

# 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 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, **[\$90,584,000] \$100,558,000**; and in addition **[\$95,486,000] \$101,986,000** 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 printed materials, for the retirement and insurance programs, of which **[\$4,000,000] \$10,500,000** shall remain available until expended for the cost of automating the retirement record-keeping systems: *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) and 8909(g) 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 the Office of Personnel Management 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 **[2000] 2001**, 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, 2000.*)

#### Program and Financing (in millions of dollars)

Identification code 24-0100-0-1-805	1999 actual	2000 est.	2001 est.
<b>Obligations by program activity:</b>			
Direct program:			
00.01 Merit systems oversight and effectiveness .....	19	21	21
00.02 Employment service .....	26	29	36
00.03 Retirement and insurance service .....	107	111	115
00.04 Workforce compensation and performance service .....	8	8	8
00.05 Investigations service .....	3	3	3
00.06 Workforce relations .....	4	4	4
00.07 Executive resources .....	2	2	2
00.08 Administrative services .....	14	18	19
00.09 Executive and other services .....	14	12	14
09.01 Reimbursable program .....	9	10	10
10.00 Total new obligations .....	206	218	232
<b>Budgetary resources available for obligation:</b>			
21.40 Unobligated balance available, start of year .....	-3	8	.....
22.00 New budget authority (gross) .....	219	219	232
23.90 Total budgetary resources available for obligation .....	216	227	232
23.95 Total new obligations .....	-206	-218	-232
23.98 Unobligated balance expiring or withdrawn .....	-2	-8	.....
24.40 Unobligated balance available, end of year .....	8	.....	.....
<b>New budget authority (gross), detail:</b>			
Discretionary:			
40.00 Appropriation .....	85	91	101

40.76 Reduction pursuant to P.L. 106-113 .....	.....	.....	.....
42.00 Transferred from other accounts .....	2	.....	.....
43.00 Appropriation (total discretionary) .....	87	90	101
Spending authority from offsetting collections:			
68.00 Offsetting collections (cash) .....	105	128	131
68.10 From Federal sources: Change in receivables and unpaid, unfilled orders .....	27	.....	.....
68.90 Spending authority from offsetting collections (total discretionary) .....	132	128	131
70.00 Total new budget authority (gross) .....	219	219	232
<b>Change in unpaid obligations:</b>			
Unpaid obligations, start of year:			
72.40 Obligated balance, start of year .....	37	-7	-6
72.95 From Federal sources: Receivables and unpaid, unfilled orders .....	32	59	59
72.99 Total unpaid obligations, start of year .....	69	52	53
73.10 Total new obligations .....	206	218	232
73.20 Total outlays (gross) .....	-206	-217	-227
73.40 Adjustments in expired accounts (net) .....	-17	.....	.....
Unpaid obligations, end of year:			
74.40 Obligated balance, end of year .....	-7	-6	-1
74.95 From Federal sources: Receivables and unpaid, unfilled orders .....	59	59	59
74.99 Total unpaid obligations, end of year .....	52	53	58
<b>Outlays (gross), detail:</b>			
86.90 Outlays from new discretionary authority .....	181	206	219
86.93 Outlays from discretionary balances .....	25	11	8
87.00 Total outlays (gross) .....	206	217	227
<b>Offsets:</b>			
Against gross budget authority and outlays:			
88.00 Offsetting collections (cash) from: Federal sources .....	-105	-128	-131
Against gross budget authority only:			
88.95 From Federal sources: Change in receivables and unpaid, unfilled orders .....	-27	.....	.....
<b>Net budget authority and outlays:</b>			
89.00 Budget authority .....	87	91	101
90.00 Outlays .....	101	89	96

#### Summary of Budget Authority and Outlays

(in millions of dollars)	1999 actual	2000 est.	2001 est.
<b>Enacted/requested:</b>			
Budget Authority .....	87	90	101
Outlays .....	101	89	96
<b>Supplemental proposal:</b>			
Budget Authority .....	.....	1	.....
Outlays .....	.....	1	.....
<b>Total:</b>			
Budget Authority .....	87	91	101
Outlays .....	101	90	96

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

*Merit systems oversight and effectiveness.*—This activity includes: (a) evaluating human resources management (HRM) in Federal agencies through various methods, including on-site reviews and special studies; (b) administering classification appeals, Fair Labor Standards Act, and Intergovernmental Personnel programs to ensure that agencies adhere to the statutory requirements; (c) helping agencies develop merit-based HRM accountability systems to support mission accomplishment; (d) assessing the effectiveness of Governmentwide HRM policies and programs and serving as a clear-

**General and special funds—Continued**

## SALARIES AND EXPENSES—Continued

## (INCLUDING TRANSFER OF TRUST FUNDS)—Continued

inghouse for best practices; (e) testing and evaluating innovative HRM practices and systems, including demonstration projects under 5 U.S.C. Chapter 47; (f) providing readily accessible statistics on the Federal workforce; and (g) administering parts of the Voting Rights Act of 1965.

*Program performance.*—The activity's performance measures are designed to assess the value-added outcomes which oversight reviews, accountability and demonstration projects, and workforce information have on the Federal HRM community and employees. Client feedback is solicited on each review, product, and service. For example, clients rate the overall value of the oversight work as 4 on a 5-point scale. The quality of data that is provided to clients is regularly assessed, and is used in reviews, studies, and projects. Of each agency's records entered into the Central Personnel Data File, at least 97 percent are correct on all core elements. The *Merit System Principles Questionnaire*, used to collect employee perceptions of the merit system principles, is content valid and reliable. The questionnaire was streamlined for 2000 and beyond. In 2000 and 2001 OPM will conduct 15 to 16 nationwide agency oversight reviews to ensure compliance with Federal Civil Service merit principles.

*Employment service.*—The Employment Service provides leadership and manages the merit-based employment system for the Federal government. In partnership with agencies, the Service provides a high-quality, diverse workforce through a mix of policy direction, technical assistance, and reimbursable services in the following areas: employment information; assessment; merit-based staffing services; veterans' preference; workforce diversity; automated human resources management systems; workforce restructuring and placement, and organizational analysis and improvement. These operations are carried out through a network of Service Centers throughout the country. Special emphasis in 2000 and 2001 will continue to be given to improving Federal employment opportunities for adults with disabilities and Hispanic Americans, and to enhancing the Government's ability to recruit, develop, and retain computer security professionals.

*Program performance.*—The Employment Service establishes annual performance goals and objectives designed to accomplish long-term goals identified in OPM's Strategic Plan. Progress is monitored through a mix of outcome and output measures, including results of oversight reviews, qualitative feedback on the usefulness of policies and information processes, customer satisfaction with services, cost-comparison analyses, workload accomplishment data, and quality and timeliness of information.

The Employment Service provided employment information to over 14.8 million people in 1999 through a nationwide system available 24 hours a day, 7 days a week, by telephone, fax, internet, and touch screen kiosks. USAJOBS averages more than 40,000 visits daily. This is a seventy percent increase from the previous year and is expected to continue to grow.

The Employment Service conducts a recertification and training program for all agency Delegated Examining Units to ensure that agencies are carrying out their delegated responsibilities in accordance with law and regulation, and accomplished all scheduled recertifications. In 1999, they revised the delegation handbook and developed a new training program.

