

OFFICE OF PERSONNEL MANAGEMENT

Federal Funds

SALARIES AND EXPENSES

(INCLUDING TRANSFER OF TRUST FUNDS)

For necessary expenses to carry out functions of the Office of Personnel Management (OPM) pursuant to Reorganization Plan Numbered 2 of 1978 and the Civil Service Reform Act of 1978, including services as authorized by 5 U.S.C. 3109; medical examinations performed for veterans by private physicians on a fee basis; rental of conference rooms in the District of Columbia and elsewhere; hire of passenger motor vehicles; not to exceed \$2,500 for official reception and representation expenses; advances for reimbursements to applicable funds of OPM and the Federal Bureau of Investigation for expenses incurred under Executive Order No. 10422 of January 9, 1953, as amended; and payment of per diem and/or subsistence allowances to employees where Voting Rights Act activities require an employee to remain overnight at his or her post of duty, **[\$120,688,000]** \$144,867,000, of which **[\$2,500,000]** \$37,000,000 shall remain available until expended for **[Federal investigations enhancements]** *information technology infrastructure modernization*, and of which **[\$616,000]** \$391,000 may be for strengthening the capacity and capabilities of the acquisition workforce (as defined by the Office of Federal Procurement Policy Act, as amended (41 U.S.C. 4001 et seq.)), including the recruitment, hiring, training, and retention of such workforce and information technology in support of acquisition workforce effectiveness or for management solutions to improve acquisition management; and in addition **[\$124,550,000]** \$144,653,000 for administrative expenses, to be transferred from the appropriate trust funds of OPM without regard to other statutes, including direct procurement of printed materials, for the retirement and insurance programs, *of which \$6,000,000 shall remain available until expended for coordination of Federal Employees' Retirement System disability benefits with the Social Security Administration in carrying out section 1127A of the Social Security Act.* *Provided*, That the provisions of this appropriation shall not affect the authority to use applicable trust funds as provided by sections 8348(a)(1)(B), 8958(f)(2)(A), 8988(f)(2)(A), and 9004(f)(2)(A) of title 5, United States Code: *Provided further*, That no part of this appropriation shall be available for salaries and expenses of the Legal Examining Unit of OPM established pursuant to Executive Order No. 9358 of July 1, 1943, or any successor unit of like purpose: *Provided further*, That the President's Commission on White House Fellows, established by Executive Order No. 11183 of October 3, 1964, may, during fiscal year **[2016]** 2017, accept donations of money, property, and personal services: *Provided further*, That such donations, including those from prior years, may be used for the development of publicity materials to provide information about the White House Fellows, except that no such donations shall be accepted for travel or reimbursement of travel expenses, or for the salaries of employees of such Commission. (*Financial Services and General Government Appropriations Act, 2016.*)

Program and Financing (in millions of dollars)

| Identification code 024-0100-0-1-805 | 2015 actual | 2016 est. | 2017 est. |
|--|-------------|-----------|-----------|
| Obligations by program activity: | | | |
| 0001 Employee Services | 29 | 33 | 33 |
| 0002 Merit System Audit & Compliance | 13 | 13 | 13 |
| 0003 Office of the Chief Financial Officer | 3 | 1 | 1 |
| 0004 Office of the Chief Information Officer | 15 | 31 | 55 |
| 0005 Executive Services | 18 | 20 | 21 |
| 0006 Planning & Policy Analysis | 7 | 9 | 9 |
| 0007 Health and Insurance | 10 | 12 | 13 |
| 0008 Federal Investigative Services ..... | ..... | 2 | ..... |
| 0100 Total direct program | 95 | 121 | 145 |
| 0799 Total direct obligations | 95 | 121 | 145 |
| 0801 Trust Fund activity | 296 | 124 | 145 |
| 0900 Total new obligations | 391 | 245 | 290 |
| Budgetary resources: | | | |
| Unobligated balance: | | | |
| 1000 Unobligated balance brought forward, Oct 1 | 13 | 15 | 15 |
| 1050 Unobligated balance (total) | 13 | 15 | 15 |
| Budget authority: | | | |
| Appropriations, discretionary: | | | |
| 1100 Appropriation | 96 | 121 | 145 |
| Spending authority from offsetting collections, discretionary: | | | |
| 1700 Collected | 265 | 124 | 145 |
| 1701 Change in uncollected payments, Federal sources | 46 | ..... | ..... |
| 1750 Spending auth from offsetting collections, disc (total) | 311 | 124 | 145 |

| | | | |
|---|------|-------|-------|
| 1900 Budget authority (total) | 407 | 245 | 290 |
| 1930 Total budgetary resources available | 420 | 260 | 305 |
| Memorandum (non-add) entries: | | | |
| 1940 Unobligated balance expiring | -14 | ..... | ..... |
| 1941 Unexpired unobligated balance, end of year | 15 | 15 | 15 |
| Change in obligated balance: | | | |
| Unpaid obligations: | | | |
| 3000 Unpaid obligations, brought forward, Oct 1 | 93 | 91 | 71 |
| 3010 Obligations incurred, unexpired accounts | 391 | 245 | 290 |
| 3011 Obligations incurred, expired accounts | 4 | ..... | ..... |
| 3020 Outlays (gross) | -385 | -265 | -310 |
| 3041 Recoveries of prior year unpaid obligations, expired | -12 | ..... | ..... |
| 3050 Unpaid obligations, end of year | 91 | 71 | 51 |
| Uncollected payments: | | | |
| 3060 Uncollected pymts, Fed sources, brought forward, Oct 1 | -114 | -119 | -119 |
| 3070 Change in uncollected pymts, Fed sources, unexpired | -46 | ..... | ..... |
| 3071 Change in uncollected pymts, Fed sources, expired | 41 | ..... | ..... |
| 3090 Uncollected pymts, Fed sources, end of year | -119 | -119 | -119 |
| Memorandum (non-add) entries: | | | |
| 3100 Obligated balance, start of year | -21 | -28 | -48 |
| 3200 Obligated balance, end of year | -28 | -48 | -68 |
| Budget authority and outlays, net: | | | |
| Discretionary: | | | |
| 4000 Budget authority, gross | 407 | 245 | 290 |
| Outlays, gross: | | | |
| 4010 Outlays from new discretionary authority | 332 | 229 | 271 |
| 4011 Outlays from discretionary balances | 53 | 36 | 39 |
| 4020 Outlays, gross (total) | 385 | 265 | 310 |
| Offsets against gross budget authority and outlays: | | | |
| Offsetting collections (collected) from: | | | |
| 4030 Federal sources | -300 | -124 | -145 |
| Additional offsets against gross budget authority only: | | | |
| 4050 Change in uncollected pymts, Fed sources, unexpired | -46 | ..... | ..... |
| 4052 Offsetting collections credited to expired accounts | 35 | ..... | ..... |
| 4060 Additional offsets against budget authority only (total) | -11 | ..... | ..... |
| 4070 Budget authority, net (discretionary) | 96 | 121 | 145 |
| 4080 Outlays, net (discretionary) | 85 | 141 | 165 |
| 4180 Budget authority, net (total) | 96 | 121 | 145 |
| 4190 Outlays, net (total) | 85 | 141 | 165 |

OPM's mission is to recruit, retain and honor a world-class workforce for the American people. OPM will lead the way in making the Federal Government the model employer by being the model agency in implementing best practices, leading by example, and becoming the change we want to see. The 2017 Budget will permit OPM programs to prioritize their activities in support of the OPM strategic plan for FY 2014-2018. In addition, the 2017 Budget will enable OPM to implement and sustain agency network upgrades and security software maintenance to ensure a stronger, more reliable and protected OPM network architecture. This funding provides critical support to defend the OPM IT network against cybersecurity incidents, and positions OPM to maintain the ongoing critical updates initiated in 2014.

