

OFFICE OF PERSONNEL MANAGEMENT

Federal Funds

General and special funds:

SALARIES AND EXPENSES

(INCLUDING TRANSFER OF TRUST FUNDS)

For necessary expenses to carry out functions of the Office of Personnel Management 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 the Office of Personnel Management and the Federal Bureau of Investigation for expenses incurred under Executive Order 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; [\$87,076,000, of which not to exceed \$1,000,000 shall be available for the establishment of health promotion and disease prevention programs for Federal employees] \$85,350,000; and in addition [\$94,736,000] \$91,236,000 for administrative expenses, to be transferred from the appropriate trust funds of the Office of Personnel Management without regard to other statutes, including direct procurement of [printing] printed materials [for annuitants], for the retirement and insurance programs[, of which \$3,500,000 shall be transferred at such times as the Office of Personnel Management deems appropriate, and shall remain available until expended for the costs of automating the retirement recordkeeping systems, together with remaining amounts authorized in previous Acts for the recordkeeping systems]: *Provided*, That the provisions of this appropriation shall not affect the authority to use applicable trust funds as provided by section 8348(a)(1)(B) of title 5, United States Code: *Provided further*, That, except as may be consistent with 5 U.S.C. 8902a(f)(1) and (i), no payment may be made from the Employees Health Benefits Fund to any physician, hospital, or other provider of health care services or supplies who is, at the time such services or supplies are provided to an individual covered under chapter 89 of title 5, United States Code, excluded, pursuant to section 1128 or 1128A of the Social Security Act (42 U.S.C. 1320a-7-1320a-7a), from participation in any program under title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.): *Provided further*, That no part of this appropriation shall be available for salaries and expenses of the Legal Examining Unit of the Office of Personnel Management established pursuant to Executive Order 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 11183 of October 3, 1964, may, during the fiscal year ending September 30, [1997] 1998, accept donations of money, property, and personal services in connection with the development of a publicity brochure 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. (*Independent Agencies Appropriations Act, 1997.*)

[For an additional amount for the necessary expenses of the Office of Personnel Management \$210,000, to remain available until expended: *Provided*, That of the amount provided, \$210,000 is designated by Congress as an emergency requirement pursuant to section 251(b)(2)(D)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.] (*Treasury, Postal Service, and General Government Appropriations Act, 1997.*)

Program and Financing (in millions of dollars)

Identification code 24-0100-0-1-805	1996 actual	1997 est.	1998 est.
Obligations by program activity:			
Direct program:			
00.01 Employment service	36	36	29
00.02 Executive resources	2	2	2
00.03 Retirement and insurance	103	107	110

00.04	Investigations	3	3	3
00.05	Human resources systems	12	11	11
00.06	Merit systems oversight and effectiveness	14	15	15
00.07	Administrative services	15	13	18
00.08	Executive and other services	15	15	15
00.91	Total direct program	200	202	203
01.01	Reimbursable program	8	11	11
10.00	Total obligations	208	213	214
Budgetary resources available for obligation:				
22.00	New budget authority (gross)	208	213	214
22.30	Unobligated balance expiring	-1		
23.90	Total budgetary resources available for obligation	208	213	214
23.95	New obligations	-208	-213	-214
New budget authority (gross), detail:				
Current:				
40.00	Appropriation	88	87	85
Permanent:				
68.00	Spending authority from offsetting collections: Offsetting collections (cash)	120	126	129
70.00	Total new budget authority (gross)	208	213	214
Change in unpaid obligations:				
72.40	Unpaid obligations, start of year: Obligated balance:			
	Appropriation	28	33	30
73.10	New obligations	208	213	214
73.20	Total outlays (gross)	-202	-216	-214
74.40	Unpaid obligations, end of year: Obligated balance:			
	Appropriation	33	30	30
Outlays (gross), detail:				
86.90	Outlays from new current authority	76	76	74
86.93	Outlays from current balances	6	14	11
86.97	Outlays from new permanent authority	120	126	129
87.00	Total outlays (gross)	202	216	214
Offsets:				
Against gross budget authority and outlays:				
88.00	Offsetting collections (cash) from: Federal sources	-120	-126	-129
Net budget authority and outlays:				
89.00	Budget authority	88	87	85
90.00	Outlays	82	90	85

The Office of Personnel Management (OPM) is responsible for personnel management functions which include the following activities:

Employment service.—The Employment Service Program operates a nationwide system of employment information and assists agencies in managing the dynamics of their work force—recruitment, hiring, internal placement, promotion, and downsizing—through broad policy principles, technical assistance, research, automated systems, and examination services. These operations are carried out through a network of Service Centers throughout the country.

Program performance.—The Employment Service's performance management program consists of six key elements: program goals, strategic objectives, program objectives, customer service standards, outcomes, and performance measures. The organization provides: (1) leadership in the improvement of employment practices and the automation of human resources management (HRM) functions; (2) accurate, timely, and accessible employment information to job-seekers; (3) high-quality, cost-effective staffing policy, assistance, and services; and (4) high-quality specialized HRM policy, assistance, and services. By achieving these goals, the Employment Service expects

General and special funds—Continued**SALARIES AND EXPENSES—Continued**

(INCLUDING TRANSFER OF TRUST FUNDS)—Continued

to improve HRM practices, increase government-wide cost savings, and provide better service to the public.

The Employment Service provides Federal employment information to over seven million people annually. Customer data for 1996 indicate that 91 percent of these job-seekers found the system easy to use, 79 percent got the information they desired, and 79 percent rated the system satisfactory or better. The Employment Service also refers job candidates to Federal agencies that are seeking to fill vacant positions. In 1996, the Employment Service delivered 11,300 certificates of eligible candidates to these agencies.

Executive resources.—This activity provides governmentwide program leadership, policy direction and technical assistance on all aspects of the Senior Executive Service personnel system and comparable executive systems.

Retirement and insurance.—This activity administers retirement and insurance programs for Federal employees and retired Federal employees. These programs include the Civil Service Retirement and Disability Fund, the Employees Life Insurance Fund, and the Employees and Retired Employees Health Benefits Funds.

Program performance.—In the retirement area, OPM reduced the time to make a first interim annuity payment from an average of 8 days in FY 1995 to 5 days in FY 1996, and by the end of the fiscal year was making most payments within 4 days. The time “to take final action on” an annuity account dropped from 79 days in FY 1995 to 51 days in FY 1996, while the incidence of adjudication errors remained at the same 6 percent achieved in FY 1995.

OPM expanded telephone services by launching “Annuitant Express”, an interactive 800 service. In FY 1996, more than 284,000 customers used the service to change the Federal tax withholding from their monthly annuity payments (60 percent of all such changes) and 95 percent reported that the system was easy to use. Ninety-three percent reported that using the system was easier than using a form to change their tax withholding, and 86 percent said that the system was easy to access. In FY 1997, OPM made health benefit open season changes available to annuitants via Annuitant Express and hopes to add electronic funds transfer (EFT) related address changes later in the year.

