

OFFICE OF PERSONNEL MANAGEMENT

Federal Funds

SALARIES AND EXPENSES

(INCLUDING TRANSFER OF TRUST FUNDS)

For necessary expenses to carry out functions of the Office of Personnel Management (OPM) pursuant to Reorganization Plan Numbered 2 of 1978 and the Civil Service Reform Act of 1978, including services as authorized by 5 U.S.C. 3109; medical examinations performed for veterans by private physicians on a fee basis; rental of conference rooms in the District of Columbia and elsewhere; hire of passenger motor vehicles; not to exceed \$2,500 for official reception and representation expenses; advances for reimbursements to applicable funds of OPM and the Federal Bureau of Investigation for expenses incurred under Executive Order No. 10422 of January 9, 1953, as amended; and payment of per diem and/or subsistence allowances to employees where Voting Rights Act activities require an employee to remain overnight at his or her post of duty, **[\$95,757,000, of which \$5,704,000 shall remain available until expended for the Enterprise Human Resources Integration project] \$96,039,000, of which \$642,000 may be for strengthening the capacity and capabilities of the acquisition workforce (as defined by the Office of Federal Procurement Policy Act, as amended (41 U.S.C. 4001 et seq.)), including the recruitment, hiring, training, and retention of such workforce and information technology in support of acquisition workforce effectiveness or for management solutions to improve acquisition management**, and of which \$1,345,000 shall remain available until expended **[\$118,578,000] \$118,425,000** for administrative expenses, to be transferred from the appropriate trust funds of OPM without regard to other statutes, including direct procurement of printed materials, for the retirement and insurance programs [of which \$2,600,000 shall remain available until expended for a retirement case management system]: *Provided*, That the provisions of this appropriation shall not affect the authority to use applicable trust funds as provided by sections 8348(a)(1)(B), 8958(f)(2)(A), 8988(f)(2)(A), and 9004(f)(2)(A) of title 5, United States Code: *Provided further*, That no part of this appropriation shall be available for salaries and expenses of the Legal Examining Unit of OPM established pursuant to Executive Order No. 9358 of July 1, 1943, or any successor unit of like purpose: *Provided further*, That the President's Commission on White House Fellows, established by Executive Order No. 11183 of October 3, 1964, may, during fiscal year 2014, accept donations of money, property, and personal services: *Provided further*, That such donations, including those from prior years, may be used for the development of publicity materials to provide information about the White House Fellows, except that no such donations shall be accepted for travel or reimbursement of travel expenses, or for the salaries of employees of such Commission. (*Financial Services and General Government Appropriations Act, 2014.*)

1130	Appropriations permanently reduced	-5		
1160	Appropriation, discretionary (total)	93	96	96
	Spending authority from offsetting collections, discretionary:			
1700	Collected	262	118	118
1701	Change in uncollected payments, Federal sources	35		
1750	Spending auth from offsetting collections, disc (total)	297	118	118
1900	Budget authority (total)	390	214	214
1930	Total budgetary resources available	395	226	226
	Memorandum (non-add) entries:			
1940	Unobligated balance expiring	-14		
1941	Unexpired unobligated balance, end of year	12	12	12
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	Change in obligated balance:			
	Unpaid obligations:			
3000	Unpaid obligations, brought forward, Oct 1	138	96	88
3010	Obligations incurred, unexpired accounts	369	214	214
3011	Obligations incurred, expired accounts	1		
3020	Outlays (gross)	-403	-222	-234
3041	Recoveries of prior year unpaid obligations, expired	-9		
3050	Unpaid obligations, end of year	96	88	68
	Uncollected payments:			
3060	Uncollected pymts, Fed sources, brought forward, Oct 1	-116	-92	-92
3070	Change in uncollected pymts, Fed sources, unexpired	-35		
3071	Change in uncollected pymts, Fed sources, expired	59		
3090	Uncollected pymts, Fed sources, end of year	-92	-92	-92
	Memorandum (non-add) entries:			
3100	Obligated balance, start of year	22	4	-4
3200	Obligated balance, end of year	4	-4	-24
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	Budget authority and outlays, net:			
	Discretionary:			
4000	Budget authority, gross	390	214	214
	Outlays, gross:			
4010	Outlays from new discretionary authority	304	202	202
4011	Outlays from discretionary balances	99	20	32
4020	Outlays, gross (total)	403	222	234
	Offsets against gross budget authority and outlays:			
	Offsetting collections (collected) from:			
4030	Federal sources	-304	-118	-118
	Additional offsets against gross budget authority only:			
4050	Change in uncollected pymts, Fed sources, unexpired	-35		
4052	Offsetting collections credited to expired accounts	42		
4060	Additional offsets against budget authority only (total)	7		
4070	Budget authority, net (discretionary)	93	96	96
4080	Outlays, net (discretionary)	99	104	116
4180	Budget authority, net (total)	93	96	96
4190	Outlays, net (total)	99	104	116

Program and Financing (in millions of dollars)

Identification code 24-0100-0-1-805	2013 actual	2014 est.	2015 est.
Obligations by program activity:			
0001 Employee Services	32	29	27
0002 Merit System Audit & Compliance	13	13	13
0003 Office of the Chief Financial Officer	3	3	
0004 Office of the Chief Information Officer	11	8	9
0005 Executive Services	28	18	18
0006 Planning & Policy Analysis	6	12	17
0007 Health and Insurance	5	13	12
0100 Total direct program	98	96	96
0799 Total direct obligations	98	96	96
0801 Trust Fund activity	271	118	118
0900 Total new obligations	369	214	214
Budgetary Resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	5	12	12
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation	98	96	96

OPM's mission is to recruit, retain and honor a world-class workforce for the American people. OPM will lead the way in making the Federal Government the model employer by being the model agency in implementing best practices, leading by example, and becoming the change we want to see. The FY2015 Budget will permit OPM programs to prioritize their activities in support of the OPM strategic plan for FY 2014 - 2018.

The functions and objectives of OPM's major organizations are:

Employee Services.—Develops human resource (HR) policies for Executive Branch agencies and provides policy direction and leadership in designing, developing and promulgating government-wide human resources systems and programs for recruitment, staffing, classification, pay, leave, training, performance management and recognition, employee development, management of executive resources, work/life/wellness programs and labor and employee relations.

Merit System Accountability and Compliance.—Ensures Federal agency human resources programs are effective, efficient, and meet merit system principles and related civil service requirements by working directly with other Federal agency Chief Human Capital Officers, Accountability Program Managers, HR managers and specialists. Improves agency programs that are not in compliance with Federal HR policies and regulation; and

SALARIES AND EXPENSES—Continued

improves the effectiveness and efficiency of the agency programs to meet agency mission and objectives.

Retirement Services Program.—Administers the Civil Service Retirement System (CSRS) and the Federal Employees Retirement System (FERS), serving Federal retirees and survivors who receive monthly annuity payments. Retirement Services Program will continue to focus on making initial eligibility determinations, adjudicating new retirements, initiating survivor benefit payments, and calculating post retirement changes due to disability and death.

Planning and Policy Analysis.—Provides strategic analysis and workforce information for the OPM Director and supports the performance goals of the agency. The scope of PPA analysis spans the full range of human resource management issues facing Federal agencies (such as workforce supply, pay, benefits, diversity) and involves a variety of analytical tools (including actuarial analysis, surveys, economic analysis, and policy analysis).

Healthcare & Insurance.—Administers Federal Employees Health Benefit Program (FEHBP), Federal Employee Group Life Insurance (FEGLI) Program, Flexible Spending Account Program (FSAFEDS), Federal Long Term Care Insurance Program (FLT-CIP), and Federal Employee Dental Vision Insurance Program (FEDVIP). These programs provide a complete suite of insurance benefits for more than eight million Federal employees, retirees, and their families. Healthcare and Insurance is also responsible for implementing and overseeing the Patient Protection and Affordable Care Act's Multi-State Plan Options.

Object Classification (in millions of dollars)

Identification code 24-0100-0-1-805	2013 actual	2014 est.	2015 est.
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent	44	50	47
11.3 Other than full-time permanent	1	1	1
11.5 Other personnel compensation	1	1	1
11.9 Total personnel compensation	46	52	49
12.1 Civilian personnel benefits	12	15	13
21.0 Travel and transportation of persons	1	1	1
23.3 Communications, utilities, and miscellaneous charges	14	12	9
24.0 Printing and reproduction	1		
25.2 Other services from non-Federal sources	23	15	23
31.0 Equipment	1	1	1
99.0 Direct obligations	98	96	96
99.0 Reimbursable obligations	271	118	118
99.9 Total new obligations	369	214	214

Employment Summary

Identification code 24-0100-0-1-805	2013 actual	2014 est.	2015 est.
1001 Direct civilian full-time equivalent employment	855	874	843
2001 Reimbursable civilian full-time equivalent employment	1,143	1,188	1,180

OFFICE OF INSPECTOR GENERAL

SALARIES AND EXPENSES

(INCLUDING TRANSFER OF TRUST FUNDS)

For necessary expenses of the Office of Inspector General in carrying out the provisions of the Inspector General Act of 1978, including services as authorized by 5 U.S.C. 3109, hire of passenger motor vehicles, **[\$4,684,000]** \$4,384,000, and in addition, not to exceed \$21,340,000 for administrative expenses to audit, investigate, and provide other oversight of the Office of Personnel Management's retirement and insurance programs, to be transferred from the appropriate trust funds of the Office of Personnel Management, as determined by the Inspector General [and in addition, not to exceed \$6,600,000 as determined by the Inspector

General, for administrative expenses to audit, investigate, and provide other oversight of the activities of the revolving fund established under section 1304(e) of title 5, United States Code, and the programs and activities of the Office of Personnel Management carried out using amounts made available from such revolving fund, to be transferred from such revolving fund]: *Provided*, That the Inspector General is authorized to rent conference rooms in the District of Columbia and elsewhere. (Financial Services and General Government Appropriations Act, 2014.)