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

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

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

SALARIES AND EXPENSES—Continued

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

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

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

Object Classification (in millions of dollars)

| Identification code 024-0100-0-1-805 | 2015 actual | 2016 est. | 2017 est. |
|---|-------------|-----------|-----------|
| Direct obligations: | | | |
| Personnel compensation: | | | |
| 11.1 Full-time permanent | 44 | 53 | 55 |
| 11.3 Other than full-time permanent | 1 | 1 | 1 |
| 11.5 Other personnel compensation | 1 | 1 | 1 |
| 11.9 Total personnel compensation | 46 | 55 | 57 |
| 12.1 Civilian personnel benefits | 15 | 15 | 17 |
| 21.0 Travel and transportation of persons | 1 | 1 | 1 |
| 23.3 Communications, utilities, and miscellaneous charges | 14 | 8 | 8 |
| 25.2 Other services from non-Federal sources | 17 | 36 | 61 |
| 31.0 Equipment | 2 | 6 | 1 |
| 99.0 Direct obligations | 95 | 121 | 145 |
| 99.0 Reimbursable obligations | 296 | 124 | 145 |
| 99.9 Total new obligations | 391 | 245 | 290 |

Employment Summary

| Identification code 024-0100-0-1-805 | 2015 actual | 2016 est. | 2017 est. |
|--|-------------|-----------|-----------|
| 1001 Direct civilian full-time equivalent employment | 793 | 943 | 970 |
| 2001 Reimbursable civilian full-time equivalent employment | 1,068 | 798 | 871 |

OFFICE OF INSPECTOR GENERAL

SALARIES AND EXPENSES

(INCLUDING TRANSFER OF TRUST FUNDS)

For necessary expenses of the Office of Inspector General in carrying out the provisions of the Inspector General Act of 1978, including services as authorized by 5 U.S.C. 3109, hire of passenger motor vehicles, **[\$4,365,000]** \$5,072,000, and in addition, not to exceed **[\$22,479,000]** \$26,662,000 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. (*Financial Services and General Government Appropriations Act, 2016.*)

Program and Financing (in millions of dollars)

| Identification code 024-0400-0-1-805 | 2015 actual | 2016 est. | 2017 est. |
|---|-------------|-----------|-----------|
| Obligations by program activity: | | | |
| 0001 Program oversight (audits, investigations, etc.) | 4 | 4 | 5 |
| 0801 Office of Inspector General (Reimbursable) | 21 | 22 | 27 |
| 0900 Total new obligations | 25 | 26 | 32 |
| Budgetary resources: | | | |
| Budget authority: | | | |
| Appropriations, discretionary: | | | |
| 1100 Appropriation | 4 | 4 | 5 |
| Spending authority from offsetting collections, discretionary: | | | |
| 1700 Collected | 18 | 22 | 27 |
| 1701 Change in uncollected payments, Federal sources | 3 | | |
| 1750 Spending auth from offsetting collections, disc (total) | 21 | 22 | 27 |
| 1900 Budget authority (total) | 25 | 26 | 32 |
| 1930 Total budgetary resources available | 25 | 26 | 32 |
| Change in obligated balance: | | | |
| Unpaid obligations: | | | |
| 3000 Unpaid obligations, brought forward, Oct 1 | 3 | 6 | 1 |
| 3010 Obligations incurred, unexpired accounts | 25 | 26 | 32 |
| 3020 Outlays (gross) | -22 | -31 | -31 |
| 3050 Unpaid obligations, end of year | 6 | 1 | 2 |
| Uncollected payments: | | | |
| 3060 Uncollected pymts, Fed sources, brought forward, Oct 1 | -9 | -7 | -7 |
| 3070 Change in uncollected pymts, Fed sources, unexpired | -3 | | |
| 3071 Change in uncollected pymts, Fed sources, expired | 5 | | |
| 3090 Uncollected pymts, Fed sources, end of year | -7 | -7 | -7 |
| Memorandum (non-add) entries: | | | |
| 3100 Obligated balance, start of year | -6 | -1 | -6 |
| 3200 Obligated balance, end of year | -1 | -6 | -5 |
| Budget authority and outlays, net: | | | |
| Discretionary: | | | |
| 4000 Budget authority, gross | 25 | 26 | 32 |
| Outlays, gross: | | | |
| 4010 Outlays from new discretionary authority | 21 | 25 | 31 |
| 4011 Outlays from discretionary balances | 1 | 6 | |
| 4020 Outlays, gross (total) | 22 | 31 | 31 |
| Offsets against gross budget authority and outlays: | | | |
| Offsetting collections (collected) from: | | | |
| 4030 Federal sources | -21 | -22 | -27 |
| Additional offsets against gross budget authority only: | | | |
| 4050 Change in uncollected pymts, Fed sources, unexpired | -3 | | |
| 4052 Offsetting collections credited to expired accounts | 3 | | |
| 4070 Budget authority, net (discretionary) | 4 | 4 | 5 |
| 4080 Outlays, net (discretionary) | 1 | 9 | 4 |
| 4180 Budget authority, net (total) | 4 | 4 | 5 |
| 4190 Outlays, net (total) | 1 | 9 | 4 |

This appropriation provides agency-wide audit, investigation, administrative sanction, and debarment functions to identify program management, contractual, and administrative deficiencies that may create conditions for fraud, waste, abuse, and mismanagement. During 2015, the Office of the Inspector General (OIG) activities resulted in positive financial impacts of over \$100 million to the Office of Personnel Management (OPM) managed funds and led to 17 arrests, 29 indictments/information inquiries, 27 criminal convictions, and 845 suspensions or debarments within the Federal Employees Health Benefits Program (FEHBP). The OIG joint efforts with the Department of Justice (DOJ) and other Federal, state, and local law enforcement agencies has resulted in collected fines/penalties/forfeitures to the Federal government totaling over \$39 million.

The Audits function provides audit services covering agency programs and operations, including the FEHBP, the Federal Employees Group Life Insurance (FEGLI) program, the Federal Employees Dental and Vision Insurance Program (FEDVIP), the Federal Long Term Care Insurance Program (FLTCIP), the Federal Flexible Spending Accounts for Federal Employees (FSAFEDS), the Combined Federal Campaign Audits (CFC), the Federal retirement programs, Federal Investigative Services background investigations program and other revolving fund programs and operations, and information systems and security audits. Internal agency audits review

all facets of agency operations, including the oversight of the agency financial statement audit. Insurance audits review the operations of health and life insurance carriers, health care providers, pharmacy benefit managers, and insurance subscribers. Our information systems audits include reviews of general controls, application controls and security within the agency's information systems and programs as well as agency contractor operations within the FEHBP, background investigations program, and other OPM programs.

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

The evaluations and inspections function conducts nationwide studies of OPM programs from a broad, issue-based perspective. The work of this group includes special reviews that may arise suddenly, Congressional requests for studies or information that may require immediate attention, or agency management requests for independent assessments or inspections of specific areas of operation or matters of urgent concern. Evaluators and inspectors in this group use a variety of methods and techniques to study, evaluate, assess, and inspect an operation in order to develop recommendations for their reports to agency management, Congress, the Council of the Inspectors General on Integrity and Efficiency (CIGIE), and the public.

In 2017, the OIG will continue its audits and investigations of OPM programs, including the FEHBP and retirement trust fund programs, OPM revolving fund programs, and OPM financial statement oversight and other program areas. The OIG will continue to advance its prescription drug audit program, which includes audits of pharmacy benefit managers. Through these audits, the OIG helps the FEHBP recover inappropriate charges, negotiate more favorable contracts, control future cost growth, and improve benefits provided to program enrollees. The OIG will also continue its FEHBP claims data warehouse initiative in 2017. The system's software tools support a variety of analytical procedures, including data mining, using the data in the warehouse. The project has facilitated more efficient and effective oversight of the FEHBP by enhancing the ability of auditors and investigators to identify improper payments.

OPM has begun a major, agency-wide information technology (IT) Infrastructure Project. Our office will provide oversight through all phases of this project over the course of multiple years. The work performed in this area is essential to the IT security posture of the agency, its systems, and the highly sensitive data contained in these systems.

Another challenge facing the OIG is the oversight of the vast OPM revolving fund programs, most notably the Federal Investigative Services, responsible for the Federal background investigations which have significant national security implications. The revolving fund programs are projected to spend over 1.7 billion in 2017.

The 2017 President's Budget includes funds associated with OPM's implementation of the Patient Protection and Affordable Care Act (ACA), including the Indian Health Care Improvement Reauthorization and Extension Act of 2009 (IHCIA), which was enacted as part of the ACA. The OIG audits and examines Multi-State Plan Program (MSPP) records and accounts that pertain to the MSPP. The OIG will work with MSPP issuers to carry out our oversight responsibilities by ensuring compliance with Federal regulations, the MSPP contract and OPM program guidance. This includes plans to review the business practices exhibited by the MSPPs, including their fraud detection systems, and report findings and recommendations to OPM for further action.

In January 2014, the Congress passed the OPM IG Act (H.R. 2860). This legislation has provided the required resources to fund the OIG for administrative expenses to audit, investigate, and provide other oversight of the activities of the OPM revolving fund programs and operations.