FY 1996 surveys of OPM customers revealed that more than 90 percent of *annuitants* were “generally” or “very” satisfied with OPM’s processing of their claim and the overall level of service OPM has provided since they retired. Also, 90 percent of retirement customers were “generally” or “very” satisfied with the courtesy and clarity of the responses they received when calling OPM. However, retirement customers also indicated that improvement is needed in the accessibility of OPM’s telephone system, and in the quality and timeliness of responses to their written inquiries.

In the insurance area, 95 percent of the FEHBP customers agreed that their health plan compares favorably for value and selection with the private sector, and more than 85 percent rated their overall satisfaction with their plan as being excellent, very good, or good. Over 90 percent believe that the plan guide and brochures that OPM publishes for the FEHBP are clear, factual, and useful.

Eighty-seven percent the FEHBP’s fee-for-service plans are meeting their contractual requirements for paying claims on time, with comparable figures for the accuracy of those payments. Internally, OPM reduced the unprocessed balance of claim disputes by more than two-thirds but processing times for these claims remained slightly above the target level of 60 days and only 50 percent of customers were satisfied with

OPM’s decision and believed they had received a fair review. OPM upheld the carriers’ decision 59 percent of the time.

Ninety-six percent of OPM’s life insurance customers who had received life insurance benefits were satisfied with the service they received and 99 percent said informational materials they received were easy to understand, complete, helpful, and accurate.

Investigations.—This activity focuses on assuring applicant and appointee fitness and suitability and oversight of the investigative contract company.

Human resources systems.—This activity includes: (a) developing and implementing pay and leave administration policy and evaluating the effectiveness of alternative compensation systems; (b) managing employee relations; (c) developing classification policies and systems and designing flexible alternatives to current systems; (d) promoting and providing state-of-the-art data systems for workforce information to support and inform policy decision-making, and providing technical assistance for streamlining personnel recordkeeping and processing procedures; (e) facilitating and supporting Federal work and family programs; (f) providing policy guidance and management assistance in support of agency human resource development programs; and (g) providing leadership and policy guidance for human resources development and training.

Merit systems oversight and effectiveness.—This activity includes: (a) direct oversight of human resources management (HRM) in Federal agencies through various methods, including on-site evaluations; (b) administration of the classification appeals and Fair Labor Standards Act (FLSA) programs to ensure that agencies adhere to the statutory requirements of both laws; (c) assisting agencies in developing merit-based internal HRM accountability systems which support mission accomplishment; (d) assessing the effectiveness of government wide HRM policies and programs; (e) testing and evaluating innovative Federal HRM practices and systems, including demonstration projects under 5 U.S.C. Chapter 47; and (f) administering parts of the Voting Rights Act of 1965.

Program performance.—The merit systems oversight and effectiveness program performance measures are designed to determine the value added, outcome-oriented impact that the oversight and effectiveness reviews and reports have on clients: the Federal human resources management community and Federal employees. In FY 1997, as part of each review or study of human resources management at Federal agencies, client feedback was solicited on the importance and quality of written reports, and on the professionalism, usefulness and overall quality of the evaluation effort. Preliminary responses indicate that clients highly value the work as shown by a rating of 4 on a scale of 1–5 on the overall quality of agency evaluations, and a rating of 4.5 on the quality of the written evaluation reports. In addition, Merit System Principles Questionnaires were administered as part of agency reviews to measure employee preceptions of agency observance of each of the nine merit systems principles established by law. Based on preliminary responses, Federal employees report that the merit system is alive and well in key areas like recruitment, fairness, conduct, efficiency/effectiveness, training, and protection of employees from improper political influence and for lawful disclosure of information. However, employees believe that more work needs to be done to better link performance to pay and retention actions as contemplated by the merit principles. The client feedback information is shared with Federal agencies and the information is used to work with them to continuously improve the quality of their human resources management.

Administrative services.—This activity includes: OPM personnel and equal employment opportunity; security, facilities, telecommunications, publishing, acquisitions, and information resources management to support all OPM programs.

Executive and other services.—This activity includes: executive direction; policy development; legal advice and representation; public affairs; legislative activities; financial management; labor-management relations and partnership policy/guidance; and the operating expenses of the President's Commission on White House Fellows.

Reimbursable programs.—The OPM performs reimbursable work at the request of other agencies. OPM also provides administrative, information resources management, and executive services to other OPM accounts on a reimbursable basis.

Object Classification (in millions of dollars)

Identification code 24-0100-0-1-805	1996 actual	1997 est.	1998 est.
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent	91	94	95
11.3 Other than full-time permanent	5	5	5
11.5 Other personnel compensation	3	3	3
11.9 Total personnel compensation	99	102	103
12.1 Civilian personnel benefits	20	23	24
13.0 Benefits for former personnel	2		
21.0 Travel and transportation of persons	2	2	2
23.1 Rental payments to GSA	21	21	20
23.3 Communications, utilities, and miscellaneous charges	14	14	14
24.0 Printing and reproduction	3	3	3
25.1 Advisory and assistance services	5	5	5
25.2 Other services	15	13	13
26.0 Supplies and materials	2	2	2
31.0 Equipment	16	16	16
32.0 Land and structures	1	1	1
99.0 Subtotal, direct obligations	200	202	203
99.0 Reimbursable obligations	8	11	11
99.9 Total obligations	208	213	214

Personnel Summary

Identification code 24-0100-0-1-805	1996 actual	1997 est.	1998 est.
Direct:			
Total compensable workyears:			
1001 Full-time equivalent employment	2,252	2,288	2,208
1005 Full-time equivalent of overtime and holiday hours	39	39	39
Reimbursable:			
2001 Total compensable workyears: Full-time equivalent employment	100	269	169

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, as amended, including services as authorized by 5 U.S.C. 3109, hire of passenger motor vehicles, \$960,000; and in addition, not to exceed \$8,645,000 for administrative expenses to audit 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: *Provided*, That the Inspector General is authorized to rent conference rooms in the District of Columbia and elsewhere. (*Independent Agencies Appropriations Act, 1997.*)

Program and Financing (in millions of dollars)

Identification code 24-0400-0-1-805	1996 actual	1997 est.	1998 est.
Obligations by program activity:			
10.00 Total obligations	10	10	10
Budgetary resources available for obligation:			
22.00 New budget authority (gross)	10	10	10
23.95 New obligations	-10	-10	-10

New budget authority (gross), detail:

Current:			
40.00 Appropriation	4	1	1
Permanent:			
68.00 Spending authority from offsetting collections: Offsetting collections (cash)	6	9	9
70.00 Total new budget authority (gross)	10	10	10

Change in unpaid obligations:

72.40 Unpaid obligations, start of year: Obligated balance:			
Appropriation	1	1	
73.10 New obligations	10	10	10
73.20 Total outlays (gross)	-10	-10	-10
74.40 Unpaid obligations, end of year: Obligated balance:			
Appropriation	1		

Outlays (gross), detail:

86.90 Outlays from new current authority	3	1	1
86.93 Outlays from current balances	1		
86.97 Outlays from new permanent authority	6	9	9
87.00 Total outlays (gross)	10	10	10

Offsets:

Against gross budget authority and outlays:			
88.00 Offsetting collections (cash) from: Federal sources	-6	-9	-9

Net budget authority and outlays:

89.00 Budget authority	4	1	1
90.00 Outlays	4	1	1

This appropriation provides agencywide audit, investigative, evaluation, inspection, and administrative sanction functions to identify management and administrative deficiencies which may create conditions for fraud, waste, and mismanagement. The audits function provides internal agency audit, insurance audit, and contract audit services. Contract audits provide professional advice to agency contracting officials on accounting and financial matters regarding the negotiation, award, administration, repricing, and settlement of contracts. Internal audits review and evaluate all facets of agency operations, including financial statements. Evaluation and inspection services provide detailed technical evaluations of agency operations. Insurance audits review the operations of health and life insurance carriers, health care providers, and insurance subscribers. The investigative function provides for the detection and investigation of improper and illegal activities involving programs, personnel, and operations. Administrative sanctions debar from participation in the health insurance program those health care providers whose conduct may pose a threat to the financial integrity of the program itself or to the well-being of insurance program enrollees. These Inspector General activities resulted in positive financial impact in excess of \$71.8 million in FY 1996.

Object Classification (in millions of dollars)

Identification code 24-0400-0-1-805	1996 actual	1997 est.	1998 est.
Personnel compensation:			
11.1 Full-time permanent	6	6	6
11.9 Total personnel compensation	6	6	6
12.1 Civilian personnel benefits	1	1	1
23.1 Rental payments to GSA	1	1	1
25.2 Other services	1	1	1
99.5 Below reporting threshold	1	1	1
99.9 Total obligations	10	10	10

Personnel Summary

Identification code 24-0400-0-1-805	1996 actual	1997 est.	1998 est.
Direct:			
1001 Total compensable workyears: Full-time equivalent employment	95	103	103

General and special funds—Continued**OFFICE OF INSPECTOR GENERAL—Continued****SALARIES AND EXPENSES—Continued****Personnel Summary—Continued**

Identification code 24-0400-0-1-805	1996 actual	1997 est.	1998 est.
Reimbursable:			
2001 Total compensable workyears: Full-time equivalent employment		3	3

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), as amended, such sums as may be necessary. (*Independent Agencies Appropriations Act, 1997.*)

Program and Financing (in millions of dollars)

Identification code 24-0206-0-1-551	1996 actual	1997 est.	1998 est.
Obligations by program activity:			
00.01 Government contribution for annuitants benefits (1959 law)	3,824	4,023	4,333
00.02 Government contribution for annuitants benefits (1960 act)	6	6	5
10.00 Total obligations (object class 13.0)	3,830	4,029	4,338
Budgetary resources available for obligation:			
21.40 Unobligated balance available, start of year: Uninvested balance	1,024	941	
22.00 New budget authority (gross)	3,746	3,087	4,338
23.90 Total budgetary resources available for obligation	4,770	4,028	4,338
23.95 New obligations	-3,830	-4,029	-4,338
24.40 Unobligated balance available, end of year: Uninvested balance	941		
New budget authority (gross), detail:			
40.00 Appropriation	3,746		
40.05 Appropriation (indefinite)		3,087	4,338
43.00 Appropriation (total)	3,746	3,087	4,338
70.00 Total new budget authority (gross)	3,746	3,087	4,338
Change in unpaid obligations:			
72.40 Unpaid obligations, start of year: Obligated balance: Appropriation	102	220	234
73.10 New obligations	3,830	4,029	4,338
73.20 Total outlays (gross)	-3,712	-4,014	-4,308
74.40 Unpaid obligations, end of year: Obligated balance: Appropriation	220	234	264
Outlays (gross), detail:			
86.90 Outlays from new current authority	2,586	2,853	4,074
86.93 Outlays from current balances	1,126	1,161	234
87.00 Total outlays (gross)	3,712	4,014	4,308
Net budget authority and outlays:			
89.00 Budget authority	3,746	3,087	4,338
90.00 Outlays	3,712	4,014	4,308

This appropriation covers: (1) the Government's share of the cost of health insurance for 1,815,000 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 about 10,000 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 the Office of Personnel Management in administration of the act.

The budget authority for this account recognizes the amounts being remitted by the U.S. Postal Service (USPS) to finance a portion of its post-1971 annuitants' health benefit costs. As of the end of 1996, this group of USPS annuitants totalled 413,000 persons.

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. (*Independent Agencies Appropriations Act, 1997.*)

Program and Financing (in millions of dollars)

Identification code 24-0500-0-1-602	1996 actual	1997 est.	1998 est.
Obligations by program activity:			
10.00 Total obligations (object class 25.2)	25	29	32
Budgetary resources available for obligation:			
21.40 Unobligated balance available, start of year: Uninvested balance	4		
22.00 New budget authority (gross)	21	29	32
23.90 Total budgetary resources available for obligation	25	29	32
23.95 New obligations	-25	-29	-32
24.40 Unobligated balance available, end of year: Uninvested balance			
New budget authority (gross), detail:			
40.00 Appropriation	21	29	32
Change in unpaid obligations:			
72.40 Unpaid obligations, start of year: Obligated balance: Appropriation	3	3	3
73.10 New obligations	25	29	32
73.20 Total outlays (gross)	-24	-29	-32
74.40 Unpaid obligations, end of year: Obligated balance: Appropriation	3	3	3
Outlays (gross), detail:			
86.90 Outlays from new current authority	21	26	29
86.93 Outlays from current balances	3	3	3
87.00 Total outlays (gross)	24	29	32
Net budget authority and outlays:			
89.00 Budget authority	21	29	32
90.00 Outlays	24	29	32

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.

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, as amended, and the Act of August 19, 1950, as amended (33 U.S.C. 771-75), may hereafter be paid out of the Civil Service Retirement and Disability Fund. (*Independent Agencies Appropriations Act, 1997.*)

Program and Financing (in millions of dollars)

Identification code 24-0200-0-1-805	1996 actual	1997 est.	1998 est.
Obligations by program activity:			
00.01 Payment of annuities under special acts	1		
00.02 Payment of Government share of retirement costs	7,751	8,052	8,336
00.03 Transfers for interest on unfunded liability and payment of military service annuities	12,207	12,788	12,867
00.05 Spouse equity payment	53	52	52
00.06 Transfer for payment of FERS supplemental liability	48		

10.00	Total obligations	20,060	20,892	21,255
Budgetary resources available for obligation:				
22.00	New budget authority (gross)	20,060	20,892	21,255
23.95	New obligations	-20,060	-20,892	-21,255
New budget authority (gross), detail:				
Current:				
40.05	Appropriation (indefinite)	7,752	8,052	8,336
Permanent:				
60.05	Appropriation (indefinite)	12,308	12,840	12,919
70.00	Total new budget authority (gross)	20,060	20,892	21,255
Change in unpaid obligations:				
73.10	New obligations	20,060	20,892	21,255
73.20	Total outlays (gross)	-20,060	-20,892	-21,255
Outlays (gross), detail:				
86.90	Outlays from new current authority	7,752	8,052	8,336
86.97	Outlays from new permanent authority	12,308	12,840	12,919
87.00	Total outlays (gross)	20,060	20,892	21,255
Net budget authority and outlays:				
89.00	Budget authority	20,060	20,892	21,255
90.00	Outlays	20,060	20,892	21,255