In 1999, the Employment Service promptly issued regulations implementing new laws, such as the Veterans Employment Opportunity Act, and changes in voluntary early retirement authority. It also implemented Presidential initiatives, such as hiring persons with disabilities and eliminated ap-

proximately 46 redundant excepted appointment authorities. In 1999 the Employment Service began a competency-based study of the information technology (IT) occupation. When completed in 2000, this study will form the foundation of a Federal Cyber Services (FCS) initiative, designed to strengthen the information security (IS) occupation in the workforce. In 2000 and 2001, Centers of IT Excellence, sources of IT training for Federal employees, will be identified; a scholarship-for-service program will be developed (with the National Science Foundation) to provide undergraduate and graduate support in exchange for government service; and a high school outreach program will be designed and tested.

In 1999, the Employment Service assisted over 9,500 employees with outplacement assistance and selection priority for other Federal jobs. Nearly 4,300 of these individuals were placed in other positions within the same agency. Another 183 were rehired through the Reemployment Priority List.

*Retirement and Insurance.*—This Activity encompasses administration of Earned Employee Benefits—the retirement and insurance programs—for Federal employees, retired Federal employees, and their families. These programs include the Civil Service Retirement System, the Federal Employees' Retirement System, the Federal Employees Group Life Insurance Program, and the Federal Employees and Retired Employees Health Benefits Programs. In 2000, the Administration proposed a new program to offer group long term care insurance for Federal employees and retirees, their spouses, parents and parents-in-law. In addition, this Activity includes OPM's efforts designed to stay abreast of, and respond to, developments in non-Federal fringe benefits practices.

*Program performance.*—During 2001, modernization of the Federal Employee Retirement Systems will continue. The Retirement Systems Modernization Project (RSM) will shift from blueprint planning to initiation of the core applications that will transform the provision of Retirement services. The RSM effort will result in changes to current processes and systems so that claims processing, record keeping, benefits counseling and financial management functions are performed more efficiently and effectively.

Customer satisfaction with the delivery of retirement program services to annuitants continued, as 96 percent of customers reported they were generally to very satisfied with OPM's overall retirement services.

OPM continued efforts to expand and improve its telecommunications services. Toll-free telephone access is provided to all call centers, and the number of customer service representatives provided to answer incoming customer calls during 2000 increased 20 percent over 1999. Customers are also better served by the extended hours of operations at the Pittsburgh center where calls can now be received until 8:00 PM. In addition, interactive features were added to the OPM web site so that annuitants can make the same changes to their payment accounts as they can through the Agency's toll-free interactive telephone system. The increase in these interactive self-service technologies and the increased capacity for handling telephone inquiries resulted in a 26 percent increase in the volume of telephone calls both received and handled compared to 1998 volumes. Customer satisfaction levels regarding the courtesy, clarity, and timeliness of telephone services remains high at 90 percent.

The volume of new annuity claims remained steady. OPM received and processed an average of 86,600 Civil Service and Federal Employee Retirement Systems annuity claims annually over the past five years. The processing times for interim annuity payments were reduced significantly, from 7 days in 1995 to 3.4 days today, with 40 percent of these payments being authorized within one day of receiving retirement applications at OPM. During the same time frame, the

time needed to calculate and begin paying retirees their final annuity has steadily decreased.

OPM also maintained its leadership in the direct deposit program to ensure that customers receive their annuity payment on time each month. During 1998, a direct mail campaign was implemented by OPM to inform annuitants and survivors of the convenience and desirability of direct deposit. At the start of 1998, 79 percent of annuity payments were made by electronic funds transfer. Spurred by OPM's campaign, participation continues to grow and today, nearly 92 percent of annuitants receive their payments this way.

In the health insurance program, during 2000, OPM fully implemented the Patients' Bill of Rights across the entire Federal Employees Health Benefits (FEHBP) Program. This included publishing final regulations that prohibit health plans from limiting the disclosures physicians may make to patients regarding treatment options.

To strengthen its leadership role in the health insurance industry, OPM continued to build and maintain strong relationships with the National Committee for Quality Assurance (NCQA), the Joint Commission on Accreditation of Healthcare Organizations (JCAHO), the Health Care Financing Administration and other components of the Department of Health and Human Services, and the Foundation for Accountability (FAACT). These partnerships have been instrumental in promoting the use of health care quality outcome measures by the Federal Government and health care purchasers and providers throughout the Nation. During 2000, OPM also gathered Health Employees Data Information Sets (HEDIS) data from FEHBP participating Health Maintenance Organizations and selected Preferred Provider Organizations. During 2001, congruent with activities of the Federal Quality Interagency Coordination (QuIC) Task Force, OPM will provide guidance to the FEHBP participating carriers on instituting initiatives to improve health care quality through the prevention of medical errors and enhancements in patient safety. In addition, in 2001, the FEHB Program's benefit structure will, for the first time, provide for parity in the provision of mental health and substance abuse benefits with medical benefits.

**Workforce compensation and performance.**—This activity includes; (a) developing and implementing pay and leave administration policy and evaluating the effectiveness of alternative compensation systems; (b) developing classification policies and systems and designing flexible alternatives to current systems; and (c) developing Governmentwide policy concerning employee performance management.

**Program performance.**—The workforce compensation and performance program area uses a variety of measures to identify its level of success. Overall customer service is measured through OPM's Customer Satisfaction Survey. The 1999 survey showed that at least 68 percent of human resources specialists were satisfied with information sharing in each program area, and at least 66 percent were satisfied with technical assistance in each program area. Ninety-two percent of specialists were satisfied with guidance materials dealing with Federal salary tables, the highest single rating on the entire survey. In 1999 the Workforce Compensation and Performance Service staged the first Strategic Compensation Conference. Eighty-seven percent of attendees rated it good to excellent overall. The latest editions of the Human Resources HRCO-ROM have been expanded to include additional information on salary tables and performance-related documents, and the human resources specialists increased their satisfaction rating with the materials from 76 percent in 1998 to 78 percent.

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

**Workforce relations.**—This activity includes: (a) developing and administering policies, regulations and guidelines on em-

ployee relations, including adverse and performance-based actions and violence in the workplace; (b) facilitating and supporting Federal work and family programs; (c) providing leadership and policy guidance in support of agency human resource development programs and training technology initiatives; and (d) providing guidance and assistance to Federal agencies on labor-management relations and partnership, including managing the activities of the national Partnership Council on behalf of the Council Chair.

**Program performance.**—OPM's workforce relations performance measures are designed to determine the value added by OPM's policy leadership and guidance on employee and labor-management relations issues, work and family programs, and human resource development programs. The Office of Workforce Relations (OWR) uses a variety of measures to identify its level of success. For instance, surveys at regular intervals assess the extent to which our customers feel that their needs are met by OWR products and services such as printed and electronic materials, and conferences, seminars, and workshops, as well as by legislative and regulatory proposals coming from OWR.

**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.

**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, and the operating expenses of the President's Commission on White House Fellows.