Object Classification (in millions of dollars)

| Identification code 024-0400-0-1-805 | 2015 actual | 2016 est. | 2017 est. |
|--|-------------|-----------|-----------|
| Direct obligations: | | | |
| 11.1 Personnel compensation: Full-time permanent | 3 | 3 | 4 |
| 12.1 Civilian personnel benefits | 1 | 1 | 1 |
| 99.0 Direct obligations | 4 | 4 | 5 |
| 99.0 Reimbursable obligations | 21 | 22 | 27 |
| 99.9 Total new obligations | 25 | 26 | 32 |

Employment Summary

| Identification code 024-0400-0-1-805 | 2015 actual | 2016 est. | 2017 est. |
|--|-------------|-----------|-----------|
| 1001 Direct civilian full-time equivalent employment | 141 | 145 | 147 |

GOVERNMENT PAYMENT FOR ANNUITANTS, EMPLOYEES HEALTH BENEFITS

Program and Financing (in millions of dollars)

| Identification code 024-0206-0-1-551 | 2015 actual | 2016 est. | 2017 est. |
|---|-------------|-----------|-----------|
| Obligations by program activity: | | | |
| 0001 Government contribution for annuitants benefits (1959 Act) | 11,695 | 12,003 | 12,983 |
| 0002 Government contribution for annuitants benefits (1960 Act) | | 1 | 1 |
| 0900 Total new obligations (object class 13.0) | 11,695 | 12,004 | 12,984 |
| Budgetary resources: | | | |
| Budget authority: | | | |
| Appropriations, mandatory: | | | |
| 1200 Appropriation | 11,695 | 12,004 | 12,984 |
| 1930 Total budgetary resources available | 11,695 | 12,004 | 12,984 |
| Change in obligated balance: | | | |
| Unpaid obligations: | | | |
| 3000 Unpaid obligations, brought forward, Oct 1 | 1,210 | 1,273 | |
| 3010 Obligations incurred, unexpired accounts | 11,695 | 12,004 | 12,984 |
| 3020 Outlays (gross) | -11,632 | -13,277 | -12,984 |
| 3050 Unpaid obligations, end of year | 1,273 | | |
| Memorandum (non-add) entries: | | | |
| 3100 Obligated balance, start of year | 1,210 | 1,273 | |
| 3200 Obligated balance, end of year | 1,273 | | |
| Budget authority and outlays, net: | | | |
| Mandatory: | | | |
| 4090 Budget authority, gross | 11,695 | 12,004 | 12,984 |
| Outlays, gross: | | | |
| 4100 Outlays from new mandatory authority | 10,422 | 12,004 | 12,984 |
| 4101 Outlays from mandatory balances | 1,210 | 1,273 | |
| 4110 Outlays, gross (total) | 11,632 | 13,277 | 12,984 |
| 4180 Budget authority, net (total) | 11,695 | 12,004 | 12,984 |
| 4190 Outlays, net (total) | 11,632 | 13,277 | 12,984 |

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

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

| | 2015 actual | 2016 est. | 2017 est. |
|---------------------------------|-------------|-----------|-----------|
| Annuityants: | | | |
| FEHB | 1,920,029 | 1,954,000 | 1,974,000 |
| USPS annuitants (non-add) | 431,567 | 431,711 | 431,711 |
| REHB | 252 | 207 | 171 |

GOVERNMENT PAYMENT FOR ANNUITANTS, EMPLOYEES HEALTH BENEFITS—Continued

| | | | |
|-------------------------|-----------|-----------|-----------|
| Total, annuitants | 1,920,281 | 1,954,207 | 1,974,205 |
|-------------------------|-----------|-----------|-----------|

GOVERNMENT PAYMENT FOR ANNUITANTS, EMPLOYEE LIFE INSURANCE

Program and Financing (in millions of dollars)

| Identification code 024-0500-0-1-602 | 2015 actual | 2016 est. | 2017 est. |
|--|-------------|-----------|-----------|
| Obligations by program activity: | | | |
| 0001 Government Payment for Annuitants, Employee Life Insurance (Direct) | 45 | 47 | 48 |
| 0900 Total new obligations (object class 25.2) | 45 | 47 | 48 |
| Budgetary resources: | | | |
| Budget authority: | | | |
| Appropriations, mandatory: | | | |
| 1200 Appropriation | 45 | 47 | 48 |
| 1930 Total budgetary resources available | 45 | 47 | 48 |
| Change in obligated balance: | | | |
| Unpaid obligations: | | | |
| 3000 Unpaid obligations, brought forward, Oct 1 | 6 | 6 | 6 |
| 3010 Obligations incurred, unexpired accounts | 45 | 47 | 48 |
| 3020 Outlays (gross) | -45 | -47 | -48 |
| 3050 Unpaid obligations, end of year | 6 | 6 | 6 |
| Memorandum (non-add) entries: | | | |
| 3100 Obligated balance, start of year | 6 | 6 | 6 |
| 3200 Obligated balance, end of year | 6 | 6 | 6 |
| Budget authority and outlays, net: | | | |
| Mandatory: | | | |
| 4090 Budget authority, gross | 45 | 47 | 48 |
| Outlays, gross: | | | |
| 4100 Outlays from new mandatory authority | 39 | 41 | 42 |
| 4101 Outlays from mandatory balances | 6 | 6 | 6 |
| 4110 Outlays, gross (total) | 45 | 47 | 48 |
| 4180 Budget authority, net (total) | 45 | 47 | 48 |
| 4190 Outlays, net (total) | 45 | 47 | 48 |

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

PAYMENT TO CIVIL SERVICE RETIREMENT AND DISABILITY FUND

Program and Financing (in millions of dollars)

| Identification code 024-0200-0-1-805 | 2015 actual | 2016 est. | 2017 est. |
|---|-------------|-----------|-----------|
| Obligations by program activity: | | | |
| 0002 Payment of Government share of retirement costs | 11,649 | 11,801 | 11,601 |
| 0003 Transfers for interest on unfunded liability and payment of military service annuities | 24,403 | 25,000 | 25,800 |
| 0005 Spouse equity payment | 63 | 63 | 63 |
| 0900 Total new obligations | 36,115 | 36,864 | 37,464 |
| Budgetary resources: | | | |
| Budget authority: | | | |
| Appropriations, mandatory: | | | |
| 1200 Appropriation | 24,403 | 25,000 | 25,800 |
| 1200 Appropriation | 11,712 | 11,864 | 11,664 |
| 1260 Appropriations, mandatory (total) | 36,115 | 36,864 | 37,464 |
| 1930 Total budgetary resources available | 36,115 | 36,864 | 37,464 |
| Change in obligated balance: | | | |
| Unpaid obligations: | | | |
| 3010 Obligations incurred, unexpired accounts | 36,115 | 36,864 | 37,464 |
| 3020 Outlays (gross) | -36,115 | -36,864 | -37,464 |

Budget authority and outlays, net:

| | | | |
|---|--------|--------|--------|
| Mandatory: | | | |
| 4090 Budget authority, gross | 36,115 | 36,864 | 37,464 |
| Outlays, gross: | | | |
| 4100 Outlays from new mandatory authority | 36,115 | 36,864 | 37,464 |
| 4180 Budget authority, net (total) | 36,115 | 36,864 | 37,464 |
| 4190 Outlays, net (total) | 36,115 | 36,864 | 37,464 |

The Payment to the Civil Service Retirement and Disability Fund consists of an appropriation and a permanent indefinite authorization to pay the Government's share of retirement costs. The payment is made directly from the General Fund of the U.S. Treasury into the Civil Service Retirement and Disability Fund and is in addition to appropriated funds that will be contributed from agency budgets.

Current Appropriation Payment of Government share of retirement costs.— The Civil Service Retirement Amendments of 1969 provides for an annual appropriation to amortize, over a 30-year period, all increases in Civil Service Retirement System costs resulting from acts of Congress granting new or liberalized benefits, extensions of coverage, or pay raises, exclusive of the effects of cost-of-living adjustments (COLAs). OPM notifies the Secretary of the Treasury each year of such sums as may be necessary to carry out these provisions.

Permanent Indefinite Authorization.—Transfers for interest on static unfunded liability and payment of military service annuities.— The Civil Service Retirement Amendments of 1969 also provides permanent, indefinite authorization for the Secretary of the Treasury to transfer, on an annual basis, an amount equal to 5 percent interest on the Civil Service Retirement and Disability Funds current statutory unfunded liability, calculated based on static economic assumptions, and annuity disbursements attributable to credit for military service.

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

Financing.—The unfunded liability of new and increased annuity benefits becoming effective on or after October 20, 1969, as authorized by 5 U.S.C. 8348, and annuities under special Acts to be credited to the Civil Service Retirement and Disability Fund, such sums as may be necessary: *Provided*, That annuities authorized by the Act of May 29, 1944, and the Act of August 19, 1950 (33 U.S.C. 771-775), may hereafter be paid out of the Civil Service Retirement and Disability Fund. (Financial Services and General Government Appropriations Act, 2012.)