Summary of Budget Authority and Outlays

(in millions of dollars)

Enacted/requested:	1996 actual	1997 est.	1998 est.
Budget Authority	20,060	20,892	21,255
Outlays	20,060	20,892	21,255
Legislative proposal, not subject to PAYGO:			
Budget Authority			-23
Outlays			-23
Total:			
Budget Authority	20,060	20,892	21,232
Outlays	20,060	20,892	21,232

Payment of annuities under special acts.—These annuities are paid to persons who were employed on the construction of the Panama Canal or their widows and widows of former employees of the Lighthouse Service.

Payment of Government share of retirement costs.—This payment amortizes the current year's costs of the static unfunded liability created since October 20, 1969 by any statute which authorizes new or liberalized benefits, an extension of retirement coverage, or pay increases.

Transfers for interest on static unfunded liability and payment of military service annuities.—This transfer covers interest on the static unfunded liability and annuity disbursements attributable to military service.

Payments for spouse equity.—This payment provides survivor annuities to eligible former spouses of annuitants who died between September 1978 and May 1986 and who did not elect survivor coverage.

Transfers for payment of FERS supplemental liability.—This transfer covers annual amortization payments to finance supplemental (change in unfunded) liabilities for FERS.

Object Classification (in millions of dollars)

Identification code 24-0200-0-1-805	1996 actual	1997 est.	1998 est.
12.1 Civilian personnel benefits	7,752	8,052	8,336
13.0 Benefits for former personnel	12,308	12,840	12,919
99.9 Total obligations	20,060	20,892	21,255

PAYMENT TO CIVIL SERVICE RETIREMENT AND DISABILITY FUND (Legislative proposal, not subject to PAYGO)

Program and Financing (in millions of dollars)

Identification code 24-0200-2-1-805	1996 actual	1997 est.	1998 est.
Obligations by program activity:			
00.03 Transfers for interest on unfunded liability and payment of military service annuities			-23
10.00 Total obligations (object class 13.0)			-23
Budgetary resources available for obligation:			
22.00 New budget authority (gross)			-23
23.95 New obligations			23
New budget authority (gross), detail:			
60.05 Appropriation (indefinite)			-23
			-23
Change in unpaid obligations:			
73.10 New obligations			-23
73.20 Total outlays (gross)			23
Outlays (gross), detail:			
86.97 Outlays from new permanent authority			-23
Net budget authority and outlays:			
89.00 Budget authority			-23
90.00 Outlays			-23

This schedule reflects the legislative proposal to delay for three months the 1998 cost-of-living adjustment.

Intragovernmental funds:

REVOLVING FUND

Program and Financing (in millions of dollars)

Identification code 24-4571-0-4-805	1996 actual	1997 est.	1998 est.
Obligations by program activity:			
00.02 Executive resources	16	18	20
00.03 DOD testing	7	8	8
00.04 Employment service	10	14	30
00.05 Investigations	58	83	81
00.06 Human resources systems	30	36	36
10.00 Total obligations	121	159	175
Budgetary resources available for obligation:			
21.90 Unobligated balance available, start of year: Fund balance	38	61	61
22.00 New budget authority (gross)	144	159	175
23.90 Total budgetary resources available for obligation	182	220	236
23.95 New obligations	-121	-159	-175
24.90 Unobligated balance available, end of year: Fund balance	61	61	61
New budget authority (gross), detail:			
68.00 Spending authority from offsetting collections (gross):			
Offsetting collections (cash)	144	159	175
Change in unpaid obligations:			
72.90 Unpaid obligations, start of year: Obligated balance:			
Fund balance	-49	-28	-28
73.10 New obligations	121	159	175
73.20 Total outlays (gross)	-100	-159	-175
74.90 Unpaid obligations, end of year: Obligated balance:			
Fund balance	-28	-28	-28
Outlays (gross), detail:			
86.97 Outlays from new permanent authority	111	159	175
86.98 Outlays from permanent balances	-11		
87.00 Total outlays (gross)	100	159	175

Intragovernmental funds—Continued**REVOLVING FUND—Continued**

Program and Financing (in millions of dollars)—Continued

Identification code 24-4571-0-4-805	1996 actual	1997 est.	1998 est.
Offsets:			
Against gross budget authority and outlays:			
Offsetting collections (cash) from:			
88.00 Federal sources	-143	-158	-174
88.40 Non-Federal sources	-1	-1	-1
88.90 Total, offsetting collections (cash)	-144	-159	-175
Net budget authority and outlays:			
89.00 Budget authority			
90.00 Outlays	-43		

Workforce training.—In July 1995, the Office of Personnel Management (OPM) privatized its workforce training program.

Executive resources.—OPM manages the President's quality awards program and conducts residential and non-residential programs for Federal executives and managers to improve the effectiveness and efficiency of Federal programs.

DOD testing.—OPM conducts military entrance exams for the Department of Defense (DOD).

Employment service.—OPM delivers employment information, examining services, automated staffing, and related human resource management services to Federal agencies nationwide.

Investigations.—Through a contract with an employee owned private company, OPM conducts National Agency Check and Inquiry cases and background security investigations for Federal agencies on a reimbursable basis. To the extent that OPM is required to pay a fee to the Federal Bureau of Investigation for name and fingerprint checks, agencies are required to reimburse OPM for such fees through the revolving fund.

Human resources systems.—OPM provides training management assistance to agencies in support of their human resource development programs.

WORKLOAD COUNT

	1996 actual	1997 est.	1998 est.
Participant training days	65,721	68,563	68,413
Test sessions for DOD	43,831	44,100	44,100
Employment inquiries	7,235,199	7,750,000	8,500,000
Automated referral lists	11,300	17,300	20,000
Background security investigations processed	44,974	40,000	40,000
National and special agency check and inquiry cases	244,823	225,000	225,000

Statement of Operations (in millions of dollars)

Identification code 24-4571-0-4-805	1996 actual	1996 actual	1997 est.	1998 est.
Workforce training:				
0111 Revenue	22			
0112 Expense	-34	-5		
0119 Net income or loss, Workforce training	-12	-5		
Executive resources:				
0121 Revenue	20	18	19	19
0122 Expense	-18	-16	-18	-19
0129 Net income or loss (-), Executive resources	2	2	1	
Department of Defense Testing Program:				
0131 Revenue	8	7	8	8
0132 Expense	-7	-7	-8	-8
0139 Net income or loss (-), DOD testing program	1			
Employment service:				
0141 Revenue	2	12	20	26
0142 Expense	-2	-10	-15	-30
0149 Net income or loss (-), Employment service		2	5	-4

