

**FOREIGN SERVICE
RETIREMENT AND DISABILITY FUND¹**

**Budget Request
Foreign Service Retirement and Disability Fund
(Thousand Dollars)**

FY 2001 Actual	FY 2002 Actual	FY 2003 Estimate	FY 2004 Request
44,489	44,880	45,200	43,859

In FY 1974, amendments to the Foreign Assistance Act of 1961, as amended, permitted USAID career foreign service employees to become participants in the Foreign Service Retirement and Disability Fund.

The extension of coverage to USAID employees created an unfunded liability in the system. An actuarial determination by the Department of the Treasury shows that in FY 2004, \$43,859,000 will be required to amortize this liability and the unfunded liability created by pay raises and benefit changes since FY 1974.

For FY 2004, USAID is requesting an appropriation of this amount.

¹ Authorized by Chapter 8 of the Foreign Service Act of 1980.