Object Classification (in millions of dollars)

| Identification code 024-0200-0-1-805 | 2015 actual | 2016 est. | 2017 est. |
|--|-------------|-----------|-----------|
| Direct obligations: | | | |
| 12.1 Civilian personnel benefits | 11,712 | 11,864 | 11,664 |
| 13.0 Benefits for former personnel | 24,403 | 25,000 | 25,800 |
| 99.9 Total new obligations | 36,115 | 36,864 | 37,464 |

FLEXIBLE BENEFITS PLAN RESERVE

Program and Financing (in millions of dollars)

| Identification code 024-0800-0-1-805 | 2015 actual | 2016 est. | 2017 est. |
|--|-------------|-----------|-----------|
| Obligations by program activity: | | | |
| 0801 FSA FEDS Risk Reserve | 20 | 37 | 31 |
| 0900 Total new obligations (object class 25.6) | 20 | 37 | 31 |
| Budgetary resources: | | | |
| Unobligated balance: | | | |
| 1000 Unobligated balance brought forward, Oct 1 | 82 | 69 | 53 |
| Budget authority: | | | |
| Spending authority from offsetting collections, mandatory: | | | |
| 1800 Collected | 9 | 23 | 25 |

| | | | | |
|---|--|-----|-----|-------|
| 1823 | New and/or unobligated balance of spending authority from offsetting collections temporarily reduced | -2 | -2 | ..... |
| 1850 | Spending auth from offsetting collections, mand (total) | 7 | 21 | 25 |
| 1930 | Total budgetary resources available | 89 | 90 | 78 |
| Memorandum (non-add) entries: | | | | |
| 1941 | Unexpired unobligated balance, end of year | 69 | 53 | 47 |
| Change in obligated balance: | | | | |
| Unpaid obligations: | | | | |
| 3000 | Unpaid obligations, brought forward, Oct 1 | 2 | 3 | 3 |
| 3010 | Obligations incurred, unexpired accounts | 20 | 37 | 31 |
| 3020 | Outlays (gross) | -19 | -37 | -30 |
| 3050 | Unpaid obligations, end of year | 3 | 3 | 4 |
| Memorandum (non-add) entries: | | | | |
| 3100 | Obligated balance, start of year | 2 | 3 | 3 |
| 3200 | Obligated balance, end of year | 3 | 3 | 4 |
| Budget authority and outlays, net: | | | | |
| Mandatory: | | | | |
| 4090 | Budget authority, gross | 7 | 21 | 25 |
| Outlays, gross: | | | | |
| 4100 | Outlays from new mandatory authority | 1 | 21 | 25 |
| 4101 | Outlays from mandatory balances | 18 | 16 | 5 |
| 4110 | Outlays, gross (total) | 19 | 37 | 30 |
| Offsets against gross budget authority and outlays: | | | | |
| Offsetting collections (collected) from: | | | | |
| 4120 | Federal sources | -1 | -1 | -1 |
| 4123 | Non-Federal sources | -8 | -22 | -24 |
| 4130 | Offsets against gross budget authority and outlays (total) | -9 | -23 | -25 |
| 4160 | Budget authority, net (mandatory) | -2 | -2 | ..... |
| 4170 | Outlays, net (mandatory) | 10 | 14 | 5 |
| 4180 | Budget authority, net (total) | -2 | -2 | ..... |
| 4190 | Outlays, net (total) | 10 | 14 | 5 |
| Memorandum (non-add) entries: | | | | |
| 5090 | Unexpired unavailable balance, SOY: Offsetting collections | 2 | 4 | 6 |
| 5092 | Unexpired unavailable balance, EOY: Offsetting collections | 4 | 6 | 6 |

This account contains reserve resources required under the Office of Personnel Management's contract with the administrator of the Flexible Benefits program. This account is funded by payments from Federal agencies based on the participation of their employees in the program and from net forfeitures, as authorized by the National Defense Authorization Act for Fiscal Year 2004 (P.L. 108-136). Account assets are available to indemnify the administrator when benefit payments exceed contributions, for program enhancements, and for OPM's administration of the program. The reserve account balance currently exceeds that deemed necessary to defray reasonable risk, so account balances are also being used to mitigate Federal agencies' contractual costs for the program. We project cost mitigation to continue at least through 2017.

POSTAL SERVICE RETIREE HEALTH BENEFITS FUND

Special and Trust Fund Receipts (in millions of dollars)

| | | | | |
|--------------------------------------|---|-------------|-----------|-----------|
| Identification code 024-5391-0-2-551 | | 2015 actual | 2016 est. | 2017 est. |
| 0100 | Balance, start of year | 48,468 | 49,994 | 51,060 |
| Receipts: | | | | |
| Current law: | | | | |
| 1140 | Postal Service Contributions for Current Workers, Postal Service Retiree Health Benefits Fund ..... | ..... | ..... | 3,213 |
| 1140 | Earnings on Investments, Postal Service Retiree Health Benefits Fund | 1,526 | 1,399 | 1,403 |
| 1140 | Postal Service Contributions for Benefits Paid to Retirees, Postal Service Retiree Health Benefits Fund ..... | ..... | -5,800 | ..... |
| 1140 | Postal Service Contributions for Benefits Paid to Retirees, Postal Service Retiree Health Benefits Fund ..... | ..... | 5,800 | 3,608 |
| 1199 | Total current law receipts | 1,526 | 1,399 | 8,224 |
| Proposed: | | | | |
| 1240 | Postal Service Contributions for Benefits Paid to Retirees, Postal Service Retiree Health Benefits Fund ..... | ..... | -333 | -815 |
| 1999 | Total receipts | 1,526 | 1,066 | 7,409 |
| 2000 | Total: Balances and receipts | 49,994 | 51,060 | 58,469 |

| | | | | |
|------------------------|---|--------|--------|--------|
| Appropriations: | | | | |
| Current law: | | | | |
| 2101 | Postal Service Retiree Health Benefits Fund | -1,525 | -7,199 | -7,874 |
| 2134 | Postal Service Retiree Health Benefits Fund | 1,525 | 7,199 | 4,357 |
| 2199 | Total current law appropriations ..... | ..... | ..... | -3,517 |
| 2999 | Total appropriations ..... | ..... | ..... | -3,517 |
| 5099 | Balance, end of year | 49,994 | 51,060 | 54,952 |

Program and Financing (in millions of dollars)

| | | | | |
|---|---|-------------|-----------|-----------|
| Identification code 024-5391-0-2-551 | | 2015 actual | 2016 est. | 2017 est. |
| Obligations by program activity: | | | | |
| 0001 | Obligations to FEHB Fund ..... | ..... | ..... | 3,517 |
| 0900 | Total new obligations (object class 13.0) ..... | ..... | ..... | 3,517 |
| Budgetary resources: | | | | |
| Budget authority: | | | | |
| Appropriations, mandatory: | | | | |
| 1201 | Appropriation (special or trust fund) | 1,525 | 7,199 | 7,874 |
| 1234 | Appropriations precluded from obligation | -1,525 | -7,199 | -4,357 |
| 1260 | Appropriations, mandatory (total) ..... | ..... | ..... | 3,517 |
| 1930 | Total budgetary resources available ..... | ..... | ..... | 3,517 |
| Change in obligated balance: | | | | |
| Unpaid obligations: | | | | |
| 3010 | Obligations incurred, unexpired accounts ..... | ..... | ..... | 3,517 |
| 3020 | Outlays (gross) ..... | ..... | ..... | -3,517 |
| Budget authority and outlays, net: | | | | |
| Mandatory: | | | | |
| 4090 | Budget authority, gross ..... | ..... | ..... | 3,517 |
| Outlays, gross: | | | | |
| 4100 | Outlays from new mandatory authority ..... | ..... | ..... | 3,517 |
| 4180 | Budget authority, net (total) ..... | ..... | ..... | 3,517 |
| 4190 | Outlays, net (total) ..... | ..... | ..... | 3,517 |
| Memorandum (non-add) entries: | | | | |
| 5000 | Total investments, SOY: Federal securities: Par value | 48,468 | 45,237 | 51,080 |
| 5001 | Total investments, EOY: Federal securities: Par value | 45,237 | 51,080 | 54,972 |

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

This account receives from the Postal Service: 1) the pension savings provided to the Postal Service by the Postal Civil Service Retirement System Funding Reform Act of 2003 (P.L. 108-18) that were held in escrow during 2006; 2) payments defined within P.L. 109-435, and modified by P.L. 111-68, to begin the liquidation of the Postal Service's unfunded liability for post-retirement health benefits; and 3) beginning in 2017, payments for the actuarial cost of Postal Service contributions for the post-retirement health benefits for its current employees. This account also receives any surplus resources of the Civil Service Retirement and Disability Fund that are not needed to finance future retirement benefits under the Civil Service Retirement System to current or former employees of the Postal Service that are attributable to civilian employment with the Postal Service.