Investigations Program:				
0151 Revenue	90	93	77	77
0152 Expense	-69	-68	-75	-80
0159 Net income or loss, Investigations program	21	25	2	-3
Human Resources Systems:				
0161 Revenue	45	36	33	34
0162 Expense	-43	-34	-32	-33
0169 Net income or loss (-), Human resources systems	2	2	1	1
Other Programs:				
0181 Revenue	2			
0182 Expense	-1			
0189 Net income or loss (-), Other programs	1			
0191 Total revenues	189	166	157	164
0192 Total expenses	-174	-140	-148	-170
0199 Net income or loss	15	26	9	-6

Balance Sheet (in millions of dollars)

Identification code 24-4571-0-4-805	1996 actual	1996 actual	1997 est.	1998 est.
ASSETS:				
Federal assets:				
1101 Fund balances with Treasury	-11	32	33	33
Investments in US securities:				
1106 Receivables, net	92	81	99	103
1803 Other Federal assets: Property, plant and equipment, net	21	28	12	13
1999 Total assets	102	141	144	149
LIABILITIES:				
2101 Federal liabilities: Accounts payable	13	13	14	18
Non-Federal liabilities:				
2201 Accounts payable	4	4	4	5
2207 Other	112	124	116	122
2999 Total liabilities	129	141	134	145
NET POSITION:				
3100 Appropriated capital	7	7	7	7
3300 Cumulative results of operations	-34	-7	2	-4
3999 Total net position	-27		9	3
4999 Total liabilities and net position	102	141	143	148

Object Classification (in millions of dollars)

Identification code 24-4571-0-4-805	1996 actual	1997 est.	1998 est.
Personnel compensation:			
11.1 Full-time permanent	35	16	22
11.3 Other than full-time permanent	4	5	5
11.5 Other personnel compensation	2		
11.9 Total personnel compensation	41	21	27
12.1 Civilian personnel benefits	8	4	5
13.0 Benefits for former personnel	4	3	
21.0 Travel and transportation of persons	4	3	3
23.1 Rental payments to GSA	5	5	6
23.3 Communications, utilities, and miscellaneous charges	3	3	4
24.0 Printing and reproduction		1	1
25.2 Other services	53	116	119
26.0 Supplies and materials	1	1	1
31.0 Equipment	1	2	7
99.0 Subtotal, reimbursable obligations	120	159	173
99.5 Below reporting threshold	1		2
99.9 Total obligations	121	159	175

Personnel Summary

Identification code 24-4571-0-4-805	1996 actual	1997 est.	1998 est.
Total compensable workyears:			
2001 Full-time equivalent employment	943	700	770
2005 Full-time equivalent of overtime and holiday hours	28	7	7

Trust Funds**CIVIL SERVICE RETIREMENT AND DISABILITY FUND**

Unavailable Collections (in millions of dollars)

Identification code 24-8135-0-7-602	1996 actual	1997 est.	1998 est.
Balance, start of year:			
01.99 Balance, start of year	362,765	389,409	417,789
Receipts:			
02.01 Employee contributions	4,211	4,097	4,041
02.02 Agency contributions	7,880	8,186	8,412
02.03 District of Columbia contributions	80	72	66
02.04 Postal Service agency contributions	2,369	2,423	2,474
02.05 Postal Service supplemental contributions	3,343	3,493	3,629
02.06 Federal Financing Bank interest	1,803	1,968	1,783
02.07 Employee deposits, redeposits and other contributions	126	120	115
02.08 Treasury interest	26,727	28,759	30,229
02.09 General fund payment to the Civil Service Retirement and Disability fund	20,060	20,892	21,255
02.10 Re-employed annuitants salary offset	28	24	21
02.11 Agency contributions, legislative proposal			621
02.13 Treasury interest, legislative proposal			40
02.15 General fund payment to the Civil Service Retirement and Disability fund, legislative proposal not subject to PAYGO			-23
02.99 Total receipts	66,627	70,034	72,663
04.00 Total: Balances and collections	429,392	459,443	490,452
Appropriation:			
05.01 Civil service retirement and disability fund	-39,983	-41,654	-43,649
05.02 Civil service retirement and disability fund, legislative proposal, subject to PAYGO			274
05.03 Civil service retirement and disability fund, legislative proposal, not subject to PAYGO			
05.99 Subtotal appropriation	-39,983	-41,654	-43,375
07.99 Total balance, end of year	389,409	417,789	447,077

Program and Financing (in millions of dollars)

Identification code 24-8135-0-7-602	1996 actual	1997 est.	1998 est.
Obligations by program activity:			
00.01 Annuities	39,454	41,134	43,138
00.02 Refunds and death claims	425	417	419
00.03 Annuities under special acts	1	1	
00.04 Administration	97	104	100
10.00 Total obligations	39,977	41,656	43,657
Budgetary resources available for obligation:			
21.40 Unobligated balance available, start of year:			
Uninvested balance	4	10	8
22.00 New budget authority (gross)	39,983	41,654	43,649
23.90 Total budgetary resources available for obligation	39,987	41,664	43,657
23.95 New obligations	-39,977	-41,656	-43,657
24.40 Unobligated balance available, end of year:			
Uninvested balance	10	8	
New budget authority (gross), detail:			
Current:			
40.26 Appropriation (trust fund, definite)	81	85	81
Permanent:			
60.27 Appropriation (trust fund, indefinite)	67,254	69,949	72,579
60.45 Portion precluded from obligation	-27,352	-28,380	-29,011
63.00 Appropriation (total)	39,902	41,569	43,568
70.00 Total new budget authority (gross)	39,983	41,654	43,649
Change in unpaid obligations:			
Unpaid obligations, start of year:			
Obligated balance:			
72.40 Appropriation	37	-37	8
72.41 U.S. Securities: Par value	3,351	3,624	3,734
72.99 Total unpaid obligations, start of year	3,388	3,587	3,742
73.10 New obligations	39,977	41,656	43,657
73.20 Total outlays (gross)	-39,778	-41,501	-43,500
Unpaid obligations, end of year:			
Obligated balance:			
74.40 Treasury balance	-37	8	8
74.41 U.S. Securities: Par value	3,624	3,734	3,891

74.99	Total unpaid obligations, end of year	3,587	3,742	3,899
Outlays (gross), detail:				
86.90	Outlays from new current authority	71	85	81
86.93	Outlays from current balances	9	6	8
86.97	Outlays from new permanent authority	36,315	38,027	39,879
86.98	Outlays from permanent balances	3,383	3,383	3,532
87.00	Total outlays (gross)	39,778	41,501	43,500
Net budget authority and outlays:				
89.00	Budget authority	39,983	41,654	43,649
90.00	Outlays	39,778	41,501	43,500

Summary of Budget Authority and Outlays

(in millions of dollars)

Enacted/requested:	1996 actual	1997 est.	1998 est.
Budget Authority	39,983	41,654	43,649
Outlays	39,778	41,501	43,500
Legislative proposal, subject to PAYGO:			
Budget Authority			-274
Outlays			-274
Total:			
Budget Authority	39,983	41,654	43,375
Outlays	39,778	41,501	43,226

This fund: (1) pays annuities to retired employees or their survivors; (2) makes refunds to separated employees for amounts withheld and to beneficiaries of employees who died before retirement or before annuities equaled the amount withheld; and (3) pays expenses of the Office of Personnel Management and the Merit Systems Protection Board for administering the program. The fund covers two Federal civilian retirement systems: the Civil Service Retirement System (CSRS) and the Federal Employees' Retirement System (FERS).