Program and Financing (in millions of dollars)

Identification code 24-0400-0-1-805	2013 actual	2014 est.	2015 est.
Obligations by program activity:			
0001 Program oversight (audits, investigations, etc.)	3	5	5
0801 Reimbursable program activity	20	21	21
0900 Total new obligations	23	26	26
Budgetary Resources:			
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation	3	5	5
1160 Appropriation, discretionary (total)	3	5	5
Spending authority from offsetting collections, discretionary:			
1700 Collected	18	21	21
1701 Change in uncollected payments, Federal sources	3		
1750 Spending auth from offsetting collections, disc (total)	21	21	21
1900 Budget authority (total)	24	26	26
1930 Total budgetary resources available	24	26	26
Memorandum (non-add) entries:			
1940 Unobligated balance expiring	-1		
Change in obligated balance:			
Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1	4	4	1
3010 Obligations incurred, unexpired accounts	23	26	26
3020 Outlays (gross)	-23	-29	-25
3050 Unpaid obligations, end of year	4	1	2
Uncollected payments:			
3060 Uncollected pymts, Fed sources, brought forward, Oct 1	-9	-10	-10
3070 Change in uncollected pymts, Fed sources, unexpired	-3		
3071 Change in uncollected pymts, Fed sources, expired	2		
3090 Uncollected pymts, Fed sources, end of year	-10	-10	-10
Memorandum (non-add) entries:			
3100 Obligated balance, start of year	-5	-6	-9
3200 Obligated balance, end of year	-6	-9	-8
Budget authority and outlays, net:			
Discretionary:			
4000 Budget authority, gross	24	26	26
Outlays, gross:			
4010 Outlays from new discretionary authority	22	25	25
4011 Outlays from discretionary balances	1	4	
4020 Outlays, gross (total)	23	29	25
Offsets against gross budget authority and outlays:			
Offsetting collections (collected) from:			
4030 Federal sources	-20	-21	-21
Additional offsets against gross budget authority only:			
4050 Change in uncollected pymts, Fed sources, unexpired	-3		
4052 Offsetting collections credited to expired accounts	2		
4060 Additional offsets against budget authority only (total)	-1		
4070 Budget authority, net (discretionary)	3	5	5
4080 Outlays, net (discretionary)	3	8	4
4180 Budget authority, net (total)	3	5	5
4190 Outlays, net (total)	3	8	4

This appropriation provides agency-wide audit, investigation, administrative sanction, and debarment functions to identify program management, contractual, and administrative deficiencies that may create conditions for fraud, waste, abuse, and mismanagement. During fiscal year (FY) 2013, the Office of Inspector General (OIG) activities resulted in positive financial impacts of over \$76 million to Office of Personnel Management (OPM) managed funds and led to 38 arrests, 49 indictments/information inquiries, 37 criminal convictions, and 810 suspensions

or debarments within the Federal Employees Health Benefits Program (FEHBP). The OIG joint efforts with the Department of Justice (DOJ) and other Federal, state, and local law enforcement agencies has resulted in collected fines/penalties/forfeitures to the Federal government totaling over \$1.1 billion.

The audits function provides audit services covering agency functions, the FEHBP, the Federal Employees Group Life Insurance (FEGLI) program, the Federal Employees Dental and Vision Insurance Program (FEDVIP), the Federal Long Term Care Insurance Program (FLTCIP), the Federal Flexible Spending Accounts for Federal Employees (FSAFEDS), the Combined Federal Campaign Audits (CFC), the Federal retirement programs, revolving fund programs and operations, and information systems and security audits. Internal agency audits review all facets of agency operations, and include the oversight of the agency financial statement audit. Insurance audits review the operations of health and life insurance carriers, health care providers, pharmacy benefit managers, and insurance subscribers. Information systems audits review general controls, application controls and security within the agency's information systems and programs as well as for the information systems of insurance carriers within the FEHBP.

The investigations function detects and investigates improper and illegal activities involving agency programs, personnel, and operations. A large component of the investigative program involves criminal activities within the FEHBP, retirement and life insurance trust fund programs, as well as the OPM revolving fund programs. Our administrative sanctions program debars and suspends health care providers whose conduct may pose a financial threat to the FEHBP or health and safety risk to FEHBP enrollees and their families.

In FY 2015, the OIG will continue its audits and investigations of OPM programs, including the FEHBP and retirement trust fund programs, OPM revolving fund programs, and OPM financial statement oversight and other program areas. The OIG will continue to advance its prescription drug audit program, which includes audits of pharmacy benefit managers. Through these audits, the OIG helps the FEHBP recover inappropriate charges, negotiate more favorable contracts, control future cost growth, and improve benefits provided to program enrollees. The OIG will also continue its FEHBP claims data warehouse initiative in FY 2015. This project streamlines and enhances the various administrative and analytical procedures involved in the oversight of the FEHBP. The purpose of the project is to capture claims data from experience-rated insurance carriers in a data warehouse of health care information. The system's software tools support a variety of analytical procedures, including data mining, using the data in the warehouse. The project has facilitated more efficient and effective oversight of the FEHBP by enhancing the ability of auditors and investigators to identify improper payments.

Another challenge facing the OIG is the oversight of the vast OPM revolving fund programs, most notably the Federal Investigative Services, responsible for the Federal background investigations which have significant national security implications. The revolving fund programs are projected to spend over 1.6 billion in FY 2015.

The FY 2015 President's Budget includes funds associated with OPM's implementation of the Patient Protection and Affordable Care Act (ACA), including the Indian Health Care Improvement Reauthorization and Extension Act of 2009 (IHICIA), which was enacted as part of the ACA. The OIG is currently working with OPM on its implementation of the ACA. The OIG will audit and examine Multi-State Plan Program (MSPP) records and accounts

that pertain to the MSPP. The OIG will work with MSPP issuers to carry out our oversight responsibilities by ensuring compliance with Federal regulations, the MSPP contract and OPM program guidance. This includes plans to review the business practices exhibited by the MSPPs, including their fraud detection systems, and report findings and recommendations to OPM for further action.

In the FY 2014 President's Budget, the Administration proposed a government-wide general provision to expand the authorization of OPM's revolving fund for use the by OIG to audit and provide necessary oversight of that fund. In January 2014, the Congress passed the OPM IG Act (H.R. 2860), which was signed into law by President Obama in February 2014. This piece of legislation will provide the required resources to the OIG for administrative expenses to audit, investigate, and provide other oversight of the activities of the OPM revolving fund.

Object Classification (in millions of dollars)

Identification code 24-0400-0-1-805	2013 actual	2014 est.	2015 est.
Direct obligations:			
11.1 Personnel compensation: Full-time permanent	2	4	4
12.1 Civilian personnel benefits	1	1	1
99.0 Direct obligations	3	5	5
99.0 Reimbursable obligations	20	21	21
99.9 Total new obligations	23	26	26

Employment Summary

Identification code 24-0400-0-1-805	2013 actual	2014 est.	2015 est.
1001 Direct civilian full-time equivalent employment	7	19	19
2001 Reimbursable civilian full-time equivalent employment	125	126	126

GOVERNMENT PAYMENT FOR ANNUITANTS, EMPLOYEES HEALTH BENEFITS

For payment of Government contributions with respect to retired employees, as authorized by chapter 89 of title 5, United States Code, and the Retired Federal Employees Health Benefits Act (74 Stat. 849), such sums as may be necessary.

