their most recent anniversary year. While 45 points would be added to their retirement point total (the 30 points coupled with 15 gratuitous reserve affiliation points), not enough points would have been earned for a qualifying year. The member must serve another year to attain 20 years. Keep track of your points per anniversary year! For point corrections, contact NPC PERS-912 via the help desk at 1-866-U-ASK-NPC (1-866-827-5672) or fax your request to PERS-9 at (901) 874-7044. Be advised that it may take 90-120 days for points to reflect on your point-capture sheet.

Creditable Service

Per 10 USC 12732, years of service after 01 July 1949 are considered qualifying years only if credited with a minimum of 50 retirement points during a full anniversary year. A Reservist is entitled to one year of creditable service for each one-year anniversary period after 01 July 1949 in which they have been credited with at least 50 retirement points as discussed in previous paragraph.

Service Not Creditable

Naval Reservists in an ineligible status may not receive retirement point credit if they are:

- a. USNR-S2 (Inactive Status List)
- b. On the Retired List or in the Retired Reserve not on AD, or on the Temporary Disability Retired List

Annual Retirement Point Record/Statement of Service History

The Annual Retirement Point Record (ARPR) and the Annual Statement of Service History (ASOSH) are documents that provide details of active and inactive service dates and points during the previous anniversary year, and points earned in prior years. Individual reports are updated bi-monthly and may be viewed online at BUPERS ONLINE ([BOL](#)).

It is important that these documents are reviewed regularly to ensure accurate capture of points. Don't assume your Annual Training (AT) and Active Duty for Training (ADT) points are automatically entered by the NOSC. Guidelines for correcting discrepancies may be found in BUPERSINST 1001.39 series or at the local NOSC. You can also call **1-866-827-5672** (U-ASK-NPC) or refer to [Retirement Points FAQs](#).

- a. **ACTIVE POINTS:** One retirement point is credited for each day of AD or annual training (including travel time). This includes ADSW and all forms of AD (not Inactive Duty Training (IDT) or Inactive Duty Training Travel (IDTT)). Points are credited day-for-day. The maximum Active points are 365(366) per year.
- b. **INACTIVE POINTS:**
 1. **Drill Credit.** One retirement point is credited for each drill period (four (4) hours if in pay and three (3) hours if non-pay). This is considered IDT or IDTT drill periods.
 2. **Correspondence Courses.** Upon completion of any authorized correspondence course, the member will be credited inactive points based on the points assigned for that course.
 3. **Funeral Honor Duty.** One point is credited for each 24 hour period of Funeral Honor Duty and these points are not included as part of the inactive point limit (discussed below).
 4. **Gratuitous Points.** Each member is credited 15 gratuitous points for each full year served.
- c. **TOTAL RETIREMENT POINTS PER YEAR:** The maximum retirement points credited per anniversary year is the total of all Active and Inactive points added together, not to exceed the number of actual days in that year.

Beginning 30 Oct 2007, a member can earn a maximum of 130 inactive points each anniversary year. Previously, from 30 Oct 2000 to 29 Oct 2007, the maximum was 90; from 23 Sep 1996 to 29 Oct 2000, the maximum was 75; and for years prior to 23 Sep 1996, the maximum was 60 inactive points per anniversary year.

As you will see in Section 8 below, it is to your advantage to maximize your inactive points each anniversary year.

Active Duty for Retirement Eligibility Purposes

Per 10 USC 12737, no member of the Armed Forces may be ordered to AD solely for the purpose of qualifying for Reserve retired pay. However, provisions of 10 USC 12646 provide that a Reserve commissioned officer who has completed 18 or more years, but less than 20 years of creditable service may not be discharged or transferred from an active Reserve status, without the member's consent before the earlier of the following date:

- a. The date on which the member is entitled to be credited with 20 years of service completed under section 10 USC 12732, or
- b. The third anniversary of the date on which member would otherwise be discharged or transferred from active Reserve status (with 18, but less than 19 years of service), or
- c. The second anniversary of the date on which member would otherwise be discharged from active status.