**Reimbursable programs.**—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	1999 actual	2000 est.	2001 est.
<b>Direct obligations:</b>			
<b>Personnel compensation:</b>			
11.1 Full-time permanent .....	95	95	99
11.3 Other than full-time permanent .....	5	5	5
11.5 Other personnel compensation .....	4	4	4
11.9 Total personnel compensation .....	104	104	108
12.1 Civilian personnel benefits .....	21	24	25
21.0 Travel and transportation of persons .....	2	2	2
23.1 Rental payments to GSA .....	17	18	17
23.3 Communications, utilities, and miscellaneous charges .....	10	11	11
24.0 Printing and reproduction .....	3	3	3
25.2 Other services .....	30	35	45
26.0 Supplies and materials .....	2	3	3
31.0 Equipment .....	8	8	8
99.0 Subtotal, direct obligations .....	197	208	222
99.0 Reimbursable obligations .....	9	10	10
99.9 Total new obligations .....	206	218	232

Personnel Summary

Identification code 24-0100-0-1-805	1999 actual	2000 est.	2001 est.
<b>Direct:</b>			
1001 Total compensable workyears: Full-time equivalent employment .....	1,975	2,082	2,097
<b>Reimbursable:</b>			
2001 Total compensable workyears: Full-time equivalent employment .....	80	98	98

**General and special funds—Continued**

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] \$1,360,000**; and in addition, not to exceed **[\$9,645,000] \$9,745,000** 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: *Provided*, That the Inspector General is authorized to rent conference rooms in the District of Columbia and elsewhere. (*Independent Agencies Appropriations Act, 2000.*)

Program and Financing (in millions of dollars)

Identification code 24-0400-0-1-805	1999 actual	2000 est.	2001 est.
<b>Obligations by program activity:</b>			
10.00 Total new obligations	10	11	11
<b>Budgetary resources available for obligation:</b>			
22.00 New budget authority (gross)	10	11	11
23.95 Total new obligations	-10	-11	-11
<b>New budget authority (gross), detail:</b>			
Discretionary:			
40.00 Appropriation	1	1	1
68.00 Spending authority from offsetting collections: Offsetting collections (cash)	9	10	10
70.00 Total new budget authority (gross)	10	11	11
<b>Change in unpaid obligations:</b>			
72.40 Unpaid obligations, start of year: Obligated balance, start of year		-2	
73.10 Total new obligations	10	11	11
73.20 Total outlays (gross)	-10	-11	-11
74.40 Unpaid obligations, end of year: Obligated balance, end of year	-2		
<b>Outlays (gross), detail:</b>			
86.90 Outlays from new discretionary authority	10	11	11
86.93 Outlays from discretionary balances		-2	
87.00 Total outlays (gross)	10	11	11
<b>Offsets:</b>			
Against gross budget authority and outlays:			
88.00 Offsetting collections (cash) from: Federal sources	-9	-10	-10
<b>Net budget authority and outlays:</b>			
89.00 Budget authority	1	1	1
90.00 Outlays	1	1	1

This appropriation provides agency-wide audit, investigative, evaluation, inspection, and administrative sanction functions to identify management and administrative deficiencies that 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 agency 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 approximately \$52 million in 1999. This request includes an additional \$0.5 million above the approved 2000 resource level to implement P.L. 105-266, The Health Care Protection Act of 1998, and conduct performance audits of agency programs. These additional resources will enhance the Inspector General's ability to protect the integrity of the Federal Employees' Health Benefits Program, assist OPM in recovering funds improperly paid to health care providers, and improve the economy and efficiency of program operations.

Object Classification (in millions of dollars)

Identification code 24-0400-0-1-805	1999 actual	2000 est.	2001 est.
11.1 Personnel compensation: Full-time permanent	6	6	6
12.1 Civilian personnel benefits	1	2	2
23.1 Rental payments to GSA	1	1	1
25.2 Other services	1	1	1
99.0 Subtotal, direct obligations	9	10	10
99.5 Below reporting threshold	1	1	1
99.9 Total new obligations	10	11	11

Personnel Summary

Identification code 24-0400-0-1-805	1999 actual	2000 est.	2001 est.
<b>Direct:</b>			
1001 Total compensable workyears: Full-time equivalent employment	93	106	111
<b>Reimbursable:</b>			
2001 Total compensable workyears: Full-time equivalent employment		1	1

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, 2000.*)

Program and Financing (in millions of dollars)

Identification code 24-0206-0-1-551	1999 actual	2000 est.	2001 est.
<b>Obligations by program activity:</b>			
00.01 Government contribution for annuitants benefits (1959 Act)	4,607	4,992	5,425
00.02 Government contribution for annuitants benefits (1960 Act)	3	3	2
10.00 Total new obligations (object class 13.0)	4,610	4,995	5,427
<b>Budgetary resources available for obligation:</b>			
22.00 New budget authority (gross)	4,611	4,995	5,427
23.95 Total new obligations	-4,610	-4,995	-5,427
<b>New budget authority (gross), detail:</b>			
Mandatory:			
60.05 Appropriation (indefinite)	4,611	4,995	5,427
<b>Change in unpaid obligations:</b>			
72.40 Unpaid obligations, start of year: Obligated balance, start of year	228	391	407
73.10 Total new obligations	4,610	4,995	5,427
73.20 Total outlays (gross)	-4,448	-4,979	-5,407
74.40 Unpaid obligations, end of year: Obligated balance, end of year	391	407	427
<b>Outlays (gross), detail:</b>			
86.97 Outlays from new mandatory authority	4,219	4,588	5,000
86.98 Outlays from mandatory balances	228	391	407
87.00 Total outlays (gross)	4,448	4,979	5,407

Net budget authority and outlays:				
89.00	Budget authority .....	4,611	4,995	5,427
90.00	Outlays .....	4,448	4,979	5,407

Summary of Budget Authority and Outlays

(in millions of dollars)

Enacted/requested:	1999 actual	2000 est.	2001 est.
Budget Authority .....	4,611	4,995	5,427
Outlays .....	4,447	4,979	5,407
Legislative proposal, not subject to PAYGO:			
Budget Authority .....			-73
Outlays .....			-73
Total:			
Budget Authority .....	4,611	4,995	5,354
Outlays .....	4,447	4,979	5,334

This appropriation covers: (1) the Government's share of the cost of health insurance for 1,851,000 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 5,500 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 1999, this group of USPS annuitants totalled 419,000 persons.

GOVERNMENT PAYMENT FOR ANNUITANTS, EMPLOYEES HEALTH BENEFITS

(Legislative proposal, not subject to PAYGO)

Program and Financing (in millions of dollars)

Identification code 24-0206-2-1-551	1999 actual	2000 est.	2001 est.
Obligations by program activity:			
00.01	Government contribution for annuitants benefits (1959 Act) .....		-73
10.00	Total new obligations (object class 13.0) .....		-73
Budgetary resources available for obligation:			
22.00	New budget authority (gross) .....		-73
23.95	Total new obligations .....		73
New budget authority (gross), detail:			
Mandatory:			
60.05	Appropriation (indefinite) .....		-73
Change in unpaid obligations:			
73.10	Total new obligations .....		-73
73.20	Total outlays (gross) .....		73
Outlays (gross), detail:			
86.97	Outlays from new mandatory authority .....		-73
Net budget authority and outlays:			
89.00	Budget authority .....		-73
90.00	Outlays .....		-73

The Administration will propose legislation that will help control the future rate of growth of FEHB premiums by leveraging the purchasing power of the Federal Government. If enacted, this initiative will enable OPM to develop a comprehensive dental insurance benefit that would be available to Federal employees, annuitants, and their families.