Program and Financing (in millions of dollars)

Identification code 24-0206-0-1-551	2013 actual	2014 est.	2015 est.
Obligations by program activity:			
0001 Government contribution for annuitants benefits (1959 Act)	10,963	11,070	11,458
0002 Government contribution for annuitants benefits (1960 Act)	1	1	1
0900 Total new obligations (object class 13.0)	10,964	11,071	11,459
Budgetary Resources:			
Budget authority:			
Appropriations, mandatory:			
1200 Appropriation	10,964	11,071	11,459
1260 Appropriations, mandatory (total)	10,964	11,071	11,459
1930 Total budgetary resources available	10,964	11,071	11,459
Change in obligated balance:			
Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1	1,100	1,133	965
3010 Obligations incurred, unexpired accounts	10,964	11,071	11,459
3020 Outlays (gross)	-10,931	-11,239	-11,417
3050 Unpaid obligations, end of year	1,133	965	1,007
Memorandum (non-add) entries:			
3100 Obligated balance, start of year	1,100	1,133	965
3200 Obligated balance, end of year	1,133	965	1,007
Budget authority and outlays, net:			
Mandatory:			
4090 Budget authority, gross	10,964	11,071	11,459
Outlays, gross:			
4100 Outlays from new mandatory authority	9,831	10,106	10,452

GOVERNMENT PAYMENT FOR ANNUITANTS, EMPLOYEES HEALTH
BENEFITS—Continued

Program and Financing—Continued

Identification code 24-0206-0-1-551	2013 actual	2014 est.	2015 est.
4101 Outlays from mandatory balances	1,100	1,133	965
4110 Outlays, gross (total)	10,931	11,239	11,417
4180 Budget authority, net (total)	10,964	11,071	11,459
4190 Outlays, net (total)	10,931	11,239	11,417

This appropriation covers: 1) the Government's share of the cost of health insurance for annuitants as defined in sections 8901 and 8906 of title 5, United States Code; 2) the Government's share of the cost of health insurance for annuitants (who were retired when the Federal employees health benefits law became effective), as defined in the Retired Federal Employees Health Benefits Act of 1960; and 3) the Government's contribution for payment of administrative expenses incurred by OPM in administration of the Act.

The budget authority for this account recognizes the amounts being remitted by the U.S. Postal Service to finance a portion of its post-1971 annuitants' health benefit costs.

	2013 actual	2014 est.	2015 est.
Annuity:			
FEHB	1,895,000	1,905,000	1,915,000
USPS active employees (non-add)	449,000	421,000	384,000
REHB	324	266	219
Total, annuitants	1,895,324	1,905,266	1,915,219

GOVERNMENT PAYMENT FOR ANNUITANTS, EMPLOYEE LIFE INSURANCE

For payment of Government contributions with respect to employees retiring after December 31, 1989, as required by chapter 87 of title 5, United States Code, such sums as may be necessary.

Program and Financing (in millions of dollars)

Identification code 24-0500-0-1-602	2013 actual	2014 est.	2015 est.
Obligations by program activity:			
0001 Direct program activity	46	49	50
0900 Total new obligations (object class 25.2)	46	49	50
Budgetary Resources:			
Budget authority:			
Appropriations, mandatory:			
1200 Appropriation	46	49	50
1260 Appropriations, mandatory (total)	46	49	50
1930 Total budgetary resources available	46	49	50
Change in obligated balance:			
Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1	6	6	6
3010 Obligations incurred, unexpired accounts	46	49	50
3020 Outlays (gross)	-46	-49	-50
3050 Unpaid obligations, end of year	6	6	6
Memorandum (non-add) entries:			
3100 Obligated balance, start of year	6	6	6
3200 Obligated balance, end of year	6	6	6
Budget authority and outlays, net:			
Mandatory:			
4090 Budget authority, gross	46	49	50
Outlays, gross:			
4100 Outlays from new mandatory authority	40	43	44
4101 Outlays from mandatory balances	6	6	6
4110 Outlays, gross (total)	46	49	50
4180 Budget authority, net (total)	46	49	50
4190 Outlays, net (total)	46	49	50

Per P.L. 96-427, Federal Employees Group Life Insurance Act of 1980, enacted October 10, 1980, this appropriation finances the Government's share of premiums, which is one-third the cost, for Basic life insurance for annuitants retiring after December 31, 1989, and who are less than 65 years old.

PAYMENT TO CIVIL SERVICE RETIREMENT AND DISABILITY FUND

For financing the unfunded liability of new and increased annuity benefits becoming effective on or after October 20, 1969, as authorized by 5 U.S.C. 8348, and annuities under special Acts to be credited to the Civil Service Retirement and Disability Fund, such sums as may be necessary: Provided, That annuities authorized by the Act of May 29, 1944, and the Act of August 19, 1950 (33 U.S.C. 771-775), may hereafter be paid out of the Civil Service Retirement and Disability Fund.

Program and Financing (in millions of dollars)

Identification code 24-0200-0-1-805	2013 actual	2014 est.	2015 est.
Obligations by program activity:			
0002 Payment of Government share of retirement costs	11,595	11,500	11,400
0003 Transfers for interest on unfunded liability and payment of military service annuities	21,329	23,899	24,793
0005 Spouse equity payment	71	71	71
0900 Total new obligations	32,995	35,470	36,264
Budgetary Resources:			
Budget authority:			
Appropriations, mandatory:			
1200 Appropriation	21,329	23,899	24,793
1200 Appropriation	11,666	11,571	11,471
1260 Appropriations, mandatory (total)	32,995	35,470	36,264
1930 Total budgetary resources available	32,995	35,470	36,264
Change in obligated balance:			
Unpaid obligations:			
3010 Obligations incurred, unexpired accounts	32,995	35,470	36,264
3020 Outlays (gross)	-32,995	-35,470	-36,264
Budget authority and outlays, net:			
Mandatory:			
4090 Budget authority, gross	32,995	35,470	36,264
Outlays, gross:			
4100 Outlays from new mandatory authority	32,995	35,470	36,264
4180 Budget authority, net (total)	32,995	35,470	36,264
4190 Outlays, net (total)	32,995	35,470	36,264

The Payment to the Civil Service Retirement and Disability Fund consists of an appropriation and a permanent indefinite authorization to pay the Government's share of retirement costs as defined in the Civil Service Retirement Amendments of 1969 (P.L. 91-93), the Federal Employees Retirement Act of 1986 (P.L. 99-335), and the Civil Service Retirement Spouse Equity Act of 1985 (P.L. 98-615). The payment is made directly from the General Fund of the U.S. Treasury into the Civil Service Retirement and Disability Fund and is in addition to appropriated funds that will be contributed from agency budgets.

Current Appropriation Payment of Government share of retirement costs.—P.L. 91-93 provides for an annual appropriation to amortize, over a 30-year period, all increases in Civil Service Retirement System costs resulting from acts of Congress granting new or liberalized benefits, extensions of coverage, or pay raises, exclusive of the effects of cost-of-living adjustments (COLAs). OPM has notified the Secretary of the Treasury each year of such sums as may be necessary to carry out these provisions.

Permanent Indefinite Authorization.—Transfers for interest on static unfunded liability and payment of military service annuities.—P.L. 91-93 also provides permanent, indefinite authorization for the Secretary of the Treasury to transfer, on an annual basis, an amount equal to 5 percent interest on the Civil Service Retirement

ment and Disability Funds current statutory unfunded liability, calculated based on static economic assumptions, and annuity disbursements attributable to credit for military service.

Payments for Spouse Equity.—The permanent, indefinite authorization also includes a payment in accordance with P.L. 98–615 which provides for the Secretary of the Treasury to transfer an amount equal to the annuities granted to eligible former spouses of annuitants who died between September 1978 and May 1985 who did not elect survivor coverage.

Financing.—The unfunded liability of new and increased annuity benefits becoming effective on or after October 20, 1969, as authorized by 5 U.S.C. 8348, and annuities under special Acts to be credited to the Civil Service Retirement and Disability Fund, such sums as may be necessary: *Provided*, That annuities authorized by the Act of May 29, 1944, and the Act of August 19, 1950 (33 U.S.C. 771–775), may hereafter be paid out of the Civil Service Retirement and Disability Fund. (Financial Services and General Government Appropriations Act, 2010.)

Object Classification (in millions of dollars)

Identification code 24–0200–0–1–805	2013 actual	2014 est.	2015 est.
Direct obligations:			
12.1 Civilian personnel benefits	11,666	11,571	11,471
13.0 Benefits for former personnel	21,329	23,899	24,793
99.9 Total new obligations	32,995	35,470	36,264

FLEXIBLE BENEFITS PLAN RESERVE

Program and Financing (in millions of dollars)

Identification code 24–0800–0–1–805	2013 actual	2014 est.	2015 est.
Obligations by program activity:			
0801 FSA FEDS Risk Reserve	18	38	39
0900 Total new obligations (object class 25.6)	18	38	39
Budgetary Resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	97	92	86
Budget authority:			
Spending authority from offsetting collections, mandatory:			
1800 Collected	13	32	32
1850 Spending auth from offsetting collections, mand (total)	13	32	32
1930 Total budgetary resources available	110	124	118
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year	92	86	79

Change in obligated balance:

Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1		1	1
3010 Obligations incurred, unexpired accounts	18	38	39
3020 Outlays (gross)	-17	-38	-39
3050 Unpaid obligations, end of year	1	1	1
Memorandum (non-add) entries:			
3100 Obligated balance, start of year		1	1
3200 Obligated balance, end of year	1	1	1

Budget authority and outlays, net:

Mandatory:			
4090 Budget authority, gross	13	32	32
Outlays, gross:			
4100 Outlays from new mandatory authority	13	32	32
4101 Outlays from mandatory balances	4	6	7
4110 Outlays, gross (total)	17	38	39
Offsets against gross budget authority and outlays:			
Offsetting collections (collected) from:			
4120 Federal sources	-1	-1	-1
4123 Non-Federal sources	-12	-31	-31
4130 Offsets against gross budget authority and outlays (total)	-13	-32	-32
4170 Outlays, net (mandatory)	4	6	7

4190 Outlays, net (total)	4	6	7
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This account contains reserve resources required under the Office of Personnel Management's contract with the administrator of the Flexible Benefits program. This account is funded by payments from Federal agencies based on the participation of their employees in the program and from net forfeitures, as authorized by the National Defense Authorization Act for Fiscal Year 2004 (P.L. 108–136). Account assets are available to indemnify the administrator when benefit payments exceed contributions, and for program enhancements.