This provision of law protecting a Reserve commissioned officer's retirement eligibility does not apply to officers discharged from active status because of disability or age.

Computation of Reserve Retirement Pay

[Reserve Retirement pay](#) is computed in the following manner:

- a. Total all retirement points earned by the member and divide the sum by 360. This resultant figure equals the precise number of years of service for Reserve retirement pay computation purposes.
- b. Multiply the number of years of service by 2 ½ percent. Reserve retirement pay is computed at 2 ½ percent of AD basic pay for each year of service.
- c. Multiply by the average of your highest 36 months of basic pay within the same grade and number of years of creditable service for retirement eligibility purposes as a Reservist.

Example: $(\text{Retirement Points}/360) \times .025 \times \text{Monthly Base Pay} = \text{Monthly Retired Pay}$

Notice of Eligibility

Per Title 10, U. S. Code 12731, NAVPERSCOM (PERS-912) will issue a Notice of Eligibility (NOE) to notify each member of the RC who has completed 20 years of creditable service of their eligibility for retirement. The member will also be advised of the eligibility to receive retirement pay at age 60. The notice must be sent in writing to the member within one year after they have completed 20 years of qualifying service or within four months prior to their 60th birthday. The member generally has three options:

- a. Remain in the Ready Reserve and continue to perform paid or unpaid ADT and/or IDT depending on training and pay category, remain on Active Status of the Standby Reserve and continue to perform unpaid training; or complete correspondence courses for the purpose of accumulating retirement points. The member is required to earn at least 50 points annually to remain on Active Status.
- b. Transfer to the Retired Reserve. Members of the Retired Reserve may participate in IDT provided:
 1. Such training is at no expense to the government.
 2. Members are not entitled to pay or retirement points.
 3. No official record of such participation is maintained.
- c. Request discharge from the Reserve.

In any of these instances, when a member reaches age 60 and applies for retirement, they are entitled to begin receiving retired pay. [Title 10 USC 12731](#) has been updated to allow qualified Reservists to start receiving retired pay earlier than age 60. Effective 29 January 2008, each 90-day period of aggregate AD completed in a fiscal year allows the member to begin receiving retirement pay three months earlier than age 60 (NDAA 2008). See the [NPC Reserve Retirement](#) website for further explanation and information. BUPERSINST 1001.39F clarifies mandatory dates for Reserve officers to transfer to the Retired Reserve or be discharged from a Reserve Appointment.

When you receive your official NOE from PERS-912, within one year after completion of twenty qualifying years of service, it will include information on the RC Survivor Benefit Plan and the necessary option election form. You must return the option election form within the specified time. Read and understand the options carefully to ensure you select the option that best fits your family needs. Some annuity options for the surviving spouse may be greatly reduced or offset by other retirement benefits.

Note: If there is an event in your life that would impact your option election, such as marriage or divorce, contact NPC (PERS-9) or the help desk via 1-866-U-ASK-NPC (1-866-827-5672) to amend your election.

Members should be sure that they have sufficient qualifying years before discontinuing active participation to ensure that they will be eligible for retirement pay. Phone NPC (PERS-9) help desk via the NPC Customer Service Center at 1-866-U-ASK-NPC (1-866-827-5672) for verification.

Statutory Requirement

Per Title 10, U.S. Code, Section 14509, 14703, 12308; Mandatory Retirement or Discharge for officers of the Reserve:

Reserve Grade	Age	Commissioned Service or Failure of Selection for promotion.
O-8	Last day of month on which officer becomes 62	...or, 30 days after completion of 35 years served or 5th anniversary of date of appointment to grade, whichever is later
O-7	Last day of month on which officer becomes 62	...or, 30 days after completion of 30 years served or 5th anniversary of date of appointment to grade, whichever is later
O-6	Last day of month on which officer becomes 62	...or, after completion of 30 years of service and twice failing to select for promotion
O-5	Last day of month on which officer becomes 62	...or, after completion of 28 years of service and twice failing to select for promotion
O-4	Last day of month on which officer becomes 62	...or, after completion of 20 years of service and twice failing to select for promotion
O-3/O-2	Last day of month on which officer becomes 62	...or, twice failing to select for promotion