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, 2000.)

Program and Financing (in millions of dollars)

Identification code 24-0500-0-1-602	1999 actual	2000 est.	2001 est.	
Obligations by program activity:				
10.00	Total new obligations (object class 25.2) .....	31	33	35
Budgetary resources available for obligation:				
22.00	New budget authority (gross) .....	31	33	35
23.95	Total new obligations .....	-31	-33	-35
New budget authority (gross), detail:				
Mandatory:				
60.00	Appropriation .....	31	33	35
Change in unpaid obligations:				
72.40	Unpaid obligations, start of year: Obligated balance, start of year .....	3	3	3
73.10	Total new obligations .....	31	33	35
73.20	Total outlays (gross) .....	-31	-33	-35
74.40	Unpaid obligations, end of year: Obligated balance, end of year .....	3	3	3
Outlays (gross), detail:				
86.97	Outlays from new mandatory authority .....	28	30	32
86.98	Outlays from mandatory balances .....	3	3	3
87.00	Total outlays (gross) .....	31	33	35
Net budget authority and outlays:				
89.00	Budget authority .....	31	33	35
90.00	Outlays .....	31	33	35

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, as amended, and the Act of August 19, 1950, as amended (33 U.S.C. 771-775), may hereafter be paid out of the Civil Service Retirement and Disability Fund. (Independent Agencies Appropriations Act, 2000.)

Program and Financing (in millions of dollars)

Identification code 24-0200-0-1-805	1999 actual	2000 est.	2001 est.	
Obligations by program activity:				
00.02	Payment of Government share of retirement costs .....	8,759	8,838	8,940
00.03	Transfers for interest on unfunded liability and payment of military service annuities .....	12,581	12,346	12,508
00.05	Spouse equity payment .....	61	61	61
10.00	Total new obligations .....	21,401	21,245	21,509
Budgetary resources available for obligation:				
22.00	New budget authority (gross) .....	21,401	21,245	21,509
23.95	Total new obligations .....	-21,401	-21,245	-21,509
New budget authority (gross), detail:				
Mandatory:				
Appropriation (indefinite):				
60.05	Appropriation (indefinite) .....	12,642	12,407	12,569
60.05	Appropriation (indefinite) .....	8,759	8,838	8,940
62.50	Appropriation (total mandatory) .....	21,401	21,245	21,509

**General and special funds—Continued**

**PAYMENT TO CIVIL SERVICE RETIREMENT AND DISABILITY FUND—Continued**

**Program and Financing (in millions of dollars)—Continued**

Identification code 24-0200-0-1-805	1999 actual	2000 est.	2001 est.
<b>Change in unpaid obligations:</b>			
73.10 Total new obligations	21,401	21,245	21,509
73.20 Total outlays (gross)	-21,401	-21,245	-21,509
<b>Outlays (gross), detail:</b>			
86.97 Outlays from new mandatory authority	21,401	21,245	21,509
<b>Net budget authority and outlays:</b>			
89.00 Budget authority	21,401	21,245	21,509
90.00 Outlays	21,401	21,245	21,509

**Summary of Budget Authority and Outlays**

(in millions of dollars)

	1999 actual	2000 est.	2001 est.
<b>Enacted/requested:</b>			
Budget Authority	21,401	21,245	21,509
Outlays	21,401	21,245	21,509
<b>Legislative proposal, not subject to PAYGO:</b>			
Budget Authority			1
Outlays			1
<b>Total:</b>			
Budget Authority	21,401	21,245	21,510
Outlays	21,401	21,245	21,510

*Payment of Government share of retirement costs.—This payment amortizes increases in 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.*

**Object Classification (in millions of dollars)**

Identification code 24-0200-0-1-805	1999 actual	2000 est.	2001 est.
12.1 Civilian personnel benefits	8,759	8,838	8,940
13.0 Benefits for former personnel	12,642	12,407	12,569
99.9 Total new obligations	21,401	21,245	21,509

**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	1999 actual	2000 est.	2001 est.
<b>Obligations by program activity:</b>			
00.02 Payment of Government share of retirement costs			-1
00.03 Transfers for interest on unfunded liability and payment of military service annuities			2
10.00 Total new obligations			1
<b>Budgetary resources available for obligation:</b>			
22.00 New budget authority (gross)			1
23.95 Total new obligations			-1
<b>New budget authority (gross), detail:</b>			
<b>Mandatory:</b>			
Appropriation (indefinite):			
60.05 Appropriation (indefinite)			-1

60.05	Appropriation (indefinite)			2
62.50	Appropriation (total mandatory)			1

**Change in unpaid obligations:**

73.10	Total new obligations			1
73.20	Total outlays (gross)			-1

**Outlays (gross), detail:**

86.97	Outlays from new mandatory authority			1
-------	--------------------------------------	--	--	---

**Net budget authority and outlays:**

89.00	Budget authority			1
90.00	Outlays			1

**The Administration will propose legislation that would restore Federal employment retirement contributions to pre-1999 levels and provide Government-wide buyout authority.**

**Object Classification (in millions of dollars)**

Identification code 24-0200-2-1-805	1999 actual	2000 est.	2001 est.
12.1	Civilian personnel benefits		-1
13.0	Benefits for former personnel		2
99.9	Total new obligations		1

**Intragovernmental funds:**

**REVOLVING FUND**

**Program and Financing (in millions of dollars)**

Identification code 24-4571-0-4-805	1999 actual	2000 est.	2001 est.	
<b>Obligations by program activity:</b>				
09.01	DOD testing	7	8	8
09.02	Employment service	31	34	37
09.03	Investigations	94	131	150
09.04	Workforce relations	43	45	46
09.05	Executive resources	21	25	26
10.00	Total new obligations	196	243	267
<b>Budgetary resources available for obligation:</b>				
21.40	Unobligated balance available, start of year	31	20	20
22.00	New budget authority (gross)	185	243	267
23.90	Total budgetary resources available for obligation	216	263	287
23.95	Total new obligations	-196	-243	-267
24.40	Unobligated balance available, end of year	20	20	20
<b>New budget authority (gross), detail:</b>				
<b>Spending authority from offsetting collections:</b>				
<b>Discretionary:</b>				
68.00	Offsetting collections (cash)	203	243	267
68.10	From Federal sources: Change in receivables and unpaid, unfilled orders	-18		
68.90	Spending authority from offsetting collections (total discretionary)	185	243	267
<b>Change in unpaid obligations:</b>				
<b>Unpaid obligations, start of year:</b>				
72.40	Obligated balance, start of year	29	51	51
72.95	From Federal sources: Receivables and unpaid, unfilled orders	160	142	142
72.99	Total unpaid obligations, start of year	189	193	193
73.10	Total new obligations	196	243	267
73.20	Total outlays (gross)	-192	-243	-267
<b>Unpaid obligations, end of year:</b>				
74.40	Obligated balance, end of year	51	51	51
74.95	From Federal sources: Receivables and unpaid, unfilled orders	142	142	142
74.99	Total unpaid obligations, end of year	193	193	193
<b>Outlays (gross), detail:</b>				
86.90	Outlays from new discretionary authority	185	243	267
86.93	Outlays from discretionary balances	7		