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

Under the Postal Accountability and Enhancement Act of 2006 (P.L. 109-435), USPS must make a stream of payments set in statute through 2016 toward paying down retiree health benefit unfunded liabilities, as well as pay annual Federal Employees Health Benefits Program premiums for current retirees. Also under current law, starting in 2017, USPS must pay the per capita accruing costs (or normal cost) to fund future retiree

POSTAL SERVICE RETIREE HEALTH BENEFITS FUND—Continued

health benefits of current employees and a 40-year amortization of the remaining unfunded liability (UFL) for current retirees. The Budget reflects the assumption that the Postal Service will default on the final statutorily required payment in 2016 consistent with their past practice since 2012. The Budget also reflects partial defaults on amortization payments in each year of the 10 year window to prevent the Postal Service from running unsustainable deficits. The Budget proposes to provide some near-term relief to the Postal Service (USPS) by only requiring amortization payments to fund 80% of the remaining UFL. At the end of the current 40-year amortization, the remaining UFL would be retired through a new amortization schedule. The Budget proposes to codify the statutory RHB prefunding payments that USPS defaulted on in FYs 2012, 2013, 2014, 2015, and the assumed default in 2016. These defaults are factored into the 40-year amortization schedule starting in 2017, but remain on USPS's financial statements in each year as outstanding liabilities. This Budget proposal continues to prudently pre-fund the Postal Service's retiree health obligations, but does so without overburdening USPS's current operations. See also the Postal Service section of this Appendix for information on this proposal.

REVOLVING FUND

Program and Financing (in millions of dollars)

| Identification code 024-4571-0-4-805 | 2015 actual | 2016 est. | 2017 est. |
|--|-------------|-----------|-----------|
| Obligations by program activity: | | | |
| 0801 Human Resource Solutions | 306 | 279 | 195 |
| 0802 Investigation services | 1,238 | 1,401 | 1,451 |
| 0803 Human Resources Tools & Technology (HRTT) | 47 | 40 | 41 |
| 0804 Enterprise human resources integration | 45 | 35 | 34 |
| 0805 USAJOBS | 12 | 14 | 14 |
| 0806 Presidential Management Fellows | 2 | | |
| 0807 Human Resource Line of Business (HRLoB) | 2 | 3 | 3 |
| 0808 Inspector General Activities | 2 | | |
| 0900 Total new obligations | 1,654 | 1,772 | 1,738 |
| Budgetary resources: | | | |
| Unobligated balance: | | | |
| 1000 Unobligated balance brought forward, Oct 1 | 251 | 337 | 295 |
| 1021 Recoveries of prior year unpaid obligations | 106 | | |
| 1050 Unobligated balance (total) | 357 | 337 | 295 |
| Budget authority: | | | |
| Spending authority from offsetting collections, mandatory: | | | |
| 1800 Collected | 1,687 | 1,730 | 1,730 |
| 1801 Change in uncollected payments, Federal sources | -53 | | |
| 1850 Spending auth from offsetting collections, mand (total) | 1,634 | 1,730 | 1,730 |
| 1930 Total budgetary resources available | 1,991 | 2,067 | 2,025 |
| Memorandum (non-add) entries: | | | |
| 1941 Unexpired unobligated balance, end of year | 337 | 295 | 287 |
| Change in obligated balance: | | | |
| Unpaid obligations: | | | |
| 3000 Unpaid obligations, brought forward, Oct 1 | 957 | 941 | 983 |
| 3010 Obligations incurred, unexpired accounts | 1,654 | 1,772 | 1,738 |
| 3020 Outlays (gross) | -1,564 | -1,730 | -1,730 |
| 3040 Recoveries of prior year unpaid obligations, unexpired | -106 | | |
| 3050 Unpaid obligations, end of year | 941 | 983 | 991 |
| Uncollected payments: | | | |
| 3060 Uncollected pymts, Fed sources, brought forward, Oct 1 | -705 | -652 | -652 |
| 3070 Change in uncollected pymts, Fed sources, unexpired | 53 | | |
| 3090 Uncollected pymts, Fed sources, end of year | -652 | -652 | -652 |
| Memorandum (non-add) entries: | | | |
| 3100 Obligated balance, start of year | 252 | 289 | 331 |
| 3200 Obligated balance, end of year | 289 | 331 | 339 |
| Budget authority and outlays, net: | | | |
| Mandatory: | | | |
| 4090 Budget authority, gross | 1,634 | 1,730 | 1,730 |
| Outlays, gross: | | | |
| 4100 Outlays from new mandatory authority | 1,149 | 452 | 1,730 |
| 4101 Outlays from mandatory balances | 415 | 1,278 | |

| | | | | |
|---|---|--------|--------|--------|
| 4110 | Outlays, gross (total) | 1,564 | 1,730 | 1,730 |
| Offsets against gross budget authority and outlays: | | | | |
| Offsetting collections (collected) from: | | | | |
| 4120 | Federal sources | -1,687 | -1,730 | -1,730 |
| Additional offsets against gross budget authority only: | | | | |
| 4140 | Change in uncollected pymts, Fed sources, unexpired | 53 | | |
| 4170 | Outlays, net (mandatory) | -123 | | |
| 4180 | Budget authority, net (total) | | | |
| 4190 | Outlays, net (total) | -123 | | |

Budget Program.—OPM is authorized to use Revolving Funds without fiscal year limitations to conduct investigations, training, and other functions that OPM is authorized or required to perform on a reimbursable basis. OPM operates several programs, which are funded by fees collected from other agencies and other payments. These include Human Resources Solutions (HRS), Federal Investigative Services (FIS), Enterprise Human Resources Data Warehouse (EHRD), Human Resources Line of Business (HRLOB), Human Resources Tools and Technology (HRTT), and USAJOBS.

Human Resources Solutions (HRS) is a reimbursable services organization offering a complete range of tailored and standardized human resources products and services designed to meet the unique and dynamic needs of the Federal Government. HRS provides customer agencies with innovative, high quality Government-to-Government solutions to help them develop leaders, attract and build a high quality public sector workforce, and achieve long-lasting results. HRS is comprised of five program areas operating under two major reimbursable offerings (Government provided and third-party contractor). These program areas are as follows: the Center for Leadership Development, the Federal Staffing Center, HR Strategy and Evaluation Services, the Training and Management Assistance Program, and the Administrative Law Judges Program. A variety of support services are provided to each Practice Area through the Center for Management Services and the Resource Management Office.

USAJOBS is a centralized secure platform that acts as a portal for Federal recruitment for all Government positions, whether competitively or non-competitively sourced. USAJOBS delivers the service by which Federal agencies meet their legal obligation to provide notice of Federal employment opportunities in the competitive service to Federal employees and the public. The technology and program operations offer Federal agencies and job seekers a modern platform to support online recruitment, marketing and a job application solution.

The Federal Investigative Services program (FIS) provides investigative products and services for more than 100 Federal agencies to use as the basis for suitability or fitness for Federal civilian or contract employment, eligibility for employment in a sensitive position or for an identity credential, or eligibility for access to classified national security information as a civilian or contract employee or as a member of the Armed Forces as required by statute, Executive Orders and other rules and regulations. FIS provides more than 90 percent of the Government's background investigations, conducting more than two million investigations a year. FIS ensures the Federal Government has a suitable workforce that protects national security and is worthy of public trust. FIS is comprised of six subcomponents. They are as follows: Operations, Management Services, Technical Services, External Affairs, Quality Program, and the Office of the Associate Director. Pursuant to a recent interagency review of the background investigations process, the Administration recently announced steps the government is taking to improve the security clearance and background investigation processes for Federal employees, members of the Armed Forces, or contractors. One of the steps will be the creation of a new government-wide service provider for background investigations, the National Background Investigations Bureau (NBIB), to be hosted at OPM. Upon full transition, which will take some time to implement, FIS's existing mission, functions, personnel, and support structure will migrate to NBIB.

The Human Resources Tools and Technology Program provides technology support in the form of IT systems development and hosting, supplying both internal and external customers a wide variety of information technology services in the human resources arena.

The Human Resources Line Of Business (HRLOB) is essential to OPM's role to implement effective HR policies, products and services as the initiative drives improved HR solutions and services through the establishment of Shared Service Centers (SSC), service delivery models and strategies for agencies. The HRLOB supports agencies in implementing strategic and consultative HR practices through migration of selected HR functions to SSCs consistent with the business model determined by the Agency.

