

# PREPARE FOR FINANCIAL READINESS AND RETIREMENT



## The Uniformed Services Blended Retirement System



### COMMANDER'S RESPONSIBILITIES:

- Encourage retirement preparation - ask your Service members "What is your retirement goal?"
- Remind eligible Service members the BRS Opt-In Course is mandatory.
- Ensure your Service members are provided time and access to retirement and financial management counseling.
- Encourage members to share and discuss financial and retirement information with their family members.

### KEY TALKING POINTS ABOUT BRS:

- About 85% of Service members will receive some form of government retirement benefit.
- Receive automatic 1% DoD and up to 4% DoD matching contributions to Thrift Savings Plan.
- BRS adjusts the multiplier from 2.5 percent to 2.0 percent for calculating monthly retired pay.
- Service members can elect 25% or 50% lump-sum of their discounted retired pay in exchange for reduced monthly retired pay at retirement.
- Eligibility for continuation pay in exchange for committing to additional service.
- No one will be automatically switched to BRS.

### Opting into the Blended Retirement System

Anyone serving BEFORE Jan. 1, 2018 is grandfathered under the legacy retirement system.

Serving as of Dec. 31, 2017 Active Duty with < 12 years or Reserve Component with < 4,320 retirement points may Opt-In.

AFTER Dec. 31, 2017 new accessions will be automatically enrolled into BRS.

# IMPLEMENTATION TIMELINE



Opt-In Window Ends **Dec. 31, 2018**

Opt-In Election Begins **Jan. 1, 2018**

BRS Effective **Jan. 1, 2018**

Accession Course  
**Jan. 2018**

Last Date of Opt-In Eligibility  
**Dec. 31, 2017**

Opt-In Members Notified  
**Late 2016**

Opt-In Training Begins **Jan. 2017**

Personal Financial Counselor / Educator Course Release **Sept. 2016**

Leader Training Began **June 2016**



## BRS Resources

DoD BRS Website:

<http://militarypay.defense.gov/BlendedRetirement>



Military One Source Website: <http://www.militaryonesource.mil>

## Today's Retirement System

- Defined annuity benefit computed as **2.5%** x  x 
- Must serve at least 20 years

Years Served x Retired Pay Base

## Blended Retirement System

- Defined annuity becomes **2.0%** x  x 
- BRS blends:

Years Served x Retired Pay Base

Member's TSP Contributions

DoD Automatic 1% into TSP

DoD Matching TSP Up to 4%

Monthly Retirement Pay

TSP Earnings

After 60 days

After 60 days\*

After 2 years\*

After 20 years

Retirement Age

\*TSP Government automatic and matching contributions will be immediate for Opt-In Service members.