87.00	Total outlays (gross) .....	192	243	267
<b>Offsets:</b>				
Against gross budget authority and outlays:				
Offsetting collections (cash) from:				
88.00	Federal sources .....	-202	-242	-266
88.40	Non-Federal sources .....	-1	-1	-1
88.90	Total, offsetting collections (cash) .....	-203	-243	-267
Against gross budget authority only:				
88.95	From Federal sources: Change in receivables and unpaid, unfiled orders .....	18		
<b>Net budget authority and outlays:</b>				
89.00	Budget authority .....			
90.00	Outlays .....	-11		

**DOD testing.**—OPM conducts military entrance exams for the Department of Defense (DOD) as a cost-effective and reliable provider. The Employment Service continued to provide testing for the Department of Defense, conducting approximately 14,789 student test sessions and 22,033 enlistment sessions.

**Employment service.**—OPM delivers employment information, examining services, automated staffing, and related human resource management services to Federal agencies nationwide. In 1999, 51 Executive Branch, five Legislative Branch, one Judicial Branch, and one non-appropriated fund, and 9 State and municipal agencies contracted with the Employment Service for a wide array of products and services.

**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.

**Workforce relations.**—OPM provides training and management assistance (TMA) to Federal agencies in support of their producing training products, services, human resource management systems and other human resource development interventions through partnership with Federal agencies and private sector firms specializing in instructional systems.

**Program performance.**—The TMA program performance measures are designed to determine the value added to Federal agencies through human resource management assistance utilizing an instructional systems design approach. They include workload business well-being indicators such as maintaining a positive retained earnings contribution to OPM's revolving fund; and customer satisfaction measures to better define the benefit to TMA services.

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

**WORKLOAD COUNT**

	1999 actual	2000 est.	2001 est.
Participant training days .....	78,456	80,754	83,260
Background security investigations processed .....	44,005	56,000	66,000
National and special agency check and inquiry cases .....	325,652	365,000	380,000

**Object Classification (in millions of dollars)**

	1999 actual	2000 est.	2001 est.	
<b>Personnel compensation:</b>				
11.1	Full-time permanent .....	19	22	23
11.3	Other than full-time permanent .....	6	6	6
11.5	Other personnel compensation .....	1	2	2
11.9	Total personnel compensation .....	26	30	31
12.1	Civilian personnel benefits .....	6	7	8
21.0	Travel and transportation of persons .....	3	4	4
23.1	Rental payments to GSA .....	7	7	7

23.3	Communications, utilities, and miscellaneous charges .....	5	6	6
24.0	Printing and reproduction .....	1	1	1
25.2	Other services .....	143	183	204
26.0	Supplies and materials .....	2	2	2
31.0	Equipment .....	3	3	4
99.9	Total new obligations .....	196	243	267

**Personnel Summary**

Identification code 24-4571-0-4-805	1999 actual	2000 est.	2001 est.
2001 Total compensable workyears: Full-time equivalent employment .....	620	697	677

**Trust Funds**

**CIVIL SERVICE RETIREMENT AND DISABILITY FUND**

**Unavailable Collections (in millions of dollars)**

Identification code 24-8135-0-7-602	1999 actual	2000 est.	2001 est.
<b>Balance, start of year:</b>			
01.99 Balance, start of year .....	446,957	477,477	507,804
<b>Receipts:</b>			
02.01 Employee contributions .....	4,213	4,034	4,078
02.02 Agency contributions .....	9,094	8,879	9,335
02.03 District of Columbia contributions .....	73	74	68
02.04 Postal Service agency contributions .....	2,589	2,897	2,980
02.05 Postal Service supplemental contributions .....	3,412	3,540	3,644
02.06 Federal Financing Bank interest .....	2,600	1,377	1,372
02.07 Employee deposits, redeposits and other contributions .....	135	136	138
02.08 Treasury interest .....	30,979	33,791	34,418
02.09 General fund payment to the Civil Service Retirement and Disability fund .....	21,401	21,245	21,509
02.10 Re-employed annuitants salary offset .....	26	27	26
02.15 Employee contributions, legislative proposal not subject to PAYGO .....			-9
02.16 Agency contributions, legislative proposal not subject to PAYGO .....			-34
02.18 Treasury interest, legislative proposal not subject to PAYGO .....			-8
02.19 General fund payment, legislative proposal not subject to PAYGO .....			1
02.20 Employee contributions, legislative proposal subject to PAYGO .....			-427
02.99 Total receipts .....	74,522	76,000	77,091
04.00 Total: Balances and collections .....	521,479	553,477	584,895
<b>Appropriation:</b>			
05.01 Civil service retirement and disability fund .....	-44,002	-45,673	-47,770
05.02 Proposed legislation, subject to PAYGO .....			2
05.03 Proposed legislation, not subject to PAYGO .....			-27
05.99 Subtotal appropriation .....	-44,002	-45,673	-47,795
07.99 Total balance, end of year .....	477,477	507,804	537,100

**Program and Financing (in millions of dollars)**

Identification code 24-8135-0-7-602	1999 actual	2000 est.	2001 est.
<b>Obligations by program activity:</b>			
00.01 Annuities .....	43,538	45,242	47,326
00.02 Refunds and death claims .....	354	325	335
00.03 OPM Administration .....	108	104	107
00.04 Transfer to MSPB .....	2	2	2
10.00 Total new obligations .....	44,002	45,673	47,770
<b>Budgetary resources available for obligation:</b>			
22.00 New budget authority (gross) .....	44,002	45,673	47,770
23.95 Total new obligations .....	-44,002	-45,673	-47,770
<b>New budget authority (gross), detail:</b>			
<b>Discretionary:</b>			
40.26 Appropriation (trust fund, definite) .....	78	83	90
<b>Mandatory:</b>			
60.27 Appropriation (trust fund, indefinite) .....	74,354	75,666	76,702
60.45 Portion precluded from obligation .....	-30,430	-30,076	-29,022

CIVIL SERVICE RETIREMENT AND DISABILITY FUND—Continued

Program and Financing (in millions of dollars)—Continued

Identification code 24-8135-0-7-602	1999 actual	2000 est.	2001 est.
62.50 Appropriation (total mandatory)	43,924	45,590	47,680
70.00 Total new budget authority (gross)	44,002	45,673	47,770
<b>Change in unpaid obligations:</b>			
72.40 Unpaid obligations, start of year: Obligated balance, start of year	3,726	3,796	4,014
73.10 Total new obligations	44,002	45,673	47,770
73.20 Total outlays (gross)	-43,932	-45,455	-47,540
74.40 Unpaid obligations, end of year: Obligated balance, end of year	3,796	4,014	4,244
<b>Outlays (gross), detail:</b>			
86.90 Outlays from new discretionary authority	78	83	90
86.97 Outlays from new mandatory authority	40,128	41,576	43,436
86.98 Outlays from mandatory balances	3,726	3,796	4,014
87.00 Total outlays (gross)	43,932	45,455	47,540
<b>Net budget authority and outlays:</b>			
89.00 Budget authority	44,002	45,673	47,770
90.00 Outlays	43,932	45,455	47,540
<b>Memorandum (non-add) entries:</b>			
92.01 Total investments, start of year: U.S. securities: Par value	450,674	481,274	511,814
92.02 Total investments, end of year: U.S. securities: Par value	481,274	511,814	541,340

Summary of Budget Authority and Outlays

(in millions of dollars)

	1999 actual	2000 est.	2001 est.
Enacted/requested:			
Budget Authority	44,002	45,673	47,770
Outlays	43,932	45,455	47,540
Legislative proposal, not subject to PAYGO:			
Budget Authority			27
Outlays			27
Legislative proposal, subject to PAYGO:			
Budget Authority			-2
Outlays			-2
Total:			
Budget Authority	44,002	45,673	47,795
Outlays	43,932	45,455	47,565

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.