The Enterprise Human Resources Data Warehouse (EHRD) is comprised of two programs, eOPF and EHRD. These two programs supports the E-Government initiative that was designed to leverage the benefits of information technology. The goal of these two programs is to streamline and automate the collection, aggregation, and sharing of Federal employee human resources (HR), payroll, and training information Government-wide. The investment broadly supports the OPM mission by enabling the agency to provide the Federal HR community with access to employee data to improve workforce planning for hiring, skills development, retention strategies and Government-wide policy.

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

Financing.—OPM's revolving fund account gains spending authority from agreements with other Federal agencies who are seeking the following services: Human Resources Solutions provides a multitude of HR services to other Federal agencies, which include consulting services, training, staffing programs, vendor management, and administrative law judge services. Individual pricing and fee structures for HR Solutions offerings differ because the business models for each of its products and services vary. USAJOBS is financed by an annual fee assessed to Federal agencies. The fee is based on the Federal agency's pro rata share of total Federal government FTE population supported, as provided in the Central Personnel Data File (CPDF). The Federal Investigative Services provides personnel background investigative services on a fixed price basis to determine individual's fitness or suitability for Federal civilian, military, and contract employment and/or eligibility for a security clearance. This will continue when NBIB assumes the mission and absorbs FIS's investigative mission. EHRD provides two primary service offerings on a fee-for-service basis: the electronic Official Personnel Folder (eOPF), including deployment and hosting services, and a suite of analytical tools enabling agencies to perform workforce analysis and forecasting. EHRD provides customized eOPF systems to other agencies at additional cost, in which the customer pays for ongoing eOPF maintenance. The pricing structure for eOPF maintenance is a fixed price per license (i.e., electronic folder) and is based on the number of active users at the customer agency. The HRLOB has established public and private Shared Service Centers (SSCs) to provide technology solutions to support multiple agencies with HR information technology and HR services and is financed in part by agency contributions from partner agencies.

Operating Results.—In fiscal year 2015, OPM's revolving fund businesses revenue total was \$1.506 billion and the expenses total was \$1.722 billion which provided a net loss on operations of \$216 million. The cumulative net position of the fund is negative \$61 million.

| Object Classification (in millions of dollars) | | | | |
|---|-------------|-----------|-----------|--|
| Identification code 024-4571-0-4-805 | 2015 actual | 2016 est. | 2017 est. | |
| Reimbursable obligations: | | | | |
| Personnel compensation: | | | | |
| 11.1 Full-time permanent | 242 | 295 | 302 | |
| 11.5 Other personnel compensation | 13 | 16 | 16 | |
| 11.9 Total personnel compensation | 255 | 311 | 318 | |
| 12.1 Civilian personnel benefits | 81 | 96 | 100 | |
| 21.0 Travel and transportation of persons | 17 | 22 | 20 | |
| 23.1 Rental payments to GSA | 19 | 15 | 15 | |
| 23.3 Communications, utilities, and miscellaneous charges | 42 | 32 | 33 | |
| 24.0 Printing and reproduction | 1 | 2 | 2 | |

| | | | | |
|------|---|-------|-------|-------|
| 25.2 | Other services from non-Federal sources | 1,199 | 1,281 | 1,234 |
| 26.0 | Supplies and materials | 4 | 5 | 5 |
| 31.0 | Equipment | 36 | 8 | 11 |
| 99.9 | Total new obligations | 1,654 | 1,772 | 1,738 |

Employment Summary

| Identification code 024-4571-0-4-805 | 2015 actual | 2016 est. | 2017 est. |
|--|-------------|-----------|-----------|
| 2001 Reimbursable civilian full-time equivalent employment | 3,033 | 3,692 | 3,787 |

Trust Funds

CIVIL SERVICE RETIREMENT AND DISABILITY FUND

Special and Trust Fund Receipts (in millions of dollars)

| Identification code 024-8135-0-7-602 | 2015 actual | 2016 est. | 2017 est. |
|--|-------------|-----------|-----------|
| 0100 Balance, start of year | 850,027 | 864,516 | 881,154 |
| 0198 Rounding adjustment | -2 | | |
| 0199 Balance, start of year | 850,025 | 864,516 | 881,154 |
| Receipts: | | | |
| Current law: | | | |
| 1110 Employee Contributions, Civil Service Retirement and Disability Fund | 2,927 | 3,074 | 3,515 |
| 1110 District of Columbia Contributions, Civil Service Retirement and Disability Fund | 23 | 22 | 21 |
| 1110 Employee Deposits, Redeposits and Other Contributions, Civil Service Retirement and Disability Fund | 649 | 664 | 677 |
| 1140 Agency Contributions, Civil Service Retirement and Disability Fund | 24,343 | 26,010 | 26,371 |
| 1140 Postal Service Agency Contributions, Civil Service Retirement and Disability Fund | | | -1,136 |
| 1140 Postal Service Agency Contributions, Civil Service Retirement and Disability Fund | 3,241 | 3,689 | 5,023 |
| 1140 Postal Service Supplemental Contributions, Civil Service Retirement and Disability Fund | | 7 | 7 |
| 1140 FFB, TVA, and USPS Interest, Civil Service Retirement and Disability Fund | 479 | 484 | 401 |
| 1140 Treasury Interest, Civil Service Retirement and Disability Fund | 28,765 | 28,748 | 27,367 |
| 1140 General Fund Payment to the Civil Service Retirement and Disability Fund | 36,115 | 36,864 | 37,464 |
| 1140 Re-employed Annuitants Salary Offset, Civil Service Retirement and Disability Fund | 46 | 47 | 48 |
| 1199 Total current law receipts | 96,588 | 99,609 | 99,758 |
| 1999 Total receipts | 96,588 | 99,609 | 99,758 |
| 2000 Total: Balances and receipts | 946,613 | 964,125 | 980,912 |
| Appropriations: | | | |
| Current law: | | | |
| 2101 Civil Service Retirement and Disability Fund | -97 | -95 | -112 |
| 2101 Civil Service Retirement and Disability Fund | -96,492 | -99,514 | -100,782 |
| 2103 Civil Service Retirement and Disability Fund | -3 | -4 | -4 |
| 2132 Civil Service Retirement and Disability Fund | 4 | 4 | |
| 2134 Civil Service Retirement and Disability Fund | 14,491 | 16,638 | 15,788 |
| 2199 Total current law appropriations | -82,097 | -82,971 | -85,110 |
| 2999 Total appropriations | -82,097 | -82,971 | -85,110 |
| 5099 Balance, end of year | 864,516 | 881,154 | 895,802 |

Program and Financing (in millions of dollars)

| Identification code 024-8135-0-7-602 | 2015 actual | 2016 est. | 2017 est. |
|--|-------------|-----------|-----------|
| Obligations by program activity: | | | |
| 0001 Annuities | 81,524 | 82,435 | 84,541 |
| 0002 Refunds and death claims | 428 | 441 | 457 |
| 0003 Administration - operations | 139 | 89 | 105 |
| 0004 Transfer to MSPB | 2 | 2 | 2 |
| 0005 Administration - OIG | 4 | 4 | 5 |
| 0900 Total new obligations | 82,097 | 82,971 | 85,110 |
| Budgetary resources: | | | |
| Budget authority: | | | |
| Appropriations, discretionary: | | | |
| 1101 Appropriation (special or trust fund) | 97 | 95 | 112 |

CIVIL SERVICE RETIREMENT AND DISABILITY FUND—Continued
Program and Financing—Continued

| Identification code 024-8135-0-7-602 | 2015 actual | 2016 est. | 2017 est. |
|--|-------------|-----------|-----------|
| Appropriations, mandatory: | | | |
| 1201 Appropriation (special or trust fund) | 96,492 | 99,514 | 100,782 |
| 1203 Appropriation (previously unavailable) | 3 | 4 | 4 |
| 1232 Appropriations and/or unobligated balance of appropriations temporarily reduced | -4 | -4 | ..... |
| 1234 Appropriations precluded from obligation | -14,491 | -16,638 | -15,788 |
| 1260 Appropriations, mandatory (total) | 82,000 | 82,876 | 84,998 |
| 1900 Budget authority (total) | 82,097 | 82,971 | 85,110 |
| 1930 Total budgetary resources available | 82,097 | 82,971 | 85,110 |
| Change in obligated balance: | | | |
| Unpaid obligations: | | | |
| 3000 Unpaid obligations, brought forward, Oct 1 | 7,171 | 7,370 | 7,525 |
| 3010 Obligations incurred, unexpired accounts | 82,097 | 82,971 | 85,110 |
| 3020 Outlays (gross) | -81,898 | -82,816 | -84,938 |
| 3050 Unpaid obligations, end of year | 7,370 | 7,525 | 7,697 |
| Memorandum (non-add) entries: | | | |
| 3100 Obligated balance, start of year | 7,171 | 7,370 | 7,525 |
| 3200 Obligated balance, end of year | 7,370 | 7,525 | 7,697 |
| Budget authority and outlays, net: | | | |
| Discretionary: | | | |
| 4000 Budget authority, gross | 97 | 95 | 112 |
| Outlays, gross: | | | |
| 4010 Outlays from new discretionary authority | 66 | 95 | 112 |
| 4011 Outlays from discretionary balances | 31 | ..... | ..... |
| 4020 Outlays, gross (total) | 97 | 95 | 112 |
| Mandatory: | | | |
| 4090 Budget authority, gross | 82,000 | 82,876 | 84,998 |
| Outlays, gross: | | | |
| 4100 Outlays from new mandatory authority | 74,661 | 75,638 | 77,534 |
| 4101 Outlays from mandatory balances | 7,140 | 7,083 | 7,292 |
| 4110 Outlays, gross (total) | 81,801 | 82,721 | 84,826 |
| 4180 Budget authority, net (total) | 82,097 | 82,971 | 85,110 |
| 4190 Outlays, net (total) | 81,898 | 82,816 | 84,938 |
| Memorandum (non-add) entries: | | | |
| 5000 Total investments, SOY: Federal securities: Par value | 857,169 | 731,267 | 888,524 |
| 5001 Total investments, EOY: Federal securities: Par value | 731,267 | 888,524 | 904,308 |

