



## ***Benefits Administration Letter***

**Number: 17-302**

**Date: June 2017**

**Subject: Instructions Regarding Requirement for Agencies' Payments to the Civil Service Retirement and Disability Fund (CSRDF) for VSIPs and VERAs Processing Costs for FY 2017 under the Consolidated Appropriations Act, 2017.**

### **INTRODUCTION & PURPOSE**

The purpose of this announcement is to advise you that processing cost payments to the CSRDF for Voluntary Early Retirement Authority (VERA) retirements and retirements with a Voluntary Separation Incentive Payment (VSIP) are to continue under the Consolidated Appropriations Act, 2017 (Public Law (P.L.) 115-31). For Fiscal Year (FY) 2017, the average unit cost of processing VERAs and retirements with a VSIP that must be used to determine the amount the employing agency must pay into the CSRDF, is **\$127.86**

The Consolidated Appropriations Act, 2017 continues agency payments to the CSRDF for VERAs and retirements with VSIPs. Section 734 of Title VII, Division E (Financial Services and General Government Consolidated Appropriations Act, 2017) of P.L. 115-31 requires that during FY 2017 agencies remit to the CSRDF an amount equal to the Office of Personnel Management's (OPM's) average unit cost of processing a retirement claim for the preceding fiscal year (\$127.86) for each employee who retires under 5 U.S.C. § 8336(d)(2) or § 8414(b)(1)(B) (VERA) or who retires under any other provision of subchapter III of chapter 83 or chapter 84 of title 5, United States Code, and receives a payment as an incentive to separate (VSIP).

This BAL provides the FY 2017 remittance amount and instructions on the methods available for your agency to remit payment in FY 2017 to the OPM for deposit into the CSRDF for VSIPs and VERAs processing costs. For reconciliation purposes, the monies for prior years must NOT be commingled with FY 2017. Each year MUST be reported separately (i.e., FY 2014, FY 2015, FY 2016, and FY 2017).

**INSTRUCTIONS FOR AGENCY REMITTANCES IN FY 2016 UNDER  
THE CONSOLIDATED APPROPRIATIONS ACT, 2017 FOR VSIPs and VERAs  
PROCESSING COSTS**

**Remittance Amount for FY 2017**

The amount for agencies to remit to OPM for deposit into the CSRDF for FY 2017 is an amount equal to the FY 2016 average unit cost of processing annuity cases (\$127.86).

Please Note: We prefer to have individual agencies submit the remittances rather than payroll providers to facilitate the reconciliation of payments. If payroll providers submit payments, it is important that they indicate the Agency Location Codes and Payroll Office of the agency (ies) for which they are submitting the remittance. Also, in addition to Intra-governmental Payment and Collection (IPAC), there are two other payment methods for non-IPAC users, FEDWIRE and Automated Clearing House (ACH) Credit.

**Remittances via IPAC**

Agencies having access to Treasury's IPAC Systems must remit \$127.86 per VERA and VSIP case to OPM using the following IPAC parameters:

**Agency Location Code (ALC): 24000002**

**Receiver's Treasury Account Symbol (TAS): AID: 024 Main: 8135 A: X Sub: 000**

**Receiver's Business Event Type Code (BETC): COLL**

**Receiver's Standard General Ledger: Debit 1010 and Credit 5400**

**Description: VERA/VSIP and total amounts applicable to CSRS and FERS respectively.**

**Point of Contact: Include the name and email address of the person who is familiar with paying the VERA/VSIP costs.**

In addition, a scanned copy of the remittance, along with the appropriate Remittance Report, (See Attachments 1A, 1B, and 1C) must be sent to the email addresses identified in the "Remittance Report" section of this Benefits Administration Letter.

**Remittances via FEDWIRE**

Agencies that do not have access to IPAC should remit via FEDWIRE for the amount due. A scanned copy of the remittance, along with the appropriate Remittance Report, must be sent to the email addresses identified in the "Remittance Report" section of this BAL. FEDWIRE instructions are included as Attachment 2.

**Remittances via ACH Credit**

Agencies that do not have access to IPAC or FEDWIRE should remit via ACH Credit. To validate proof of payment, please submit a scanned copy of the remittance, along with the appropriate Remittance Report; to the email addresses identified in the "Remittance Report" section of this BAL. ACH Credit instructions are included as Attachment 3.

## **Payment Timing**

Payments, regardless of the method, should be sent no later than 45 calendar days after the end of the month in which the employee retires. Payments should be submitted monthly. For example, payments for retirements between December 1 and December 31, 2016, should be sent by February 15, 2017.

## **Individual Retirement Records**

Agencies must annotate the Individual Retirement Records (SF 2806 and SF 3100) in the remarks column under the “Service History” section with the legal authority for each VERA or VSIP when submitting retirement paperwork.

## **Remittance Report**

All agencies must submit certified Remittance Reports using the Attachments, which show the payroll office number(s) and Agency Location Code (ALC) for which the remittance is being sent. Please note – the 3-page Enclosure has separate Remittance Report forms for FY 2017 VERAs, FY 2017 VSIPs, and FY 2017 VERAs with VSIPs. The totals on each Remittance Report must agree with the amount of the IPAC, Electronic Fund Transfer (EFT), or check remittance. OPM will use these reports for validation purposes to ensure payments have been remitted correctly.

All reports, along with a copy of the remittance, must be emailed to OPM within five (5) business days from the date of the IPAC, EFT, or check remittance using the following email addresses: [Kamini.Mathur@opm.gov](mailto:Kamini.Mathur@opm.gov) and [Priscilla.Holland@opm.gov](mailto:Priscilla.Holland@opm.gov), with a copy: to [FinancialBALs@opm.gov](mailto:FinancialBALs@opm.gov).

## **Inquiries**

If you have any questions about this requirement, please call us on (202) 606-0606 or send an email to [FinancialBals@opm.gov](mailto:FinancialBals@opm.gov).

Sincerely,

Tonya R. Johnson  
Associate Chief Financial Officer  
Financial Services

Attachments: 1A, 1B, 1C, 2 & 3