Note: The member must achieve minimum time in grade (TIG) before receiving retirement at that pay grade. TIG for LCDR and below is six months; TIG for CDRs/CAPTs is three years. However, if retirement eligible and at least two years TIG, NAVADMIN 371/08, allows CDRs and CAPTs to request a waiver to reduce TIG to two years vice three years.

The table above list years of service, starting from the Pay Entry Base Date (PEBD) and includes years of AD, RC service, and years on the Inactive Status List (ISL). It is possible for officers to meet the above conditions, have less than 20 creditable (or “good”) years for retirement purposes, face mandatory discharge, and NOT be eligible for retirement. This can occur when an officer transfers to the IRR and does not earn sufficient retirement points or is transferred to the Inactive Status List S2 status.

Application for Retired Pay

To begin receiving retired pay, you must apply in writing (sample voluntary retirement letters can be found [NPC \(PERS-9\) Reserve Personnel Management](#)). Mail to:

Commander
Navy Personnel Command (PERS-912)
5720 Integrity Drive
Millington, TN 38055

You need to apply several months prior to reaching retirement age. Normally, an application package is sent to eligible officers at least six months prior to their 60th birthday. If this package is not received four months prior to the member’s 60th birthday, is incumbent upon the officer to request the forms and submit them at least three months prior to reaching age 60.

Your career in the Navy Reserve Supply Corps is in your hands. Find the balance between family life, civilian career, and naval pursuits. Seek advice from your mentors, manage your record, and enjoy your experiences while seeking ever-increasing responsibilities. When in doubt, contact your [Reserve SC Career Counselor](#).

APPENDIX A

Reserve Component Command Southeast - Jacksonville
Navy Region Southeast RCC - Jacksonville (Code N4)
P. O. Box 90, Navy Air Station
Jacksonville, FL 32212-0090
DSN: (312) 942-0805
COMM: (904) 542-0805

Reserve Component Command Southeast – Fort Worth
Navy Region Southeast RCC – Fort Worth (Code N4)
1803 Doolittle Avenue
Fort Worth, TX 76127-5000
DSN: (318) 739-1626
COMM: (817) 782-1626

Reserve Component Command Mid-Atlantic - Norfolk
Navy Region Mid-Atlantic RCC - Norfolk (Code N4)
Building SP-12 Naval Station
521 Park Crescent
Norfolk, VA 23511-4092
DSN: (312) 341-5914
COMM: (757) 341-5914

Reserve Component Command Mid-Atlantic – Great Lakes
Navy Region Mid-Atlantic RCC – Great Lakes (Code N4)
520 Dewey Ave, Building 5
Great Lakes, IL 60088-2911
DSN: (312) 792-4916, ext 229
COMM: (847) 688-4916, ext 229

Reserve Component Command Southwest
Navy Region Southwest RCC - San Diego (Code N4)
937 North Harbor Drive
Box 52
San Diego, CA 92132
DSN: (312) 522-1899
COMM: (619) 532-1899

Reserve Component Command Northwest
Navy Region Northwest RCC – Everett (Code N4)
2000 West Marine View Drive, BLDG 2102
Everett, WA 98207-2600
DSN: (312) 727-3814
COMM: (425) 304-3814



NAVY

Supply Corps

Supply Corps Personnel

NAVY PERSONNEL COMMAND (PERS-4412)

5720 INTEGRITY DRIVE: BLDG 791 RM C109

MILLINGTON TN 38055-4412

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<http://www.public.navy.mil/bupers-npc/officer/Detailing/r1staffcorps/supply/Pages/ReserveCommunity.aspx>