Object Classification (in millions of dollars)

Identification code 24–0800–0–1–805	2013 actual	2014 est.	2015 est.
99.0 Reimbursable obligations	18	38	39

POSTAL SERVICE RETIREE HEALTH BENEFITS FUND

Special and Trust Fund Receipts (in millions of dollars)

Identification code 24–5391–0–2–551	2013 actual	2014 est.	2015 est.
0100 Balance, start of year	45,347	46,925	47,549
Receipts:			
0240 Postal Service Contributions for Current Workers, Postal Service Retiree Health Benefits Fund- legislative proposal subject to PAYGO		2,353	2,245
0241 Earnings on Investments, Postal Service Retiree Health Benefits Fund	1,578	1,470	1,466
0242 Postal Service Contributions for Benefits Paid to Retirees, Postal Service Retiree Health Benefits Fund		5,700	5,700
0243 Postal Service Contributions for Benefits Paid to Retirees, Postal Service Retiree Health Benefits Fund- legislative proposal subject to PAYGO			-2,850
0244 Postal Service Contributions for Benefits Paid to Retirees, Postal Service Retiree Health Benefits Fund		-5,700	
0299 Total receipts and collections	1,578	3,823	6,561
0400 Total: Balances and collections	46,925	50,748	54,110
Appropriations:			
0500 Postal Service Retiree Health Benefits Fund	-1,578	-7,170	-7,166
0501 Postal Service Retiree Health Benefits Fund	1,578	7,170	7,166
0502 Postal Service Retiree Health Benefits Fund- legislative proposal subject to PAYGO		-3,199	-3,521
0599 Total appropriations		-3,199	-3,521
0799 Balance, end of year	46,925	47,549	50,589

Program and Financing (in millions of dollars)

Identification code 24–5391–0–2–551	2013 actual	2014 est.	2015 est.
Budgetary Resources:			
Budget authority:			
Appropriations, mandatory:			
1201 Appropriation (special or trust fund)	1,578	7,170	7,166
1234 Appropriations precluded from obligation	-1,578	-7,170	-7,166
Memorandum (non-add) entries:			
5000 Total investments, SOY: Federal securities: Par value	45,347	42,324	54,095
5001 Total investments, EOY: Federal securities: Par value	42,324	54,095	61,261

The Postal Accountability and Enhancement Act (P.L. 109–435) created the Postal Service Retiree Health Benefits Fund to help fully fund the Postal Service's retiree (annuitant) health benefits liabilities.

This account receives from the Postal Service: 1) the pension savings provided to the Postal Service by the Postal Civil Service Retirement System Funding Reform Act of 2003 (P.L. 108–18) that were held in escrow during 2006; 2) payments defined within P.L. 109–435, and modified by P.L. 111–68, to begin the liquidation of the Postal Service's unfunded liability for post-retirement health benefits; and 3) beginning in 2017, payments for

POSTAL SERVICE RETIREE HEALTH BENEFITS FUND—Continued
the actuarial cost of Postal Service contributions for the post-retirement health benefits for its current employees. This account also receives any surplus resources of the Civil Service Retirement and Disability Fund that are not needed to finance future retirement benefits under the Civil Service Retirement System to current or former employees of the Postal Service that are attributable to civilian employment with the Postal Service.

As a result of this health benefits financing system, beginning in 2017, the Postal Service will cease to pay annual premium costs for its post-1971 current annuitants directly to the Employees and Retired Employees Health Benefits Fund. Instead, these premium payments will be paid from amounts that the Postal Service remits to this fund. Payments for a proportion of the premium costs of Postal Service annuitants' pre-1971 service would continue to be paid by the General Fund of the Treasury through the Government Payment for Annuitants, Employees Health Benefits account.

POSTAL SERVICE RETIREE HEALTH BENEFITS FUND
(Legislative proposal, subject to PAYGO)

Program and Financing (in millions of dollars)

Identification code 24-5391-4-2-551	2013 actual	2014 est.	2015 est.
Obligations by program activity:			
0001 FEHB premium payments for current retirees		3,199	3,521
0900 Total new obligations (object class 12.1)		3,199	3,521
Budgetary Resources:			
Budget authority:			
Appropriations, mandatory:			
1201 Appropriation (special or trust fund)		3,199	3,521
1260 Appropriations, mandatory (total)		3,199	3,521
1930 Total budgetary resources available		3,199	3,521
Change in obligated balance:			
Unpaid obligations:			
3010 Obligations incurred, unexpired accounts		3,199	3,521
3020 Outlays (gross)		-3,199	-3,521
Budget authority and outlays, net:			
Mandatory:			
4090 Budget authority, gross		3,199	3,521
Outlays, gross:			
4100 Outlays from new mandatory authority		3,199	3,521
4180 Budget authority, net (total)		3,199	3,521
4190 Outlays, net (total)		3,199	3,521

Under the Postal Accountability and Enhancement Act of 2006 (P.L. 109-435), USPS must make a stream of payments set in statute through 2016 toward paying down retiree health benefit unfunded liabilities, as well as pay annual Federal Employees Health Benefits Program premiums for current retirees. Also under current law, starting in 2017, USPS must pay the per capita accruing costs (or normal cost) to fund future retiree health benefits of current employees and a 40-year amortization of the remaining unfunded liability (UFL) for current retirees. The Budget proposes to shift how the Postal Service (USPS) pre-funds its retiree health benefits' UFL. Under the proposal, starting in 2014, USPS would pay the normal costs for the future retiree health benefits of current employees and also a stream of payments associated with paying down the remaining UFL for current retirees. Further, the Budget would provide USPS temporary financial relief as the 2014 (\$5.7 billion) and half of the 2015 (\$2.85 billion) and 2016 (\$2.9 billion) UFL payments would be adjusted so that USPS would pay through 2016 a total of \$9.4 billion less than what it would have paid to this Fund under current law. USPS would make up this \$9.4 billion payment to

the Fund by paying larger amounts in future years through the 40-year amortization of the remaining UFL that starts in 2017. The Budget also proposes to codify three statutory RHB prefunding payments that USPS defaulted on in FYs 2012 and 2013. These defaults, totaling \$16.7 billion, are factored into the 40-year amortization schedule starting in 2017, but remain on USPS's financial statements in each year as outstanding liabilities. This proposal provides the following benefits to USPS: 1) USPS would be provided temporary financial relief in the form of lower payments in 2014, 2015, and 2016; 2) The calculations of normal cost and UFL are based on actuarial assumptions (as of January 2014) that reflect USPS's employee population change since 2006, when the prefunding mechanism was originally adopted (note, however, that the actual annual payments for the normal costs are reset each year based on the number of USPS employees); 3) This Fund would pay the premiums for current USPS retirees now, rather than starting in 2017—this accelerates what would have occurred anyway in 2017 under current law. See also the Postal Service section of this Appendix for information on this proposal.

REVOLVING FUND

Program and Financing (in millions of dollars)

Identification code 24-4571-0-4-805	2013 actual	2014 est.	2015 est.
Obligations by program activity:			
0801 Human Resource Solutions	391	381	393
0802 Investigation services	1,126	1,059	1,133
0803 Human Resources Tools & Technology (HRTT)	67	31	33
0804 Enterprise human resources integration	58	33	37
0805 USAJOBS	13	12	11
0806 Presidential Management Fellows		4	3
0807 Human Resource Line of Business (HRLoB)		3	3
0808 Inspector General Activities		5	6
0900 Total new obligations	1,655	1,528	1,619
Budgetary Resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	404	267	154
1021 Recoveries of prior year unpaid obligations	69		
1050 Unobligated balance (total)	473	267	154
Budget authority:			
Spending authority from offsetting collections, mandatory:			
1800 Collected	1,619	1,415	1,664
1801 Change in uncollected payments, Federal sources	-170		
1850 Spending auth from offsetting collections, mand (total)	1,449	1,415	1,664
1900 Budget authority (total)	1,449	1,415	1,664
1930 Total budgetary resources available	1,922	1,682	1,818
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year	267	154	199
Change in obligated balance:			
Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1	1,130	926	1,039
3010 Obligations incurred, unexpired accounts	1,655	1,528	1,619
3020 Outlays (gross)	-1,790	-1,415	-1,664
3040 Recoveries of prior year unpaid obligations, unexpired	-69		
3050 Unpaid obligations, end of year	926	1,039	994
Uncollected payments:			
3060 Uncollected pymts, Fed sources, brought forward, Oct 1	-806	-636	-636
3070 Change in uncollected pymts, Fed sources, unexpired	170		
3090 Uncollected pymts, Fed sources, end of year	-636	-636	-636
Memorandum (non-add) entries:			
3100 Obligated balance, start of year	324	290	403
3200 Obligated balance, end of year	290	403	358
Budget authority and outlays, net:			
Mandatory:			
4090 Budget authority, gross	1,449	1,415	1,664
Outlays, gross:			
4100 Outlays from new mandatory authority	613	473	1,619