	1999 actual	2000 est.	2001 est.
Active employees	2,667,800	2,655,900	2,654,800
Annuitants:			
Employees	1,736,964	1,742,200	1,749,700
Survivors	631,153	634,400	638,400
Total, annuitants	2,368,117	2,376,600	2,388,100

Status of Funds (in millions of dollars)

Identification code 24-8135-0-7-602	1999 actual	2000 est.	2001 est.
<b>Unexpended balance, start of year:</b>			
0100 Treasury balance	15	3	8
<b>U.S. Securities:</b>			
0101 Par value	450,674	481,274	511,814
0102 Unrealized discounts	-6	-4	-4
0199 Total balance, start of year	450,683	481,273	511,818
<b>Cash income during the year:</b>			
<b>Governmental receipts:</b>			
0200 Employee contributions, Civil Service Retirement and Disability Fund	4,213	4,034	4,078
0201 Employee contributions, legislative proposal not subject to PAYGO			-9
0202 District of Columbia contributions	73	74	68
0203 Employee deposits, redeposits, and voluntary contributions	135	136	138
0206 Employee contributions, legislative proposal subject to PAYGO			-427
<b>Intragovernmental transactions:</b>			
0240 Agency contributions, Civil Service Retirement and Disability Fund	9,094	8,879	9,335
0241 Agency contributions, legislative proposal not subject to PAYGO			-34
0242 Postal Service agency contributions, Civil Service Retirement and Disability Fund	2,589	2,897	2,980
0243 Postal Service supplemental contributions, Civil Service Retirement and Disability Fund	3,412	3,540	3,644
0244 Federal Financing Bank interest, Civil Service Retirement and Disability Fund	2,600	1,377	1,372
0245 Treasury interest, Civil Service Retirement and Disability Fund	30,979	33,791	34,418
0246 Treasury interest, legislative proposal not subject to PAYGO			-8
0247 General fund payment to the Civil Service Retirement and Disability Fund	21,401	21,245	21,509
0248 General fund payment, legislative proposal not subject to PAYGO			1
0250 Re-employed annuitant salary offset, Civil Service Retirement and Disability Fund	26	27	26
0297 Income under present law	74,522	76,000	77,568
0298 Income under proposed legislation			-477
0299 Total cash income	74,522	76,000	77,091
<b>Cash outgo during year:</b>			
0501 Payment of claims to retired employees	-36,507	-37,671	-39,211
0502 Payment of alternative annuity refunds	-6	-4	-4
0505 Payment of claims to survivor annuitants	-6,975	-7,346	-7,881
0506 Lump sum payments to estates or beneficiaries of deceased annuitants and employees	-127	-136	-161
0507 Refunds to living separated employees	-207	-189	-174
0508 Administration	-110	-109	-109
0509 Proposed legislation, not subject to PAYGO			-27
0510 Proposed legislation, subject to PAYGO			2
0597 Outgo under present law (-)	-43,932	-45,455	-47,540
0598 Outgo under proposed legislation (-)			-25
0599 Total cash outgo (-)	-43,932	-45,455	-47,565
<b>Unexpended balance, end of year:</b>			
0700 Uninvested balance	3	8	8
<b>U.S. Securities:</b>			
0701 Par value	481,274	511,814	541,340
0702 Unrealized discounts	-4	-4	-4
0799 Total balance, end of year	481,273	511,818	541,344

Object Classification (in millions of dollars)

Identification code 24-8135-0-7-602	1999 actual	2000 est.	2001 est.
25.2 Other services	110	106	109
42.0 Insurance claims and indemnities	43,538	45,242	47,326
44.0 Refunds and death claims	354	325	335
99.9 Total new obligations	44,002	45,673	47,770

**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	1999 actual	2000 est.	2001 est.
<b>Obligations by program activity:</b>			
00.01 Annuities			27
10.00 Total new obligations (object class 42.0)			27
<b>Budgetary resources available for obligation:</b>			
22.00 New budget authority (gross)			27
23.95 Total new obligations			-27
<b>New budget authority (gross), detail:</b>			
Mandatory:			
60.27 Appropriation (trust fund, indefinite)			-50
60.45 Portion precluded from obligation			77
62.50 Appropriation (total mandatory)			27
<b>Change in unpaid obligations:</b>			
73.10 Total new obligations			27
73.20 Total outlays (gross)			-27
<b>Outlays (gross), detail:</b>			
86.97 Outlays from new mandatory authority			27
<b>Net budget authority and outlays:</b>			
89.00 Budget authority			27
90.00 Outlays			27

The Administration will propose legislation that would re-store Federal employee retirement contributions to pre-1999 levels, provide Government-wide buyout authority, correct retirement coverage errors, and make various human resources management improvements.

**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	1999 actual	2000 est.	2001 est.
<b>Obligations by program activity:</b>			
00.01 Annuities			-2
10.00 Total new obligations (object class 42.0)			-2
<b>Budgetary resources available for obligation:</b>			
22.00 New budget authority (gross)			-2
23.95 Total new obligations			2
<b>New budget authority (gross), detail:</b>			
Mandatory:			
60.27 Appropriation (trust fund, indefinite)			-427
60.45 Portion precluded from obligation			425
62.50 Appropriation (total mandatory)			-2
<b>Change in unpaid obligations:</b>			
73.10 Total new obligations			-2
73.20 Total outlays (gross)			2
<b>Outlays (gross), detail:</b>			
86.97 Outlays from new mandatory authority			-2
<b>Net budget authority and outlays:</b>			
89.00 Budget authority			-2
90.00 Outlays			-2

The Administration will propose legislation that would re-store Federal employee retirement contributions to pre-1999 levels, correct retirement coverage errors, eliminate certain retirement inequities, and make various human resources management improvements.

