

Office of Personnel Management
Retirement and Insurance Service



1920



1954



1959



1986

Federal Employee Benefit Programs
FINANCIAL MANAGEMENT LETTER

Number: F-98-05

Date: April 24, 1998

Subject: The *Conner* Decision

This letter is to advise you of a decision of the United States Court of Appeals in *Conner v. OPM*. As a result of *Conner*, some employees have been erroneously placed in the Federal Employees Retirement System (FERS). We will be issuing detailed instructions on necessary payroll changes in the near future.

In brief, *Conner* will require payroll offices to make retroactive adjustments to individual employee records and contributions remitted to OPM. It requires a new rule be applied to all retirement coverage determinations made on or after January 1, 1987. Generally, most employees, who were automatically placed under FERS, despite having completed five years of creditable civilian service before 1987, should have been placed under Civil Service Retirement System-Offset (CSRS-Offset) coverage, with a right to elect FERS.

Most employees, affected by *Conner* will be afforded an opportunity to:

- o remain in FERS; or
- o have his or her coverage corrected to CSRS-offset
- o if the employee makes no election, he/she will be deemed to have elected FERS

If you or your staff have any questions, please contact us on (202) 606-0666, or send an email, finance@opm.gov.

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