4101	Outlays from mandatory balances	1,177	942	45
4110	Outlays, gross (total)	1,790	1,415	1,664
	Offsets against gross budget authority and outlays:			
	Offsetting collections (collected) from:			
4120	Federal sources	-1,619	-1,415	-1,664
	Additional offsets against gross budget authority only:			
4140	Change in uncollected pymts, Fed sources, unexpired	170		
4170	Outlays, net (mandatory)	171		
4190	Outlays, net (total)	171		

Budget Program.—OPM's Revolving Fund provides financing for investigations, training, and other functions that OPM is authorized or required to perform on a reimbursable basis. OPM programs offer the following:

OPM's Human Resources Solutions (HRS) program provides a variety of human resources products and services, enabling Federal agencies to develop strong leaders, attract and build a high quality public sector workforce, and transform their agencies into high performing organizations. Within the Human Resources Solutions program, 5 program areas operate under two major reimbursable offerings (government provided and third-party contractor). The 5 program areas are: the Center for Leadership Development (CLD), the Federal Staffing Group (FSG), HR Strategy and Evaluation Services (HRSES), the Training and Management Assistance (TMA), and the Administrative Law Judges Program (ALJP). CLD's mission is to develop visionary leaders to transform government through government-to-government educational programs and learning management system solutions. FSG is comprised of USA Staffing, Staff Acquisition and Nationwide Testing, which work to provide Federal customers with complete human resources lifecycle solutions. HRSES offers a set of assessment, planning, classification, and evaluation products and services to Federal agency customers. TMA offers government agencies a cadre of pre-qualified commercial firms with expertise in designing, developing, and implementing customized training and human capital solutions. ALJP is responsible for administering a competitive examining process to ALJ applicants.

OPM's USAJOBS program is the official job site of the Federal government. It is the one-stop source for Federal jobs and employment information. The USAJOBS.gov website has emerged over the last decade as the face of Federal hiring.

The Presidential Management Fellows (PMF) program is a leadership development program at the entry level for advanced degree candidates. PMF attracts and selects candidates with the goal of developing future government leaders.

OPM's Federal Investigative Services program (FIS) provides investigative products and services for over 100 Federal agencies to use as the basis for suitability and security clearance or determinations for Federal civilian, military, and contract employment and eligibility, for access to classified national security information. Background investigations are performed for Federal agencies on a fee-for-service basis. FIS conducts over 90 percent of all background investigations for the Federal government. Investigations are a critical step in the Federal hiring process, and can affect hiring or removal decisions based on the individuals fitness and suitability for employment. Based on information gathered in background investigations, Federal agencies also issue security clearances and place individuals in sensitive positions involving national security or the public trust. FIS will begin implementation of new investigative products to continue to meet the requirements of Executive Order 13467.

OPM's Federal Human Resources Information Technology Transformation program will consolidate agency Human Resource (HR) systems, provide an agency-wide HR performance dashboard, and enable HR and Payroll benchmarking at agencies and

established Shared Service Centers (SSCs). Components of the Federal Human Resources Information Technology Transformation program are: the Human Resources Line of Business (HR-LOB), the Enterprise Human Resources Integration (EHRI), and the Human Resources Tools and Technology (HRTT) activities. HRLOB provides the necessary information technology infrastructure to facilitate the exchange of HR data and information government-wide. HRLOB leads the government-wide transformation of HR information technology by focusing on modernization, integration, and performance assessment. EHRI streamlines and automates the exchange of Federal Employee human resources information government-wide via two primary components. First, the electronic Official Personnel Folder (eOPF) is a web-based application that is capable of storing, processing, and displaying the eOPFs of all current, separated, and retired Federal Employees. The eOPF will cover the entire Executive Branch with a total user population of more than 1.9M. The second component is the Data Warehouse. It consolidates multiple HR data systems into a single corporate data repository in a secure environment, thereby eliminating redundancies across the Federal government. This single data source contains more than 500 data elements on 1.9M Federal employees, and serves as a powerful resource for HR managers, government executives, OMB, and Congress. The system also supports the collection of accurate retirement data through data feeds, and other sources, by creating data standards and reporting requirements contained in the Guide to Retirement Data Reporting. Through a suite of Analytic Tools offered to customer agencies, the Federal government is able to perform workforce analyses and forecasting on the data contained in the Data Warehouse. HRTT delivers products and services to Federal customers, allowing agencies to become high-performing organizations. HRTT will recover costs of operations by managing dozens of individual reimbursable agreements with its customers.

The OPM IG Act of 2014 extends permitted uses of the revolving fund to include financing the cost of audits, investigations, and oversight activities of OPM's Inspector General. The Act limits the amount of revolving fund resources available to the Inspector General each year to 0.33 percent of the total budgetary authority estimated for the fund in the year.

Financing.—OPM's revolving fund account gains spending authority from agreements with other Federal agencies who are seeking the following services: Human Resources Solutions provides a multitude of HR services to other Federal agencies, which include consulting services, training, staffing programs, vendor management, and administrative law judge services. Individual pricing and fee structures for HR Solutions offerings differ because the business models for each of its products and services vary. USAJOBS is financed by an annual fee assessed to Federal agencies. The fee is based on the Federal agency's pro rata share of total Federal government FTE population supported, as provided in the Central Personnel Data File (CPDF). PMF Program assesses a fixed fee for each fellow hired by a Federal agency. The Federal Investigative Services provides personnel background investigative services on a fixed price basis to determine individual's fitness or suitability for Federal civilian, military, and contract employment and/or eligibility for a security clearance. EHRI provides two primary service offerings on a fee-for-service basis: the electronic Official Personnel Folder (eOPF), including deployment and hosting services, and a suite of analytical tools enabling agencies to perform workforce analysis and forecasting. EHRI provides customized eOPF systems to other agencies at additional cost, in which the customer pays for ongoing eOPF maintenance. The pricing structure for eOPF maintenance is a fixed price per license (i.e., electronic folder) and is based

REVOLVING FUND—Continued

on the number of active users at the customer agency. The HR LoB has established public and private Shared Service Centers (SSCs) to provide technology solutions to support multiple agencies with HR information technology and HR services and is financed in part by agency contributions from partner agencies.

Operating Results.—In fiscal year 2013, OPM's revolving fund businesses revenue total was \$1.708B and the expenses total was \$1.805B which provided a net loss on operations of \$97 million. The cumulative retained income was \$282M.

Object Classification (in millions of dollars)

Identification code 24-4571-0-4-805	2013 actual	2014 est.	2015 est.
Reimbursable obligations:			
Personnel compensation:			
11.1 Full-time permanent	248	243	266
11.5 Other personnel compensation	20	21	23
11.9 Total personnel compensation	268	264	289
12.1 Civilian personnel benefits	78	77	81
21.0 Travel and transportation of persons	21	18	20
22.0 Transportation of things	1	1	1
23.1 Rental payments to GSA	18	13	16
23.3 Communications, utilities, and miscellaneous charges	43	31	39
24.0 Printing and reproduction	1	2	2
25.2 Other services from non-Federal sources	1,208	1,096	1,152
26.0 Supplies and materials	4	5	5
31.0 Equipment	13	21	14
99.9 Total new obligations	1,655	1,528	1,619

Employment Summary

Identification code 24-4571-0-4-805	2013 actual	2014 est.	2015 est.
2001 Reimbursable civilian full-time equivalent employment	3,199	3,203	3,276

Trust Funds

CIVIL SERVICE RETIREMENT AND DISABILITY FUND

Special and Trust Fund Receipts (in millions of dollars)

Identification code 24-8135-0-7-602	2013 actual	2014 est.	2015 est.
0100 Balance, start of year	819,753	835,685	848,480
Adjustments:			
0191 Rounding adjustment	-2		
0199 Balance, start of year	819,751	835,685	848,480
Receipts:			
0200 Employee Contributions, Civil Service Retirement and Disability Fund	2,817	2,991	3,054
0201 District of Columbia Contributions, Civil Service Retirement and Disability Fund	26	25	23
0202 Employee Deposits, Redeposits and Other Contributions, Civil Service Retirement and Disability Fund	677	706	739
0240 Agency Contributions, Civil Service Retirement and Disability Fund	21,919	21,860	25,647
0241 Postal Service Agency Contributions, Civil Service Retirement and Disability Fund	2,882	3,047	3,282
0242 FFB, TVA, and USPS Interest, Civil Service Retirement and Disability Fund	329	543	479
0243 Treasury Interest, Civil Service Retirement and Disability Fund	31,754	30,593	28,991
0244 General Fund Payment to the Civil Service Retirement and Disability Fund	32,995	35,470	36,264
0245 Re-employed Annuitants Salary Offset, Civil Service Retirement and Disability Fund	50	49	48
0299 Total receipts and collections	93,449	95,284	98,527
0400 Total: Balances and collections	913,200	930,969	947,007
Appropriations:			
0500 Civil Service Retirement and Disability Fund	-87	-98	-97
0501 Civil Service Retirement and Disability Fund	-93,360	-95,186	-98,429
0502 Civil Service Retirement and Disability Fund	3		
0503 Civil Service Retirement and Disability Fund	15,931	15,295	15,822
0504 Civil Service Retirement and Disability Fund- legislative proposal subject to PAYGO		-2,500	-2,500