**EMPLOYEES LIFE INSURANCE FUND**

Program and Financing (in millions of dollars)

Identification code 24-8424-0-8-602	1999 actual	2000 est.	2001 est.
<b>Obligations by program activity:</b>			
09.01 Regular program premiums	1,113	1,075	1,170
09.02 Optional program premiums	717	713	849
09.03 Beneficial program premiums	2	2	2
09.04 Administration	2	2	2
10.00 Total new obligations (object class 25.2)	1,834	1,792	2,023
<b>Budgetary resources available for obligation:</b>			
21.40 Unobligated balance available, start of year	19,682	20,446	21,843
22.00 New budget authority (gross)	2,598	3,189	3,282
23.90 Total budgetary resources available for obligation	22,280	23,635	25,125
23.95 Total new obligations	-1,834	-1,792	-2,023
24.40 Unobligated balance available, end of year	20,446	21,843	23,102
<b>New budget authority (gross), detail:</b>			
Discretionary:			
68.00 Spending authority from offsetting collections: Offsetting collections (cash)	2	2	2
Mandatory:			
69.00 Offsetting collections (cash)	2,943	3,149	3,286
69.10 From Federal sources: Change in receivables and unpaid, unfilled orders	-347	39	-6
69.90 Spending authority from offsetting collections (total mandatory)	2,596	3,188	3,280
70.00 Total new budget authority (gross)	2,598	3,190	3,282
<b>Change in unpaid obligations:</b>			
Unpaid obligations, start of year:			
72.40 Obligated balance, start of year	-580	40	41
72.95 From Federal sources: Receivables and unpaid, unfilled orders	715	368	407
72.99 Total unpaid obligations, start of year	135	408	448
73.10 Total new obligations	1,834	1,792	2,023
73.20 Total outlays (gross)	-1,560	-1,752	-1,966
Unpaid obligations, end of year:			
74.40 Obligated balance, end of year	40	41	104
74.95 From Federal sources: Receivables and unpaid, unfilled orders	368	407	401
74.99 Total unpaid obligations, end of year	408	448	505
<b>Outlays (gross), detail:</b>			
86.90 Outlays from new discretionary authority	2	2	2
86.97 Outlays from new mandatory authority	1,559	1,750	1,964
87.00 Total outlays (gross)	1,560	1,752	1,966
<b>Offsets:</b>			
Against gross budget authority and outlays:			
Offsetting collections (cash) from:			
88.00 Agency contributions	-394	-408	-436
88.20 Interest on U.S. securities	-1,311	-1,371	-1,334
Non-Federal sources:			
88.40 Regular program	-581	-612	-658
88.40 Optional program	-659	-760	-860
88.90 Total, offsetting collections (cash)	-2,945	-3,151	-3,288
Against gross budget authority only:			
88.95 From Federal sources: Change in receivables and unpaid, unfilled orders	347	-39	6
<b>Net budget authority and outlays:</b>			
89.00 Budget authority			
90.00 Outlays	-1,384	-1,399	-1,322
<b>Memorandum (non-add) entries:</b>			
92.01 Total investments, start of year: U.S. securities: Par value			
92.02 Total investments, end of year: U.S. securities: Par value	19,377	20,755	21,734
	20,755	21,734	23,055

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.

EMPLOYEES LIFE INSURANCE FUND—Continued

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

	1999 actual	2000 est.	2001 est.
Life insurance in force (in billions of dollars):			
On active employees .....	452	462	472
On retired employees .....	48	50	52
<b>Total .....</b>	<b>500</b>	<b>512</b>	<b>524</b>
Number of participants (in thousands):			
Active employees .....	2,360	2,470	2,456
Annuitants .....	1,593	1,597	1,601
<b>Total .....</b>	<b>3,853</b>	<b>4,067</b>	<b>4,057</b>

**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	1999 actual	2000 est.	2001 est.
Held in reserve (in millions of dollars):			
Contingency reserve .....	65	65	65
Beneficial association program reserve .....	1	1	1
U.S. Treasury reserve .....	20,755	21,734	23,055
<b>Total reserves .....</b>	<b>20,821</b>	<b>21,800</b>	<b>23,121</b>

EMPLOYEES AND RETIRED EMPLOYEES HEALTH BENEFITS FUNDS

Program and Financing (in millions of dollars)

Identification code 24-9981-0-8-551	1999 actual	2000 est.	2001 est.
<b>Obligations by program activity:</b>			
09.01 Benefit payments .....	18,451	19,892	21,205
09.02 Payments from OPM contingency reserve .....	180	220	230
09.03 Government payment for annuitants (1960 Act) .....	3	3	2
09.04 Administration .....	20	23	23
<b>10.00 Total new obligations (object class 25.6) .....</b>	<b>18,654</b>	<b>20,138</b>	<b>21,460</b>
<b>Budgetary resources available for obligation:</b>			
21.40 Unobligated balance available, start of year .....	4,548	4,142	3,875
22.00 New budget authority (gross) .....	18,247	19,871	21,339
<b>23.90 Total budgetary resources available for obligation .....</b>	<b>22,795</b>	<b>24,013</b>	<b>25,214</b>
23.95 Total new obligations .....	-18,654	-20,138	-21,460
24.40 Unobligated balance available, end of year .....	4,142	3,875	3,753
<b>New budget authority (gross), detail:</b>			
Discretionary:			
68.00 Spending authority from offsetting collections: Offsetting collections (cash) .....	20	23	23
Mandatory:			
69.00 Offsetting collections (cash) .....	18,019	19,761	21,242
69.10 From Federal sources: Change in receivables and unpaid, unfilled orders .....	208	87	74
69.90 Spending authority from offsetting collections (total mandatory) .....	18,227	19,848	21,316
<b>70.00 Total new budget authority (gross) .....</b>	<b>18,247</b>	<b>19,871</b>	<b>21,339</b>
<b>Change in unpaid obligations:</b>			
Unpaid obligations, start of year:			
72.40 Obligated balance, start of year .....	1,688	1,671	1,716
72.95 From Federal sources: Receivables and unpaid, unfilled orders .....	688	896	983
72.99 Total unpaid obligations, start of year .....	2,376	2,567	2,699
73.10 Total new obligations .....	18,654	20,138	21,460
73.20 Total outlays (gross) .....	-18,463	-20,005	-21,411
Unpaid obligations, end of year:			
74.40 Obligated balance, end of year .....	1,671	1,716	1,692
74.95 From Federal sources: Receivables and unpaid, unfilled orders .....	896	983	1,057
<b>74.99 Total unpaid obligations, end of year .....</b>	<b>2,567</b>	<b>2,699</b>	<b>2,749</b>

<b>Outlays (gross), detail:</b>			
86.90 Outlays from new discretionary authority .....	20	23	23
86.97 Outlays from new mandatory authority .....	17,755	19,087	20,405
86.98 Outlays from mandatory balances .....	688	896	983
<b>87.00 Total outlays (gross) .....</b>	<b>18,463</b>	<b>20,005</b>	<b>21,411</b>

<b>Offsets:</b>			
Against gross budget authority and outlays:			
Offsetting collections (cash) from:			
Federal sources:			
88.00 Agency contributions .....	-7,662	-8,509	-9,035
88.00 Government contributions for annuitants .....	-5,097	-5,683	-6,178
88.20 Interest on U.S. securities .....	-360	-285	-295
Non-Federal sources:			
88.40 Employee salary withholdings .....	-2,573	-2,797	-2,990
88.40 Annuity withholdings .....	-2,280	-2,452	-2,710
88.40 Contributions from D.C. Government .....	-67	-58	-57
<b>88.90 Total, offsetting collections (cash) .....</b>	<b>-18,039</b>	<b>-19,784</b>	<b>-21,265</b>
Against gross budget authority only:			
88.95 From Federal sources: Change in receivables and unpaid, unfilled orders .....	-208	-87	-74