The Civil Service Retirement and Disability Fund is the oldest and largest of the four trust funds administered by the Office of Personnel Management. The fund is financed and structured very differently from the other three trust funds. It is characterized by permanent indefinite budget authority. Budget Authority is the authority to incur obligations and pay expenses which become available to an agency during any fiscal year. Once approved, permanent budget authority is permanently available for all future years. Indefinite budget authority is used when the precise amount of budget authority required cannot be forecast in advance and must thus be determined at some future point in time (e.g., when actual receipts and expenses become known).

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

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

Financing.— CSRS has been financed under a statutory funding method passed by Congress in 1969. This funding method is based on the static economic assumptions of no future inflation, no future general schedule

salary increases, and a 5 percent interest rate. Under CSRS, regular employees contribute 7.0 percent of pay. Law Enforcement Officers, Firefighters, and Congressional employees contribute an extra 0.5 percent of pay, and Members of Congress an extra 1.0 percent of pay. Non-Postal Agencies match the employee contributions. Also under the static funding method for CSRS, the Treasury pays interest on any static unfunded liabilities that are not being financed by the Postal Service. The Treasury also makes payments to amortize, over a 30-year period, any increases in the static unfunded liability due to salary increases for Non-Postal employees that occurred during the year, and pays for the cost of any benefits attributable to military service for both Postal and Non-Postal employees that were paid out during the year.

FERS is funded under a dynamic entry age normal funding method. Employees and agencies together contribute the full amount of the dynamic normal cost rate. The normal cost rate is for the defined benefit plan only, and does not include the cost of Social Security or the Thrift Plan. FERS regular employees contribute a percentage of salary that is equal to the contribution rate for CSRS employees—7.0 percent, as set forth above, less the 6.2 percent tax rate under the Old Age, Survivors and Disability Insurance (OASDI) portion of Social Security. Under FERS, the dynamic normal cost rates are as follows: For regular employees hired before 2013, the rate is 14.5 percent of pay (employee's share, 0.8 percent and employer's share, 13.7 percent); For regular employees hired during 2013 (known as FERS RAE/Revised Annuity Employee), the rate is 15.0 percent of pay (employee's share, 3.1 percent and employer's share, 11.9 percent); The Bipartisan Budget Act of 2013 included a provision to increase the normal cost rate of employee's contribution to FERS for individuals hired after 2013 and to maintain the employer's contribution rate at its current normal cost rate. Any contributions in excess of the amount necessary to satisfy FERS normal cost percentage will be credited to the assets of the fund, thereby reducing the unfunded liability. For regular employees hired after 2013 (known as FERS FRAE/Further Revised Annuity Employee), the rate is 15.1 percent of pay (employee's share 4.4 percent and employer's share, 11.9 percent).

Under the Postal Accountability and Enhancement Act of 2006 (P.L. 109-435), USPS must make annual amortization payments beginning in 2017 to reduce any unfunded liability (UFL) for its obligations under the Civil Service Retirement System (CSRS). These payments, along with similar amortization payments for UFL in the Federal Employee Retirement System (FERS) are paid to the Civil Service Retirement and Disability Fund. The Budget recognizes partial defaults on those required statutory payments beginning in 2017 to prevent the Postal Service from running unsustainable deficits. The Budget proposes to require OPM to calculate the remaining UFL for both programs using factors specific to the demographics of the Postal Service workforce. The Budget also proposes to extend the length of this amortization to 40-years to parallel the amortization schedule for the Postal Retiree Health Benefits Fund. See Postal Service section of this Appendix for information on this proposal.

| | 2015 actual | 2016 est. | 2017 est. |
|-------------------------|-------------|-----------|-----------|
| Active employees | 2,544,116 | 2,516,000 | 2,488,000 |
| Annuitants: | | | |
| Employees | 2,082,086 | 2,102,000 | 2,123,000 |
| Survivors | 556,176 | 548,000 | 540,000 |
| Total, annuitants | 2,638,262 | 2,650,000 | 2,663,000 |

Status of Funds (in millions of dollars)

| Identification code 024-8135-0-7-602 | 2015 actual | 2016 est. | 2017 est. |
|---|-------------|-----------|-----------|
| Unexpended balance, start of year: | | | |
| 0100 Balance, start of year | 857,199 | 871,886 | 888,679 |
| 0298 Rounding adjustment | -3 | ..... | ..... |
| 0999 Total balance, start of year | 857,196 | 871,886 | 888,679 |
| Cash income during the year: | | | |
| Current law: | | | |
| Receipts: | | | |
| 1110 Employee Contributions, Civil Service Retirement and Disability Fund | 2,927 | 3,074 | 3,515 |

| | | | | |
|-----------------------------------|---|---------|---------|---------|
| 1110 | District of Columbia Contributions, Civil Service Retirement and Disability Fund | 23 | 22 | 21 |
| 1110 | Employee Deposits, Redeposits and Other Contributions, Civil Service Retirement and Disability Fund | 649 | 664 | 677 |
| 1150 | FFB, TVA, and USPS Interest, Civil Service Retirement and Disability Fund | 479 | 484 | 401 |
| 1150 | Treasury Interest, Civil Service Retirement and Disability Fund | 28,765 | 28,748 | 27,367 |
| 1160 | Agency Contributions, Civil Service Retirement and Disability Fund | 24,343 | 26,010 | 26,371 |
| 1160 | Postal Service Agency Contributions, Civil Service Retirement and Disability Fund | | | -1,136 |
| 1160 | Postal Service Agency Contributions, Civil Service Retirement and Disability Fund | 3,241 | 3,689 | 5,023 |
| 1160 | Postal Service Supplemental Contributions, Civil Service Retirement and Disability Fund | | 7 | 7 |
| 1160 | General Fund Payment to the Civil Service Retirement and Disability Fund | 36,115 | 36,864 | 37,464 |
| 1160 | Re-employed Annuitants Salary Offset, Civil Service Retirement and Disability Fund | 46 | 47 | 48 |
| 1199 | Income under present law | 96,588 | 99,609 | 99,758 |
| Proposed: | | | | |
| Offsetting governmental receipts: | | | | |
| 1260 | Postal Service Agency Contributions, Civil Service Retirement and Disability Fund | | | |
| 1299 | Income proposed | | | |
| 1999 | Total cash income | 96,588 | 99,609 | 99,758 |
| Cash outgo during year: | | | | |
| Current law: | | | | |
| 2100 | Civil Service Retirement and Disability Fund [027-00-8135-0] | -81,898 | -82,816 | -84,938 |
| 2199 | Outgo under current law | -81,898 | -82,816 | -84,938 |
| 2999 | Total cash outgo (-) | -81,898 | -82,816 | -84,938 |
| Surplus or deficit: | | | | |
| 3110 | Excluding interest | -14,554 | -12,439 | -12,948 |
| 3120 | Interest | 29,244 | 29,232 | 27,768 |
| 3199 | Subtotal, surplus or deficit | 14,690 | 16,793 | 14,820 |
| Unexpended balance, end of year: | | | | |
| 4100 | Uninvested balance (net), end of year | 140,619 | 155 | -809 |
| 4200 | Civil Service Retirement and Disability Fund | 731,267 | 888,524 | 904,308 |
| 4999 | Total balance, end of year | 871,886 | 888,679 | 903,499 |