0599 Total appropriations	-77,513	-82,489	-85,204
0795 Rounding adjustment	-2		
0799 Balance, end of year	835,685	848,480	861,803

Program and Financing (in millions of dollars)

Identification code 24-8135-0-7-602	2013 actual	2014 est.	2015 est.
Obligations by program activity:			
0001 Annuities	76,938	79,433	82,123
0002 Refunds and death claims	445	458	484
0003 Administration - operations	124	92	91
0004 Transfer to MSPB	2	2	2
0005 Administration - OIG	4	4	4
0900 Total new obligations	77,513	79,989	82,704

Budgetary Resources:

Budget authority:			
Appropriations, discretionary:			
1101 Appropriation (special or trust fund)	87	98	97
1160 Appropriation, discretionary (total)	87	98	97
Appropriations, mandatory:			
1201 Appropriation (special or trust fund)	93,360	95,186	98,429
1232 Appropriations and/or unobligated balance of appropriations temporarily reduced	-3		
1234 Appropriations precluded from obligation	-15,931	-15,295	-15,822
1260 Appropriations, mandatory (total)	77,426	79,891	82,607
1900 Budget authority (total)	77,513	79,989	82,704
1930 Total budgetary resources available	77,513	79,989	82,704

Change in obligated balance:

Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1	6,817	6,973	7,180
3010 Obligations incurred, unexpired accounts	77,513	79,989	82,704
3020 Outlays (gross)	-77,357	-79,782	-82,468
3050 Unpaid obligations, end of year	6,973	7,180	7,416
Memorandum (non-add) entries:			
3100 Obligated balance, start of year	6,817	6,973	7,180
3200 Obligated balance, end of year	6,973	7,180	7,416

Budget authority and outlays, net:

Discretionary:			
4000 Budget authority, gross	87	98	97
Outlays, gross:			
4010 Outlays from new discretionary authority	52	98	97
4011 Outlays from discretionary balances	58		
4020 Outlays, gross (total)	110	98	97
Mandatory:			
4090 Budget authority, gross	77,426	79,891	82,607
Outlays, gross:			
4100 Outlays from new mandatory authority	70,488	72,983	75,479
4101 Outlays from mandatory balances	6,759	6,701	6,892
4110 Outlays, gross (total)	77,247	79,684	82,371
4180 Budget authority, net (total)	77,513	79,989	82,704
4190 Outlays, net (total)	77,357	79,782	82,468
Memorandum (non-add) entries:			
5000 Total investments, SOY: Federal securities: Par value	826,555	719,456	862,704
5001 Total investments, EOY: Federal securities: Par value	719,456	862,704	878,679

Summary of Budget Authority and Outlays (in millions of dollars)

	2013 actual	2014 est.	2015 est.
Enacted/requested:			
Budget Authority	77,513	79,989	82,704
Outlays	77,357	79,782	82,468
Legislative proposal, subject to PAYGO:			
Budget Authority		2,500	2,500
Outlays		2,500	2,500
Total:			
Budget Authority	77,513	82,489	85,204
Outlays	77,357	82,282	84,968

The Civil Service Retirement and Disability Fund is the oldest and largest of the four trust funds administered by the Office of Personnel Management. The Fund is financed and structured very differently from the other three trust funds. It is character-

ized by permanent indefinite budget authority. Budget Authority is the authority to incur obligations and pay expenses which become available to an agency during any fiscal year. Once approved, permanent budget authority is permanently available for all future years. Indefinite budget authority is used when the precise amount of budget authority required cannot be forecast in advance and must thus be determined at some future point in time (e.g., when actual receipts and expenses become known).

The Civil Service Retirement and Disability Fund covers two Federal civilian retirement systems: the Civil Service Retirement System (CSRS) established on May 22, 1920, and the Federal Employees Retirement System (FERS) established on June 6, 1986. The Retirement Fund is a single plan even though there are two different benefit tiers and funding methods. CSRS is basically a defined benefit plan, covering Federal employees hired prior to 1984. CSRS participants do not participate in the Social Security system. FERS is a three-tiered pension program that uses Social Security as a base, provides an additional basic benefit, and includes a thrift savings plan. FERS covers employees hired after 1983 and formerly CSRS-covered employees who elected to join FERS.

The Budget proposes that the United States Patent and Trademark Office (PTO) continue to fund the full cost for retirement benefits for PTO's employees covered under the Civil Service Retirement System.

Financing.—The financing of the Retirement Fund is easily the most complex of the four trust funds. CSRS has been financed under a statutory funding method passed by Congress in 1969. This funding method is based on the static economic assumptions of no future inflation, no future general schedule salary increases, and a 5 percent interest rate. Under CSRS, regular employees contribute 7 percent of pay. Law Enforcement Officers, Firefighters, and Congressional employees contribute an extra 0.5 percent of pay, and Members of Congress an extra 1.0 percent of pay. Non-Postal Agencies match the employee contributions. Also under the static funding method for CSRS, the Treasury pays interest on any static unfunded liabilities that are not being financed by the Postal Service. The Treasury also makes payments to amortize, over a 30-year period, any increases in the static unfunded liability due to salary increases for Non-Postal employees that occurred during the year, and pays for the cost of any benefits attributable to military service for both Postal and Non-Postal employees that were paid out during the year.

FERS is funded under a dynamic entry age funding method as prescribed in Chapter 84 of Title 5, United States Code. Employees and agencies together contribute the full amount of the dynamic normal cost. During fiscal year 2013, the dynamic normal cost for "Regular Employees" hired prior to January 1st, 2013, was 12.7 percent (employees share, 0.8 percent and employer's share, 11.9 percent). On February 22, 2012, President Obama signed into law Public Law (P.L.) 112–96, the Middle Class Tax Relief and Job Creation Act of 2012, which contains provisions related to Federal employee retirement contributions and benefits. P.L. 112–96 increased the FERS employee contribution rate by 2.3% for FERS employees hired (or rehired with less than five years of FERS service) after December 31, 2012. These new Federal employees and Members of Congress fall into a new class of employees called "Revised Annuity Employees (RAE)". The dynamic, total normal cost rate for most newly hired/rehired FERS regular employees and agencies together is still 12.7 percent, however, the RAE employees share is 3.1 percent and the employer's share is 9.6 percent. Effective fiscal year 2013, a weighted average normal cost was utilized to correctly capture all other groups of employees and agencies normal cost rates.

The 2015 Budget also includes the impact of the Bipartisan Budget Act of 2013. This Act included a provision to increase the rate of employee contributions to FERS for individuals hired after December 31, 2013 by an additional 1.3% and to maintain the employer's contribution at its current normal cost rate. These new Federal employees and Members of Congress fall into a new class of employees called "Further Revised Annuity Employees (FRAE)". Any contributions under this provision in excess of the amount necessary to satisfy FERS normal cost percentages, will be credited to the assets of the CSRDF, thereby reducing the unfunded liability.

This dynamic normal cost is for the defined payment plan only and does not include the cost of Social Security or the Thrift Savings Plan. FERS regular employees contribute a percentage of salary that is equal to the contribution rate for CSRS employees - 7.0 percent, as set forth above, less the 6.2 percent tax rate under the Old Age, Survivors and Disability Insurance (OASDI) portion of Social Security.

The 2015 Budget includes a legislative proposal to resolve retroactive disability benefits coordination between OPM and the Social Security Administration (SSA). OPM estimates that the impact of this legislation would produce a reduction in improper payments and thus yield savings of approximately \$41 million a year, beginning in FY 2017.