<b>Net budget authority and outlays:</b>			
89.00 Budget authority .....			
90.00 Outlays .....	424	221	146

<b>Memorandum (non-add) entries:</b>			
92.01 Total investments, start of year: U.S. securities: Par value .....	6,265	5,835	5,609
92.02 Total investments, end of year: U.S. securities: Par value .....	5,835	5,609	5,463

Summary of Budget Authority and Outlays

(in millions of dollars)

	1999 actual	2000 est.	2001 est.
Enacted/requested:			
Budget Authority .....			
Outlays .....	424	222	146
Legislative proposal, not subject to PAYGO:			
Budget Authority .....			
Outlays .....			194
Legislative proposal, subject to PAYGO:			
Budget Authority .....			
Outlays .....			-194
<b>Total:</b>			
Budget Authority .....			
Outlays .....	424	222	146

Status of Funds (in millions of dollars)

Identification code 24-9981-0-8-551	1999 actual	2000 est.	2001 est.
Unexpended balance, start of year:			
0100 Treasury balance .....	6	1	5
U.S. Securities:			
0101 Par value .....	6,265	5,835	5,609
0102 Unrealized discounts .....	-34	-23	-23
<b>0199 Total balance, start of year .....</b>	<b>6,236</b>	<b>5,813</b>	<b>5,591</b>
Cash income during the year:			
Offsetting collections:			
0280 Contributions from Employing Agencies .....	4,864	5,316	5,689
0281 Contributions from Postal Service for Active Employees .....	2,798	3,194	3,346
0282 Contributions from Postal Service for Annuitants .....	649	704	771
0283 Government Payment for Annuitant Health Benefits .....	4,448	4,979	5,407
0284 Interest Earned .....	360	285	295
0285 Contributions from DC Government .....	67	58	57
0286 Contributions from Active Employees .....	2,573	2,797	2,990
0287 Contributions from Annuitants .....	2,280	2,452	2,710
0288 Offsetting collections .....			-78
0289 Offsetting collections, legislative proposal not subject to PAYGO .....			-194
0297 Income under present law .....	18,039	19,785	21,265
0298 Income under proposed legislation .....			-272
<b>0299 Total cash income .....</b>	<b>18,039</b>	<b>19,784</b>	<b>20,993</b>
Cash outgo during year:			
0501 Benefit Payments (-) .....	-18,264	-19,763	-21,158
0502 Payments to Carriers from OPM Contingency Reserves (-) .....	-180	-220	-230
0503 Administration (-) .....	-20	-23	-23
0504 Cash outgo during the year (-) .....			272

0597	Outgo under present law (—)	— 18,464	— 20,006	— 21,411
0598	Outgo under proposed legislation (—)			272
0599	Total cash outgo (—)	— 18,463	— 20,005	— 21,139
	Unexpended balance, end of year:			
0700	Uninvested balance	1	5	5
	U.S. Securities:			
0701	Par value	5,835	5,609	5,463
0702	Unrealized discounts	— 23	— 23	— 23
0799	Total balance, end of year	5,813	5,591	5,445

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

	1999 actual	2000 est.	2001 est.
Active employees	2,272	2,262	2,262
Annuitants	1,851	1,859	1,869
Total	4,123	4,121	4,131

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:

	1999 actual	2000 est.	2001 est.
Uniform plan	1,300	1,100	900
Private plans	4,200	3,500	2,900
Total	5,500	4,600	3,800

*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 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.

EMPLOYEES AND RETIRED EMPLOYEES HEALTH BENEFITS FUNDS  
(Legislative proposal, not subject to PAYGO)

Program and Financing (in millions of dollars)

Identification code 24-9981-2-8-551	1999 actual	2000 est.	2001 est.
<b>Obligations by program activity:</b>			
09.01	Benefit payments		— 194
10.00	Total new obligations (object class 25.6)		— 194
<b>Budgetary resources available for obligation:</b>			
22.00	New budget authority (gross)		— 194
23.95	Total new obligations		194
<b>New budget authority (gross), detail:</b>			
Mandatory:			
69.00	Offsetting collections (cash)		— 194
<b>Change in unpaid obligations:</b>			
73.10	Total new obligations		— 194
74.95	Unpaid obligations, end of year: From Federal sources:		
	Receivables and unpaid, unfilled orders		— 194
<b>Offsets:</b>			
Against gross budget authority and outlays:			
Offsetting collections (cash) from:			
Federal sources:			
88.00	Agency contributions		121
88.00	Government contributions for annuitants		73
88.90	Total, offsetting collections (cash)		194
<b>Net budget authority and outlays:</b>			
89.00	Budget authority		
90.00	Outlays		

The Administration will propose legislation that will help control the future rate of growth of FEHB premiums by leveraging the purchasing power of the Federal Government. If enacted, this initiative will enable OPM to develop a comprehensive dental insurance benefit that would be available to Federal employees, annuitants, and their families. This schedule also reflects an Administration proposal to authorize OPM to effect FEHBP enrollments necessary to comply with State court orders.

EMPLOYEES AND RETIRED EMPLOYEES HEALTH BENEFITS FUNDS  
(Legislative proposal, subject to PAYGO)

Program and Financing (in millions of dollars)

Identification code 24-9981-4-8-551	1999 actual	2000 est.	2001 est.
<b>Obligations by program activity:</b>			
09.01	Benefit payments		— 78
10.00	Total new obligations (object class 25.6)		— 78
<b>Budgetary resources available for obligation:</b>			
22.00	New budget authority (gross)		— 78
23.95	Total new obligations		78
<b>New budget authority (gross), detail:</b>			
Mandatory:			
69.00	Offsetting collections (cash)		— 78
<b>Change in unpaid obligations:</b>			
72.95	Unpaid obligations, start of year: From Federal sources: Receivables and unpaid, unfilled orders		
73.10	Total new obligations		— 78
73.20	Total outlays (gross)		272
74.95	Unpaid obligations, end of year: From Federal sources: Receivables and unpaid, unfilled orders		194
<b>Outlays (gross), detail:</b>			
86.97	Outlays from new mandatory authority		— 272

**EMPLOYEES AND RETIRED EMPLOYEES HEALTH BENEFITS FUNDS—  
Continued**

**Program and Financing (in millions of dollars)—Continued**

Identification code 24-9981-4-8-551	1999 actual	2000 est.	2001 est.
<b>Offsets:</b>			
Against gross budget authority and outlays:			
Offsetting collections (cash) from:			
Non-Federal sources:			
88.40			40
88.40			37
88.40			1
88.90			78
			<b>Total, offsetting collections (cash)</b>

Net budget authority and outlays:	
89.00	Budget authority .....
90.00	Outlays .....
	- 194

The Administration will propose legislation that will help control the future rate of growth of FEHB premiums by leveraging the purchasing power of the Federal Government. If enacted, this initiative will enable OPM to develop a comprehensive dental insurance benefit that would be available to Federal employees, annuitants, and their families. This schedule also reflects an Administration proposal to authorize OPM to effect FEHBP enrollments necessary to comply with State court orders.