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 above schedule reflects the proposal to limit pay increases in 1998.

	1996 actual	1997 est.	1998 est.
Active employees	2,711,000	2,695,000	2,684,000
Annuitants:			
Employees	1,719,000	1,738,000	1,753,000
Survivors	614,000	628,000	641,000
Total, annuitants	2,333,000	2,366,000	2,394,000

Status of Funds (in millions of dollars)

Identification code 24-8135-0-7-602	1996 actual	1997 est.	1998 est.
Unexpended balance, start of year:			
0100 Treasury balance	37	-37	8
U.S. Securities:			
0101 Par value	366,126	393,049	421,537
0102 Unrealized discounts	-6	-6	-6
0199 Total balance, start of year	366,157	393,006	421,539
Cash income during the year:			
Governmental receipts:			
0200 Employee contributions, Civil Service Retirement and Disability Fund	4,211	4,097	4,041
0202 District of Columbia contributions	80	72	66
0203 Employee deposits, redeposits, and voluntary contributions	126	120	115
Intragovernmental transactions:			
0240 Agency contributions, Civil Service Retirement and Disability Fund	7,880	8,186	8,412
0241 Agency Contributions, Civil Service Retirement and Disability Fund			621
0242 Postal Service agency contributions, Civil Service Retirement and Disability Fund	2,369	2,423	2,474
0243 Postal Service supplemental contributions, Civil Service Retirement and Disability Fund	3,343	3,493	3,629

CIVIL SERVICE RETIREMENT AND DISABILITY FUND—Continued

Status of Funds (in millions of dollars)—Continued

Identification code 24-8135-0-7-602	1996 actual	1997 est.	1998 est.
0244 Federal Financing Bank interest, Civil Service Retirement and Disability Fund	1,803	1,968	1,783
0245 Treasury interest, Civil Service Retirement and Disability Fund	26,727	28,759	30,229
0246 Treasury Interest, Civil Service Retirement and Disability Fund			40
0247 General fund payment to the Civil Service Retirement and Disability Fund	20,060	20,892	21,255
0248 General Fund payment to the Civil Service Retirement and Disability Fund			-23
0250 Re-employed annuitant salary offset, Civil Service Retirement and Disability Fund	28	24	21
0297 Income under present law	66,627	70,034	72,025
0298 Income under proposed legislation			638
0299 Total cash income	66,627	70,034	72,663
Cash outgo during year:			
0501 Payment of claims to retired employees	-33,082	-34,377	-35,898
0502 Payment of alternative annuity refunds	-32	-9	-10
0503 Payment of claims to retired employees			229
0504 Payment to widows of former employees of the Light-house Service	-1	-1	
0505 Payment of claims to survivor annuitants	-6,151	-6,587	-7,065
0506 Lump sum payments to estates or beneficiaries of deceased annuitants and employees	-110	-116	-122
0507 Refunds to living separated employees	-306	-301	-297
0508 Administration	-96	-110	-108
0509 Payment of claims to survivor annuitants			45
0597 Outgo under present law (-)	-39,778	-41,501	-43,500
0598 Outgo under proposed legislation (-)			274
0599 Total cash outgo (-)	-39,778	-41,501	-43,226
Unexpended balance, end of year:			
0700 Uninvested balance	-37	8	8
U.S. Securities:			
0701 Par value	393,049	421,537	450,974
0702 Unrealized discounts	-6	-6	-6
0799 Total balance, end of year	393,006	421,539	450,976

Object Classification (in millions of dollars)

Identification code 24-8135-0-7-602	1996 actual	1997 est.	1998 est.
25.2 Other services	97	104	100
42.0 Insurance claims and indemnities	39,455	41,135	43,138
44.0 Refunds and death claims	425	417	419
99.9 Total obligations	39,977	41,656	43,657

CIVIL SERVICE RETIREMENT AND DISABILITY FUND

(Legislative proposal, not subject to PAYGO)

Program and Financing (in millions of dollars)

Identification code 24-8135-2-7-602	1996 actual	1997 est.	1998 est.
New budget authority (gross), detail:			
60.27 Appropriation (trust fund, indefinite)			647
60.45 Portion precluded from obligation			-647
63.00 Appropriation (total)			
Net budget authority and outlays:			
89.00 Budget authority			
90.00 Outlays			

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	1996 actual	1997 est.	1998 est.
Obligations by program activity:			
00.01 Annuities			-274
10.00 Total obligations (object class 42.0)			-274
Budgetary resources available for obligation:			
22.00 New budget authority (gross)			-274
23.95 New obligations			274
New budget authority (gross), detail:			
60.27 Appropriation (trust fund, indefinite)			-10
60.45 Portion precluded from obligation			-264
63.00 Appropriation (total)			-274
70.00 Total new budget authority (gross)			-274
Change in unpaid obligations:			
73.10 New obligations			-274
73.20 Total outlays (gross)			274
Outlays (gross), detail:			
86.97 Outlays from new permanent authority			-274
Net budget authority and outlays:			
89.00 Budget authority			-274
90.00 Outlays			-274

The above schedules reflect legislative proposals to delay for three months the 1998 cost-of-living adjustments and to increase by 1.51 percent of pay agency contributions to the Civil Service Retirement and Disability Fund (CSRDF) on behalf of Civil Service Retirement System employees.

EMPLOYEES LIFE INSURANCE FUND

Program and Financing (in millions of dollars)

Identification code 24-8424-0-8-602	1996 actual	1997 est.	1998 est.
Obligations by program activity:			
Gross premium payments:			
00.01 Regular program	1,012	1,068	986
00.02 Optional program	620	655	607
00.03 Beneficial program	3	3	3
00.91 Total gross payments	1,635	1,726	1,596
02.01 Administration	1	1	1
10.00 Total reimbursable obligations (object class 25.2)	1,636	1,727	1,597
Budgetary resources available for obligation:			
Unobligated balance available, start of year:			
21.90 Treasury balance	603	602	568
U.S. Securities:			
21.91 Par value	15,839	16,962	18,004
21.92 Unrealized discounts	-215	-254	-200
21.99 Total unobligated balance, start of year	16,227	17,310	18,372
22.00 New budget authority (gross)	2,719	2,788	2,851
23.90 Total budgetary resources available for obligation	18,946	20,098	21,223
23.95 New obligations	-1,636	-1,727	-1,597
Unobligated balance available, end of year:			
24.90 Treasury balance	602	568	591
U.S. Securities:			
24.91 Par value	16,962	18,004	19,235
24.92 Unrealized discounts	-254	-200	-200
24.99 Total unobligated balance, end of year	17,310	18,372	19,626
New budget authority (gross), detail:			
Spending authority from offsetting collections:			
68.00 Offsetting collections (cash)	2,732	2,798	2,839
68.10 Change in orders on hand from Federal sources	-13	-10	12