	2013 actual	2014 est.	2015 est.
Active employees	2,650,166	2,620,005	2,590,538
Annuitants:			
Employees	2,016,583	2,038,307	2,061,006
Survivors	574,775	565,424	556,253
Total, annuitants	<u>2,591,358</u>	<u>2,603,731</u>	<u>2,617,259</u>

Status of Funds (in millions of dollars)

Identification code 24–8135–0–7–602	2013 actual	2014 est.	2015 est.
Unexpended balance, start of year:			
0100 Balance, start of year	826,571	842,658	855,660
Adjustments:			
0191 Rounding adjustment	-1		
0199 Total balance, start of year	<u>826,568</u>	<u>842,658</u>	<u>855,660</u>
Cash income during the year:			
Current law:			
Receipts:			
1200 Employee Contributions, Civil Service Retirement and Disability Fund	2,817	2,991	3,054
1201 District of Columbia Contributions, Civil Service Retirement and Disability Fund	26	25	23
1202 Employee Deposits, Redeposits and Other Contributions, Civil Service Retirement and Disability Fund	677	706	739
Offsetting receipts (intragovernmental):			
1240 Agency Contributions, Civil Service Retirement and Disability Fund	21,919	21,860	25,647
1241 Postal Service Agency Contributions, Civil Service Retirement and Disability Fund	2,882	3,047	3,282
1242 FFB, TVA, and USPS Interest, Civil Service Retirement and Disability Fund	329	543	479
1243 Treasury Interest, Civil Service Retirement and Disability Fund	31,754	30,593	28,991
1244 General Fund Payment to the Civil Service Retirement and Disability Fund	32,995	35,470	36,264
1245 Re-employed Annuitants Salary Offset, Civil Service Retirement and Disability Fund	50	49	48
1299 Income under present law	<u>93,449</u>	<u>95,284</u>	<u>98,527</u>
3299 Total cash income	<u>93,449</u>	<u>95,284</u>	<u>98,527</u>
Cash outgo during year:			
Current law:			
4500 Civil Service Retirement and Disability Fund	-77,357	-79,782	-82,468
4599 Outgo under current law (-)	-77,357	-79,782	-82,468
Proposed legislation:			
5500 Civil Service Retirement and Disability Fund		-2,500	-2,500
5599 Outgo under proposed legislation (-)		-2,500	-2,500
6599 Total cash outgo (-)	<u>-77,357</u>	<u>-82,282</u>	<u>-84,968</u>
Manual Adjustments:			
7690 Rounding adjustment	-2		
7699 Total adjustments	<u>-2</u>		

CIVIL SERVICE RETIREMENT AND DISABILITY FUND—Continued
Status of Funds—Continued

Identification code 24-8135-0-7-602	2013 actual	2014 est.	2015 est.
Unexpended balance, end of year:			
8700 Uninvested balance (net), end of year	123,202	-7,044	-9,460
8701 Civil Service Retirement and Disability Fund	719,456	862,704	878,679
8799 Total balance, end of year	842,658	855,660	869,219

Object Classification (in millions of dollars)

Identification code 24-8135-0-7-602	2013 actual	2014 est.	2015 est.
Direct obligations:			
25.2 Other services from non-Federal sources	130	98	97
42.0 Insurance claims and indemnities	76,938	79,433	82,123
44.0 Refunds and death claims	445	458	484
99.9 Total new obligations	77,513	79,989	82,704

CIVIL SERVICE RETIREMENT AND DISABILITY FUND
(Legislative proposal, subject to PAYGO)

Program and Financing (in millions of dollars)

Identification code 24-8135-4-7-602	2013 actual	2014 est.	2015 est.
Budgetary Resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1			2,500
Budget authority:			
Appropriations, mandatory:			
1203 Appropriation (previously unavailable)		2,500	2,500
1260 Appropriations, mandatory (total)		2,500	2,500
1900 Budget authority (total)		2,500	2,500
1930 Total budgetary resources available		2,500	5,000
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year		2,500	5,000
Change in obligated balance:			
Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1			-2,500
3020 Outlays (gross)		-2,500	-2,500
3050 Unpaid obligations, end of year		-2,500	-5,000
Memorandum (non-add) entries:			
3100 Obligated balance, start of year			-2,500
3200 Obligated balance, end of year		-2,500	-5,000
Budget authority and outlays, net:			
Mandatory:			
4090 Budget authority, gross		2,500	2,500
Outlays, gross:			
4100 Outlays from new mandatory authority		2,500	2,500
4180 Budget authority, net (total)		2,500	2,500
4190 Outlays, net (total)		2,500	2,500

The Budget proposes to return to the United States Postal Service (USPS) surplus amounts it has paid into its Office of Personnel Management (OPM) account for its share of Federal Employee Retirement System costs, and requires that OPM calculate these costs using factors specific to the demographics of the Postal Service workforce.

The Budget reflects an estimate of this surplus of \$5 billion, which is proposed to be paid to USPS over a period of two years; this amount is generally based off an estimate provided by the Postal Service Office of Inspector General in December 2012 (using Postal-specific factors including investment returns, salary growth rates, cost of living adjustments granted to Postal retirees, and Postal Service demographic trends). See Postal Service section of this Appendix.

The Budget also proposes legislation to provide the Social Security Administration with authority to automate coordination

of disability benefit payments with OPM, reducing OPM overpayments.

EMPLOYEES LIFE INSURANCE FUND

Program and Financing (in millions of dollars)

Identification code 24-8424-0-8-602	2013 actual	2014 est.	2015 est.
Obligations by program activity:			
0801 Basic life insurance payments	1,629	1,622	1,669
0802 Optional life insurance payments	1,186	1,156	1,198
0803 Shenandoah life insurance payments	1	1	1
0804 Administration—OPM & OIG	5	6	6
0805 Administration—long term care	2	2	2
0900 Total new obligations (object class 25.2)	2,823	2,787	2,876

Budgetary Resources:
Unobligated balance:

1000 Unobligated balance brought forward, Oct 1	40,326	41,277	42,847
Budget authority:			
Spending authority from offsetting collections, discretionary:			
1700 Collected	5	5	5
1750 Spending auth from offsetting collections, disc (total)	5	5	5
Spending authority from offsetting collections, mandatory:			
1800 Collected	3,741	4,423	4,076
1801 Change in uncollected payments, Federal sources	28	-71	5
1850 Spending auth from offsetting collections, mand (total)	3,769	4,352	4,081
1900 Budget authority (total)	3,774	4,357	4,086
1930 Total budgetary resources available	44,100	45,634	46,933
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year	41,277	42,847	44,057

Change in obligated balance:

Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1	859	853	872
3010 Obligations incurred, unexpired accounts	2,823	2,787	2,876
3020 Outlays (gross)	-2,829	-2,768	-2,853
3050 Unpaid obligations, end of year	853	872	895
Uncollected payments:			
3060 Uncollected pymts, Fed sources, brought forward, Oct 1	-380	-408	-337
3070 Change in uncollected pymts, Fed sources, unexpired	-28	71	-5
3090 Uncollected pymts, Fed sources, end of year	-408	-337	-342
Memorandum (non-add) entries:			
3100 Obligated balance, start of year	479	445	535
3200 Obligated balance, end of year	445	535	553

Budget authority and outlays, net:

Discretionary:			
4000 Budget authority, gross	5	5	5
Outlays, gross:			
4010 Outlays from new discretionary authority	3	5	5
4011 Outlays from discretionary balances	1		
4020 Outlays, gross (total)	4	5	5
Mandatory:			
4090 Budget authority, gross	3,769	4,352	4,081
Outlays, gross:			
4100 Outlays from new mandatory authority	1,969	2,086	2,154
4101 Outlays from mandatory balances	856	677	694
4110 Outlays, gross (total)	2,825	2,763	2,848
Offsets against gross budget authority and outlays:			
Offsetting collections (collected) from:			
4120 Federal sources	-545	-515	-518
4121 Interest on Federal securities	-511	-1,321	-931
4123 Non-Federal sources	-2,690	-2,592	-2,632
4130 Offsets against gross budget authority and outlays (total)	-3,746	-4,428	-4,081
Additional offsets against gross budget authority only:			
4140 Change in uncollected pymts, Fed sources, unexpired	-28	71	-5
4160 Budget authority, net (mandatory)	-5	-5	-5
4170 Outlays, net (mandatory)	-921	-1,665	-1,233
4190 Outlays, net (total)	-917	-1,660	-1,228

Memorandum (non-add) entries:

5000 Total investments, SOY: Federal securities: Par value	41,250	41,951	41,951
5001 Total investments, EOY: Federal securities: Par value	41,951	41,951	43,121

This fund finances payments to private insurance companies for Federal Employees' Group Life Insurance and expenses of the Office of Personnel Management in administering the program.

The Administration proposes that PTO will fund the accruing costs associated with post-retirement life insurance benefits for PTO's employees.

