

## Moves Between **NAF and APF** Employment systems

There are many differences in the Non-Appropriated Fund (NAF) and Appropriated Fund (APF) employment systems. From retirement systems to health and life benefits. Before making the move, be sure to educate yourself on these differences and the options you have at the time of your move.

- Pay consideration
- Leave
- Service Credit
- Retirement Portability
- Savings plans
- Medical & Life



*\*It is imperative you notify your gaining and losing agency when transferring between various agencies.*



### APF Portability Contacts

**ARMY** (785) 240-2222 or  
(877) 276-9287

**AIR FORCE** (800) 525-0102  
option 2—Civilian;  
Option 2—Retirement

**NAVY** (888) 320-2917  
[NAVYBENEFITS@NAVY.MIL](mailto:NAVYBENEFITS@NAVY.MIL)

**DLA** (614) 692-8752

**WHS** (703) 695-6493  
[WHS.BENEFITS@MAIL.MIL](mailto:WHS.BENEFITS@MAIL.MIL)

### NAF Portability Contacts

**AAFES** [PORTABILITY@AAFES.COM](mailto:PORTABILITY@AAFES.COM)

**ARMY** (855) 872-7704  
option 5=Portability; Option 4=Fidelity 401(k)  
[NAFPORTABILITY@ARMY.MIL](mailto:NAFPORTABILITY@ARMY.MIL)

**AIR FORCE** (800) 379-2867  
[AFSVA.GPINS@US.AF.MIL](mailto:AFSVA.GPINS@US.AF.MIL)

**CNIC** (901) 874-2278  
[MILL\\_CNIC\\_RETIREMENT.FCT@NAVY.MIL](mailto:MILL_CNIC_RETIREMENT.FCT@NAVY.MIL)

**MARINE CORPS**  
[MCNAFPORTABILITY@USMC-MCCS.ORG](mailto:MCNAFPORTABILITY@USMC-MCCS.ORG)

**NEXCOM** – MARY HOLMES  
[MARY.HOLMES@NEXWEB.ORG](mailto:MARY.HOLMES@NEXWEB.ORG)

**COAST GUARD** – KRISTI MOWRY  
[KRISTI.MOWRY@USCG.MIL](mailto:KRISTI.MOWRY@USCG.MIL)

If you are an **MCCS employee** who has **retained FERS (CSRS, CSRS Offset, FERS-RAE or FERS-FRAE)** retirement and have any questions regarding retirement portability, please contact your **local MCCS HR Office**.

If you are a **prior MCCS employee** who has **retained their Marine Corps NAF** retirement and have questions regarding retirement portability, please contact:  
**[MCNAFPortability@usmc-mccs.org](mailto:MCNAFPortability@usmc-mccs.org)**.



## PORTABILITY OF **BENEFITS** OVERVIEW FOR EMPLOYEES May 2023



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<https://benefits.usmc-mccs.org>

## Portability of Benefits

There are laws and regulations that must be followed for portability of benefits between the civil service (APF) and DoD nonappropriated fund (NAF) employment systems.

DoD NAF employees work in military exchanges and morale, welfare, and recreation programs, and are paid from funds generated by those activities. There are six primary DoD NAF employers: Army, Air Force, U.S. Marine Corps, Navy Exchange Service Command (NEXCOM), Commander Navy Installations Command (CNIC) and Army and Air Force Exchange Services (AAFES).

DoD NAF employee benefit programs are different from civil service employee (APF) benefit programs. Each of the six primary NAF employers has a separate retirement plan.

With certain exceptions, NAF employment is not considered to be Federal service for purposes of laws administered by OPM. Unless specifically provided by law, NAF service is not creditable for purposes of civil service benefits and vice versa, unless DoD policy provides for such credit.

These differences, particularly in the area of retirement benefits, can cause employees to lose service credit when they move between NAF and APF positions. Four laws prevent or limit such loss by providing portability of benefits between NAF and APF. Each law contains different eligibility criteria, benefit provisions and application dates.

## Key Portability Requirements for Qualifying Moves

**For moves between DoD NAF and DoD civil service (APF) positions without a break in service of more than 3 days:**

- **PAY:** Consideration of highest previous rate of pay permitted. Credit for NAF service towards GS step increase waiting period. Protection of last rate of basic pay if the move is not voluntary.
- **LEAVE:** Annual, sick and home leave balances transfer; no pay-out of annual leave balance at the time of move. Credit for prior service determines annual leave accrual rate in new position.
- **REDUCTION-IN-FORCE (RIF):** Service credit transfers for civil service RIF or NAF Business Based Action purposes.

**For moves between retirement-covered DoD NAF and civil service (APF) positions in any agency without a break in service of more than 1 year:**

- **RETIREMENT COVERAGE ELECTION:**
  - Employees may elect to remain in their current retirement system; **or**
  - Enter the gaining employer's retirement system with no transfer of service credit.
- **RETIREMENT ELECTION DECISION:**
  - Must be made within 30 days
  - Is a one-time opportunity
  - Is irrevocable

Employees who retain NAF retirement coverage are not eligible to contribute to a civil service (APF) retirement plan or to the Thrift Savings Plan (TSP). Employees who retain CSRS or FERS retirement coverage are not eligible to contribute to a NAF retirement plan or NAF 401(k).

## TIPS for Transfers

- Save copies of your employment documents (ie. Personnel actions, portability election form, Leave & Earnings Statement (LES))
- Notify losing and gaining employer of transfer to NAF or APF agency and inquire about your eligibility for portability of benefits
- Understand your retirement choices and how your benefits will change
- If you qualify for retirement portability, return the signed election form promptly and keep a copy for your records
- Check LES regularly to confirm transfer of leave, rate of leave accrual and retirement election and deductions
- If you elected to retain NAF retirement, you will need to contact that NAF agency for retirement estimates and to commence your retirement
- If you elected to retain CSRS or FERS retirement, your current HRO will advise how your annuity will be processed. After retirement, OPM will become your Point of Contact
- If making a subsequent employment move after your initial retirement portability election, notify your new agency:
  - Of your prior election, provide copy of election form and any applicable personnel records
  - If you retained NAF retirement, notify that NAF agency of your employment change
  - Monitor your LES to ensure correct retirement deductions and leave balances
- Employees transferring between NAF & APF may be eligible for a 31-day extension of health coverage