68.90	Spending authority from offsetting collections (total)	2,719	2,788	2,851
70.00	Total new budget authority (gross)	2,719	2,788	2,851
Change in unpaid obligations:				
Unpaid obligations, start of year:				
72.90	Obligated balance: Fund balance	-603	-586	-568
72.95	Orders on hand from Federal sources	735	722	712
72.99	Total unpaid obligations, start of year	132	136	144
73.10	New obligations	1,636	1,727	1,597
73.20	Total outlays (gross)	-1,632	-1,719	-1,608
Unpaid obligations, end of year:				
74.90	Obligated balance: Fund balance	-586	-568	-591
74.95	Orders on hand from Federal sources	722	712	724
74.99	Total unpaid obligations, end of year	136	144	133
Outlays (gross), detail:				
86.97	Outlays from new permanent authority	1,632	1,719	1,608
Offsets:				
Against gross budget authority and outlays:				
Offsetting collections (cash) from:				
88.00	Agency contributions	-369	-392	-398
88.20	Interest on U.S. securities	-1,189	-1,210	-1,242
Non-Federal sources:				
88.40	Regular program	-527	-534	-540
88.40	Optional program	-646	-661	-659
88.40	Beneficial Program	-1	-1	-
88.90	Total, offsetting collections (cash)	-2,732	-2,798	-2,839
88.95	Change in orders on hand from Federal sources	13	10	-12
Net budget authority and outlays:				
89.00	Budget authority			
90.00	Outlays	-1,100	-1,079	-1,231

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.

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

Life insurance in force (in billions of dollars):				
	1996 actual	1997 est.	1998 est.	
On active employees	440	442	444	
On retired employees	44	48	52	
Total	484	490	496	
Number of participants (in thousands):				
Active employees	2,434	2,408	2,382	
Annuityants	1,615	1,642	1,669	
Total	4,049	4,050	4,051	

Financing.—Non-Postal Service employees and all retirees under 65 pay two-thirds of the premium costs for Basic coverage; agencies 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:

Status of Reserves				
	1996 actual	1997 est.	1998 est.	
Held in reserve (in millions of dollars):				
Contingency reserve	15	15	15	
Beneficial association program reserve	1	1	1	
U.S. Treasury reserve	16,962	18,004	19,251	
Total reserves	16,978	18,020	19,267	

Excess income from the program over benefit payments and other expenses is deposited in the Employees Life Insurance Fund. The operations of the insurer for the regular and optional programs are as follows:

Operations of the Insurer				
	1996 actual	1997 est.	1998 est.	
Contingency reserve (in millions of dollars):				
Contingency reserve, start of year	0	15	15	
Income:				
Premiums received	1,611	1,731	1,740	

Interest	20	22	24
Total income	1,631	1,753	1,764
Outgo:			
Claims paid	1,578	1,713	1,723
Expenses	38	40	41
Total outgo	1,616	1,753	1,764
Contingency reserve, end of year	15	15	15

Statement of Operations (in millions of dollars)

Identification code 24-8424-0-8-602	1995 actual	1996 actual	1997 est.	1998 est.
0101 Revenue	2,580	2,719	2,788	2,851
0102 Expense	-1,598	-1,636	-1,727	-1,597
0109 Net income or loss (-)	982	1,083	1,061	1,254

Balance Sheet (in millions of dollars)

Identification code 24-8424-0-8-602	1995 actual	1996 actual	1997 est.	1998 est.
ASSETS:				
Federal assets:				
1101 Fund balances with Treasury		17		
Investments in US securities:				
1102 Treasury securities, par	15,961	16,962	18,065	19,343
1106 Receivables, net	398	467	437	449
1801 Other Federal assets: Cash and other monetary assets	1	1	1	1
1999 Total assets	16,360	17,447	18,503	19,793
LIABILITIES:				
Non-Federal liabilities:				
2201 Accounts payable	132	136	144	133
2206 Pension and other actuarial liabilities	19,685	20,669	21,702	22,787
2999 Total liabilities	19,817	20,805	21,846	22,920
NET POSITION:				
3300 Cumulative results of operations	-3,457	-3,358	-3,343	-3,127
3999 Total net position	-3,457	-3,358	-3,343	-3,127
4999 Total liabilities and net position	16,360	17,447	18,503	19,793

EMPLOYEES AND RETIRED EMPLOYEES HEALTH BENEFITS FUNDS

Program and Financing (in millions of dollars)

Identification code 24-9981-0-8-551	1996 actual	1997 est.	1998 est.
Obligations by program activity:			
00.01 Benefit payments	15,922	16,333	17,220
00.02 Payments from OPM contingency reserve	201	220	240
00.03 Government payment for annuitants (1960 act)	6	6	5
00.04 Administration	19	20	20
10.00 Total obligations (object class 25.6)	16,148	16,579	17,485
Budgetary resources available for obligation:			
21.91 Unobligated balance available, start of year: U.S. Securities: Par value	6,309	6,059	5,861
22.00 New budget authority (gross)	15,897	16,380	17,429
23.90 Total budgetary resources available for obligation	22,206	22,439	23,290
23.95 New obligations	-16,148	-16,579	-17,485
24.91 Unobligated balance available, end of year: U.S. Securities: Par value	6,059	5,861	5,805
New budget authority (gross), detail:			
Spending authority from offsetting collections:			
68.00 Offsetting collections (cash)	15,707	16,329	17,357
68.10 Change in orders on hand from Federal sources	190	51	72
68.90 Spending authority from offsetting collections (total)	15,897	16,380	17,429
70.00 Total new budget authority (gross)	15,897	16,380	17,429