Budget program.—The status of the basic (regular and optional) life insurance program on September 30 is as follows:

	2013 act.	2014 est.	2015 est.
Life insurance in force (in billions of dollars):			
On active employees	727.9	716.7	705.6
On retired employees	93.7	98.4	103.4
On tribal employees	0.3	0.6	0.6
Total	821.9	815.7	809.6
Number of participants (in thousands):			
Active employees	2,399	2,361	2,332
Annuitants	1,655	1,671	1,688
Tribal employees	1	2	2
Total	4,055	4,034	4,022

Financing.—Non-Postal Service employees, employees of Tribal organizations, and all retirees under 65 pay two-thirds of the premium costs for Basic coverage; agencies and tribal organizations pay the remaining third. Optional and certain post-retirement Basic coverages are paid entirely by enrollees. The status of the reserves at the end of the year is as follows:

	2013 act.	2014 est.	2015 est.
Status of Reserves			
Held in reserve (in millions of dollars):			
Contingency reserve	305	305	305
Beneficial association program reserve	0	0	0
U.S. Treasury reserve	40,326	41,183	42,755
Total reserves	40,631	41,488	43,060

Object Classification (in millions of dollars)

Identification code 24-8424-0-8-602	2013 actual	2014 est.	2015 est.
Reimbursable obligations:			
25.2 Other services from non-Federal sources	2,823	2,787	2,876
99.0 Reimbursable obligations	2,823	2,787	2,876

EMPLOYEES AND RETIRED EMPLOYEES HEALTH BENEFITS FUNDS

Program and Financing (in millions of dollars)

Identification code 24-9981-0-8-551	2013 actual	2014 est.	2015 est.
Obligations by program activity:			
0801 Benefit payments	43,420	45,593	47,350
0802 Payments from OPM contingency reserve	262	300	300
0803 Government payment for annuitants (1960 Act)	1	1	1
0804 Administration - operations	16	21	22
0805 Administration - OIG	23	17	17
0806 Administration - dental and vision program	16	16	17
0900 Total new obligations (object class 25.6)	43,738	45,948	47,707
Budgetary Resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	18,509	20,699	22,037
Budget authority:			
Spending authority from offsetting collections, discretionary:			
1700 Collected	39	38	39
1750 Spending auth from offsetting collections, disc (total)	39	38	39
Spending authority from offsetting collections, mandatory:			
1800 Collected	45,996	47,199	48,824
1801 Change in uncollected payments, Federal sources	-106	50	65
1823 New and/or unobligated balance of spending authority from offsetting collections temporarily reduced	-1	-1
1850 Spending auth from offsetting collections, mand (total)	45,889	47,248	48,889
1900 Budget authority (total)	45,928	47,286	48,928
1930 Total budgetary resources available	64,437	67,985	70,965
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year	20,699	22,037	23,258

Change in obligated balance:

Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1	4,623	4,508	4,506
3010 Obligations incurred, unexpired accounts	43,738	45,948	47,707
3020 Outlays (gross)	-43,853	-45,950	-47,736
3050 Unpaid obligations, end of year	4,508	4,506	4,477
Uncollected payments:			
3060 Uncollected pymts, Fed sources, brought forward, Oct 1	-1,927	-1,821	-1,871
3070 Change in uncollected pymts, Fed sources, unexpired	106	-50	-65
3090 Uncollected pymts, Fed sources, end of year	-1,821	-1,871	-1,936
Memorandum (non-add) entries:			
3100 Obligated balance, start of year	2,696	2,687	2,635
3200 Obligated balance, end of year	2,687	2,635	2,541

Budget authority and outlays, net:

Discretionary:			
4000 Budget authority, gross	39	38	39
Outlays, gross:			
4010 Outlays from new discretionary authority	23	38	39
4011 Outlays from discretionary balances	13
4020 Outlays, gross (total)	36	38	39
Mandatory:			
4090 Budget authority, gross	45,889	47,248	48,889
Outlays, gross:			
4100 Outlays from new mandatory authority	39,207	41,371	43,157
4101 Outlays from mandatory balances	4,610	4,541	4,540
4110 Outlays, gross (total)	43,817	45,912	47,697
Offsets against gross budget authority and outlays:			
Offsetting collections (collected) from:			
4120 Policy Program [OIG]	-32,378	-33,128	-34,235
4121 Interest on Federal securities	-283	-286	-286
4123 Non-Federal sources	-13,374	-13,823	-14,342
4130 Offsets against gross budget authority and outlays (total)	-46,035	-47,237	-48,863
Additional offsets against gross budget authority only:			
4140 Change in uncollected pymts, Fed sources, unexpired	106	-50	-65
4160 Budget authority, net (mandatory)	-40	-39	-39
4170 Outlays, net (mandatory)	-2,218	-1,325	-1,166
4180 Budget authority, net (total)	-1	-1
4190 Outlays, net (total)	-2,182	-1,287	-1,127

Memorandum (non-add) entries:

5000 Total investments, SOY: Federal securities: Par value	21,261	23,429	24,126
5001 Total investments, EOY: Federal securities: Par value	23,429	24,126	25,290
5090 Unavailable balance, SOY: Offsetting collections	1	2
5091 Unavailable balance, EOY: Offsetting collections	1	2	2

This display combines FEHB fund and the Retired Employees Health Benefits (REHB) fund.

The FEHB fund provides for the cost of health benefits for: 1) active employees; 2) employees who retired after June 1960, or their survivors; 3) those annuitants transferred from the REHB program as authorized by Public Law 93-246; and 4) tribal organizations. Beginning in 2016 OPM will offer a Self Plus One enrollment tier within the FEHB as enacted by the Bipartisan Budget Act of 2013.

The REHB fund, created by the Retired Federal Employees Health Benefits Act of 1960, provides for: 1) the cost of health benefits for retired employees and survivors who enroll in a Government-sponsored uniform health benefits plan; 2) the contribution to retired employees and survivors who retain or purchase private health insurance; and 3) expenses of OPM in administering the program.

Budget program.—The balance of the FEHB fund is available for payments without fiscal year limitation. Numbers of participants at the end of each fiscal year are as follows:

	2013 actual	2014 est.	2015 est.
Active employees	2,141,000	2,113,000	2,076,000
USPS active employees (non-add)	449,000	421,000	384,000
Annuitants	1,895,000	1,905,000	1,915,000
Tribal Organizations	8,779	10,974	13,717
Total	4,044,779	4,028,974	4,004,717

EMPLOYEES AND RETIRED EMPLOYEES HEALTH BENEFITS FUNDS—Continued

In determining a biweekly subscription rate to cover program costs, one percent is added for administrative expenses and three percent is added for a contingency reserve held by OPM for each carrier. OPM is authorized to transfer unused administrative reserve funds to the contingency reserve.

The REHB fund is available without fiscal year limitation. The amounts contributed by the Government are paid into the fund from annual appropriations. The number of participants at the end of each fiscal year are as follows:

	2013 actual	2014 est.	2015 est.
Uniform plan	106	87	72
Private plans	218	179	147
Total	324	266	219

Financing.—The funds are financed by: 1) withholdings from active employees and annuitants; 2) agency contributions for active employees; 3) Government contributions for annuitants appropriated to OPM; and 4) contributions made by the United States Postal Service in accordance with the provisions of Public Law 101–508.

Funds made available to carriers but not used to pay claims in the current period are carried forward as special reserves for use in subsequent periods. OPM maintains a contingency reserve, funded by employee and Government contributions, which may be used to defray future cost increases or provide increased benefits. OPM makes payments to carriers from this reserve whenever carrier-held reserves fall below levels prescribed by OPM regulations or when carriers can demonstrate good cause such as unexpected claims experience or variations from expected community rates.

The Budget proposes that the Patent and Trademark Office continue to fund the accruing costs associated with post-retirement health benefits for its employees.

Status of Funds (in millions of dollars)

Identification code 24–9981–0–8–551	2013 actual	2014 est.	2015 est.
Unexpended balance, start of year:			
0100 Balance, start of year	21,206	23,388	24,675
Adjustments:			
0191 Rounding adjustment	1		
0199 Total balance, start of year	21,207	23,388	24,675
Cash income during the year:			
Current law:			
Offsetting collections:			
1280 Employees and Retired Employees Health Benefits Funds	32,378	33,128	34,235
1281 Employees and Retired Employees Health Benefits Funds	283	286	286

1282 Employees and Retired Employees Health Benefits Funds	13,374	13,823	14,342
1299 Income under present law	46,035	47,237	48,863
3299 Total cash income	46,035	47,237	48,863
Cash outgo during year:			
Current law:			
4500 Employees and Retired Employees Health Benefits Funds	–43,853	–45,950	–47,736
4599 Outgo under current law (-)	–43,853	–45,950	–47,736
6599 Total cash outgo (-)	–43,853	–45,950	–47,736
Manual Adjustments:			
7690 Rounding adjustment	–1		
7699 Total adjustments	–1		
Unexpended balance, end of year:			
8700 Uninvested balance (net), end of year	–41	549	512
8701 Employees and Retired Employees Health Benefits Funds	23,429	24,126	25,290
8799 Total balance, end of year	23,388	24,675	25,802

Object Classification (in millions of dollars)

Identification code 24–9981–0–8–551	2013 actual	2014 est.	2015 est.
Reimbursable obligations:			
25.6 Medical care	43,738	45,948	47,707
99.0 Reimbursable obligations	43,738	45,948	47,707

EMPLOYEES AND RETIRED EMPLOYEES HEALTH BENEFITS FUNDS

(Legislative proposal, subject to PAYGO)

The health insurance marketplace has changed significantly since the FEHBP was enacted in 1959 and the current governing statute leaves little flexibility for the program to evolve with the changing market. The 2015 budget proposes that beginning in 2016: domestic partners of Federal employees and new retirees would be eligible for health benefits; OPM would be authorized to contract with modern types of health plans rather than being limited to the current four statutorily-defined plans reflective of the 1950s insurance market; OPM would be authorized to contract separately for pharmacy benefit management services; and OPM would be given authority to make adjustments to premiums based on an enrollee's tobacco use and/or participation in a wellness program.

GENERAL FUND RECEIPT ACCOUNT

(in millions of dollars)

	2013 actual	2014 est.	2015 est.
Offsetting receipts from the public:			
24–32200 All Other General Fund Proprietary Receipts Including Budget Clearing Accounts: Enacted/requested	17	2	2
General Fund Offsetting receipts from the public	17	2	2