

# Understanding a Good Year for Reserve Retirement

Understanding a Reserve retirement can seem like a daunting task. But with a proper explanation of terminology and how qualifying service is calculated, the process can be pretty straightforward. The intent of this article is to be a guide for all Reserve members in understanding how time in service culminates into a Reserve retirement and to pay attention to key retirement milestones along a Reserve career.

Generally, a Reservist is eligible for Non-Regular Retirement once they have 20 Qualifying Years of service. Also known as a Good Year, a member accrues a Qualifying Year after they have earned a minimum of 50 retirement points in their own Anniversary Year (AY). This is the member's individual Reserve year, which typically begins on the anniversary of their first day in the Reserve or date commissioned and ends the day prior to the anniversary; this date is known as a Reserve Anniversary Date (RAD). This date can change throughout a career depending on breaks in service or other factors. Knowing your Anniversary Year can help you maximize your future retirement value. The 50 retirement points (or more) accrued over each year are from two sources:

- You receive one point for each drill period performed (e.g., Inactive Duty for Training (IDT)); one point for each day of active service (e.g., Annual Training (ADT), mobilization); one day for Readiness Management Period (RMP); and one for each day of funeral honors. You may also earn points from approved correspondence courses.
- For each year you are affiliated with the Coast Guard Reserve you will automatically receive 15 points for Reserve service — or as pro-rated for partial years.

The annual maximum number of total points is equal to the number of days in the anniversary year (365 or 366), while the maximum number of Inactive Points is capped at 130.

It is possible to earn a Good Year while simultaneously having unsatisfactory participation. In other words, a member may have over 50 retirement points in an Anniversary Year, qualifying the member for a Good Year, but have unsatisfactory participation from not completing an ADT (and not having an approved ADT waiver), or having more than nine unexcused drill period absences. Unsatisfactory participation does not cancel out a Good Year, but could lead to an early separation from the Coast Guard Reserve.

As your years of service close out along the path toward retirement, you should be keeping an eye on your point record. Your annual record of accrued Retirement Points, also known as your Reserve Points Statement, is available to you with a login to Direct Access via Employee Self-Service in the Employee View module. This is the source platform for what you may know as Computation of Retirement Point Credits, PPC-4973.

Understanding there is a difference between the Total Qualifying Service Years in Direct Access, the Qualifying Year check mark on the Points Statement from Direct Access and the Qualifying Years of

Service for Retirement from the PPC-4973, here are a few terms you will need to be familiar with as you decipher your point record:

**Qualifying Years of Service for Retirement (from PPC 4973)** – A total calculation of years, months, days completed for each AY, with the minimum number of points to qualify as a satisfactory year toward retirement.

A qualifying year is a full AY in which a member is credited with a minimum of 50 retirement points. 20 qualifying years is one requirement to qualify for non-regular retired pay. A member with a break in service during an AY shall be credited with a qualifying partial year if the member meets the minimum pro-rated point requirements. Concurrent partial years of qualifying service may be combined and credited toward total qualifying service. However, if the point requirement is not met for a specific partial year, that particular partial year is non-qualifying and cannot be used toward the member's total qualifying years of service.

**Total Qualifying Service Years (from Direct Access)** – A count of qualifying Anniversary Years that are a full 365/366 days. If the AY row isn't a full year, even though there are enough points for a good year, it will not be counted in the Total Qualifying Service Years. Direct Access programming is looking for full years, so in most cases this amount will be incorrect and should be used as a guide, not an exact when reviewing your Points Statement.

The Qualifying Year Check mark denotes if 50 plus points were earned during the timeframe listed. That timeframe does not have to be a full year. This is why a member might have 40 checkmarks, but only 39 years listed for Total Qualifying Service Years. This field is checked/unchecked automatically and is not editable.

Your Retirement Orders will provide you a calculation of total service for pay purposes. This might not be the same as the Qualifying Years of Service for Retirement from a PPC 4973. This is because PPC (SEP) subtracts date from date (your retirement date minus your Pay Base Date) so it is not calculated the same as the calculation on the worksheet. That calculation is used in calculating your retirement pay. The PPC 4973 calculation is used in determining if a member has met requirement to be eligible to retire.

Take time to assess your goals and ensure your career path is taking you where you hope to be when you reach retirement eligibility and beyond. Strategically plan your time in regard to active and inactive points, anniversary and fiscal years.

Frequent review of your Reserve Points Statement is critical! A discrepancy in your point record can be a meaningful difference in Qualifying Years and/or the dollar value of your future retirement. The earlier discrepancies can be identified and corrected, the better. Looking ahead, some discrepancies can still be corrected while in the Gray Area (time between RET-2 and RET-1), but this can be problematic for members who are no longer focused on drilling, have competing priorities in their daily retired life, and no longer have access to support from an Admin or Servicing Personnel Office (SPO). Get your corrections taken care of now!

While still a member of the Reserve Component, you can take your supporting documentation to your Admin or SPO for assistance in correcting any discrepancies. If unable to correct an issue, your SPO will contact the Pay and Personnel Center (PPC) to create a trouble ticket to begin the discrepancy resolution process. Again, you will need to be able to provide supporting documentation to your Admin/SPO/PPC.