EMPLOYEES AND RETIRED EMPLOYEES HEALTH BENEFITS FUNDS— Continued

Program and Financing (in millions of dollars)—Continued

Identification code 24-9981-0-8-551	1996 actual	1997 est.	1998 est.
Change in unpaid obligations:			
Unpaid obligations, start of year:			
Obligated balance:			
72.90 Fund balance	16	-698	16
U.S. Securities:			
72.91 Par value	1,581	2,124	1,302
72.92 Unrealized discounts	-93	-114	-114
72.95 Orders on hand from Federal sources	895	1,085	1,136
72.99 Total unpaid obligations, start of year	2,399	2,397	2,340
73.10 New obligations	16,148	16,579	17,485
73.20 Total outlays (gross)	-16,149	-16,635	-17,484
Unpaid obligations, end of year:			
Obligated balance:			
74.90 Fund balance	-698	16	16
U.S. Securities:			
74.91 Par value	2,124	1,302	1,232
74.92 Unrealized discounts	-114	-114	-114
74.95 Orders on hand from Federal sources	1,085	1,136	1,208
74.99 Total unpaid obligations, end of year	2,397	2,340	2,342
Outlays (gross), detail:			
86.97 Outlays from new permanent authority	15,254	15,333	16,252
86.98 Outlays from permanent balances	895	1,302	1,232
87.00 Total outlays (gross)	16,149	16,635	17,484
Offsets:			
Against gross budget authority and outlays:			
Offsetting collections (cash) from:			
Federal sources:			
88.00 Agency contributions	-6,751	-6,908	-7,286
88.00 Government contributions for annuitants	-4,400	-4,643	-4,981
88.20 Interest on U.S. securities	-467	-514	-511
Non-Federal sources:			
88.40 Employee salary withholdings	-2,166	-2,264	-2,423
88.40 Annuity withholdings	-1,850	-1,929	-2,089
88.40 Contributions from D.C. Government	-73	-71	-67
88.90 Total, offsetting collections (cash)	-15,707	-16,329	-17,357
88.95 Change in orders on hand from Federal sources	-190	-51	-72
Net budget authority and outlays:			
89.00 Budget authority			
90.00 Outlays	443	306	127

Status of Funds (in millions of dollars)

Identification code 24-9981-0-8-551	1996 actual	1997 est.	1998 est.
Unexpended balance, start of year:			
0100 Treasury balance	16	-698	16
U.S. Securities:			
0101 Par value	7,890	8,183	7,163
0102 Unrealized discounts	-93	-114	-114
0199 Total balance, start of year	7,813	7,371	7,065
Cash income during the year:			
Offsetting collections:			
0280 Contributions from Employing Agencies	4,297	4,478	4,729
0281 Contributions from Postal Service for Active Employees	2,454	2,430	2,557
0282 Contributions from Postal Service for Annuitants	680	622	664
Offsetting collections:			
0283 Government Payment for Annuitant Health Benefits	3,712	4,014	4,308
0283 Government Payment for Annuitants, Other	7	8	8
0284 Interest Earned	467	514	511
0285 Contributions from DC Government	73	71	67
0286 Contributions from Active Employees	2,166	2,264	2,423
0287 Contributions from Annuitants	1,850	1,929	2,089
0299 Total cash income	15,706	16,330	17,356
Cash outgo during year:			
0501 Benefit Payments	-15,930	-16,395	-17,224
0502 Payments to Carriers from OPM Contingency Reserve	-201	-220	-240
0503 Administration	-19	-20	-20

0599 Total cash outgo (-)	-16,150	-16,635	-17,484
Unexpended balance, end of year:			
0700 Uninvested balance	-698	16	16
U.S. Securities:			
0701 Par value	8,183	7,163	7,036
0702 Unrealized discounts	-114	-114	-114
0799 Total balance, end of year	7,371	7,065	6,938

This display combines the Federal Employees Health Benefits (FEHB) fund and the Retired Employees Health Benefit (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) the related expenses of the Office of Personnel Management (OPM) in administering the program.

The REHB fund, created by the Retired 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 EHB fund is available for payments without fiscal year limitation. Numbers of participants at the end of each fiscal year are as follows:

	1996 actual	1997 est.	1998 est.
Active employees	2,344,000	2,344,000	2,344,000
Annuity holders	1,815,000	1,844,000	1,869,000
Total	4,159,000	4,188,000	4,213,000

In determining a biweekly subscription rate to cover program costs, one percent is added for administrative expense 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.

In accordance with P.L. 103-66, this schedule includes the following adjustments: (1) the "Phantom Big 6" formula for determining the maximum Government contribution toward FEHB premiums was extended through the 1996 contract year; (2) in contract years 1997 and 1998, the average premium for the indemnity plan in the "Phantom Big 6" formula will be modified to account for the average premium increase in the remaining "Big 5" plans minus one percentage point; (3) beginning in the 1999 contract year, the maximum government contribution will be 60 percent of the average of the premiums for the remaining "Big 5" plans; (4) Medicare Part B fee limits have been applied to all FEHB annuitants; and (5) the Postal Service will make additional payments of \$116 million per year for fiscal years 1996, 1997, and 1998 to cover the cost of past retiree health benefits.

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:

	1996 actual	1997 est.	1998 est.
Uniform plan	2,120	1,500	1,000
Private plans	7,512	6,000	4,500
Total	9,632	7,500	5,500

Financing.—The funds are financed by: (1) withholdings from active employees and annuitants; (2) agency contributions for active employees, appropriated to agencies; (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 and Public Law 103-66.

Operating results.—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, that 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.

Statement of Operations (in millions of dollars)

Identification code 24-9981-0-8-551		1995 actual	1996 actual	1997 est.	1998 est.
0101	Revenue	16,178	15,875	16,504	17,543
0102	Expense	-15,886	-15,804	-16,449	-17,499
0109	Net income or loss (-)	292	71	55	44

Balance Sheet (in millions of dollars)

Identification code 24-9981-0-8-551		1995 actual	1996 actual	1997 est.	1998 est.
ASSETS:					
Federal assets:					
1101	Fund balances with Treasury	16	-698	16	16
Investments in US securities:					
1102	Treasury securities, par	7,890	8,183	7,163	7,036
1106	Receivables, net	895	1,085	1,137	1,208
1801	Other Federal assets: Original Discount	-93	-114	-114	-114
1999	Total assets	8,708	8,456	8,202	8,146
LIABILITIES:					
2101	Federal liabilities: Accounts payable	119	83	85	89
Non-Federal liabilities:					
2201	Accounts payable	2,279	2,314	2,256	2,253

2207	Other	1			
2999	Total liabilities	2,399	2,397	2,341	2,342
NET POSITION:					
3300	Cumulative results of operations	6,309	6,059	5,861	5,805
3999	Total net position	6,309	6,059	5,861	5,805
4999	Total liabilities and net position	8,708	8,456	8,202	8,147

[GENERAL PROVISIONS]

[SEC. 421. The first sentence of section 1304(e)(1) of title 5, United States Code, is amended by inserting after "basis" the following "including personnel management services performed at the request of individual agencies (which would otherwise be the responsibility of such agencies), or at the request of nonappropriated fund instrumentalities".]

[SEC. 422. Paragraph (1) of section 8906(e) of title 5, United States Code, is amended—

(1) by striking the last sentence of that paragraph and redesignating the remainder of that paragraph as (1)(A);

(2) by adding at the end of paragraph (1)(A) (as so designated) the following:

"(B) During each pay period in which an enrollment continues under subparagraph (A)—

"(i) employee and Government contributions required by this section shall be paid on a current basis; and

"(ii) if necessary, the head of the employing agency shall approve advance payment, recoverable in the same manner as under section 5524a(c), of a portion of basic pay sufficient to pay current employee contributions.

"(C) Each agency shall establish procedures for accepting direct payments of employee contributions for the purposes of this paragraph.".] (*Independent Agencies Appropriations Act, 1997.*)