Object Classification (in millions of dollars)

| Identification code 024-8135-0-7-602 | 2015 actual | 2016 est. | 2017 est. | |
|--------------------------------------|---|-----------|-----------|--------|
| Direct obligations: | | | | |
| 25.2 | Other services from non-Federal sources | 145 | 95 | 112 |
| 42.0 | Insurance claims and indemnities | 81,524 | 82,435 | 84,541 |
| 44.0 | Refunds and death claims | 428 | 441 | 457 |
| 99.9 | Total new obligations | 82,097 | 82,971 | 85,110 |

EMPLOYEES LIFE INSURANCE FUND

Program and Financing (in millions of dollars)

| Identification code 024-8424-0-8-602 | 2015 actual | 2016 est. | 2017 est. | |
|--|---|-----------|-----------|--------|
| Obligations by program activity: | | | | |
| 0801 | Basic life insurance payments | 1,813 | 1,699 | 1,755 |
| 0802 | Optional life insurance payments | 1,150 | 1,288 | 1,333 |
| 0803 | Shenandoah life insurance payments | 1 | 1 | 1 |
| 0804 | Administration—OPM & OIG | 4 | 4 | 6 |
| 0805 | Administration—long term care | 4 | 2 | 2 |
| 0900 | Total new obligations (object class 25.2) | 2,972 | 2,994 | 3,097 |
| Budgetary resources: | | | | |
| Unobligated balance: | | | | |
| 1000 | Unobligated balance brought forward, Oct 1 | 42,622 | 43,255 | 43,629 |
| Budget authority: | | | | |
| Spending authority from offsetting collections, discretionary: | | | | |
| 1700 | Collected | 4 | 4 | 6 |
| Spending authority from offsetting collections, mandatory: | | | | |
| 1800 | Collected | 3,709 | 3,288 | 3,775 |
| 1801 | Change in uncollected payments, Federal sources | -108 | 76 | 6 |
| 1850 | Spending auth from offsetting collections, mand (total) | 3,601 | 3,364 | 3,781 |
| 1900 | Budget authority (total) | 3,605 | 3,368 | 3,787 |

| | | | | |
|-------------------------------------|--|--------|--------|--------|
| 1930 | Total budgetary resources available | 46,227 | 46,623 | 47,416 |
| Memorandum (non-add) entries: | | | | |
| 1941 | Unexpired unobligated balance, end of year | 43,255 | 43,629 | 44,319 |
| Change in obligated balance: | | | | |
| Unpaid obligations: | | | | |
| 3000 | Unpaid obligations, brought forward, Oct 1 | 919 | 939 | 980 |
| 3010 | Obligations incurred, unexpired accounts | 2,972 | 2,994 | 3,097 |
| 3020 | Outlays (gross) | -2,952 | -2,953 | -3,028 |
| 3050 | Unpaid obligations, end of year | 939 | 980 | 1,049 |
| Uncollected payments: | | | | |
| 3060 | Uncollected pymts, Fed sources, brought forward, Oct 1 | -360 | -252 | -328 |
| 3070 | Change in uncollected pymts, Fed sources, unexpired | 108 | -76 | -6 |
| 3090 | Uncollected pymts, Fed sources, end of year | -252 | -328 | -334 |
| Memorandum (non-add) entries: | | | | |
| 3100 | Obligated balance, start of year | 559 | 687 | 652 |
| 3200 | Obligated balance, end of year | 687 | 652 | 715 |

Budget authority and outlays, net:

| | | | | |
|---|--|--------|--------|--------|
| Discretionary: | | | | |
| 4000 | Budget authority, gross | 4 | 4 | 6 |
| Outlays, gross: | | | | |
| 4010 | Outlays from new discretionary authority | 2 | 4 | 6 |
| 4011 | Outlays from discretionary balances | 2 | | |
| 4020 | Outlays, gross (total) | 4 | 4 | 6 |
| Mandatory: | | | | |
| 4090 | Budget authority, gross | 3,601 | 3,364 | 3,781 |
| Outlays, gross: | | | | |
| 4100 | Outlays from new mandatory authority | 2,036 | 2,223 | 2,282 |
| 4101 | Outlays from mandatory balances | 912 | 726 | 740 |
| 4110 | Outlays, gross (total) | 2,948 | 2,949 | 3,022 |
| Offsets against gross budget authority and outlays: | | | | |
| Offsetting collections (collected) from: | | | | |
| 4120 | Federal sources | -545 | -531 | -536 |
| 4121 | Interest on Federal securities | -392 | -283 | -720 |
| 4123 | Non-Federal sources | -2,776 | -2,478 | -2,525 |
| 4130 | Offsets against gross budget authority and outlays (total) | -3,713 | -3,292 | -3,781 |
| Additional offsets against gross budget authority only: | | | | |
| 4140 | Change in uncollected pymts, Fed sources, unexpired | 108 | -76 | -6 |
| 4160 | Budget authority, net (mandatory) | -4 | -4 | -6 |
| 4170 | Outlays, net (mandatory) | -765 | -343 | -759 |
| 4180 | Budget authority, net (total) | | | |
| 4190 | Outlays, net (total) | -761 | -339 | -753 |

Memorandum (non-add) entries:

| | | | | |
|------|---|--------|--------|--------|
| 5000 | Total investments, SOY: Federal securities: Par value | 43,213 | 43,958 | 42,789 |
| 5001 | Total investments, EOY: Federal securities: Par value | 43,958 | 42,789 | 43,412 |

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

The Administration proposes that the United States Patent and Trademark Office (PTO) will fund the accruing costs associated with post-retirement life insurance benefits for PTO's employees.

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

| | 2015 act. | 2016 est. | 2017 est. |
|---|--------------|--------------|--------------|
| Life insurance in force (in billions of dollars): | | | |
| On active employees | 717.9 | 713.0 | 708.1 |
| On retired employees | 102.3 | 106.9 | 111.7 |
| Total | 820.2 | 819.9 | 820.8 |
| Number of participants (in thousands): | | | |
| Active employees | 2,357 | 2,368 | 2,379 |
| Annuitants | 1,601 | 1,574 | 1,548 |
| Total | 3,958 | 3,942 | 3,927 |

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:

| | 2015 act. | 2016 est. | 2017 est. |
|--|-----------|-----------|-----------|
| Status of Reserves | | | |
| Held in reserve (in millions of dollars): | | | |
| Contingency reserve | 607 | 607 | 607 |
| Beneficial association program reserve | 0 | 0 | 0 |

EMPLOYEES LIFE INSURANCE FUND—Continued

| | | | |
|-----------------------------|--------|--------|--------|
| U.S. Treasury reserve | 43,958 | 43,183 | 43,875 |
| Total reserves | 44,565 | 43,790 | 44,482 |

EMPLOYEES AND RETIRED EMPLOYEES HEALTH BENEFITS FUNDS

Program and Financing (in millions of dollars)

| Identification code 024–9981–0–8–551 | 2015 actual | 2016 est. | 2017 est. |
|---|-------------|-----------|-----------|
| Obligations by program activity: | | | |
| 0801 Benefit payments | 47,695 | 49,937 | 53,595 |
| 0802 Payments from OPM contingency reserve | 243 | 300 | 300 |
| 0803 Government payment for annuitants (1960 Act) | 1 | 1 | 1 |
| 0804 Administration - operations | 23 | 31 | 34 |
| 0805 Administration - OIG | 17 | 18 | 22 |
| 0806 Administration - dental and vision program | 16 | 16 | 7 |
| 0900 Total new obligations (object class 25.6) | 47,994 | 50,303 | 53,959 |
| Budgetary resources: | | | |
| Unobligated balance: | | | |
| 1000 Unobligated balance brought forward, Oct 1 | 20,756 | 20,774 | 21,790 |
| Budget authority: | | | |
| Spending authority from offsetting collections, discretionary: | | | |
| 1700 Collected | 42 | 50 | 56 |
| Spending authority from offsetting collections, mandatory: | | | |
| 1800 Collected | 47,817 | 51,116 | 54,339 |
| 1801 Change in uncollected payments, Federal sources | 153 | 153 | 145 |
| 1802 Offsetting collections (previously unavailable) | 1 | 1 | 1 |
| 1823 New and/or unobligated balance of spending authority from offsetting collections temporarily reduced | -1 | -1 | |
| 1850 Spending auth from offsetting collections, mand (total) | 47,970 | 51,269 | 54,485 |
| 1900 Budget authority (total) | 48,012 | 51,319 | 54,541 |
| 1930 Total budgetary resources available | 68,768 | 72,093 | 76,331 |
| Memorandum (non-add) entries: | | | |
| 1941 Unexpired unobligated balance, end of year | 20,774 | 21,790 | 22,372 |
| Change in obligated balance: | | | |
| Unpaid obligations: | | | |
| 3000 Unpaid obligations, brought forward, Oct 1 | 4,783 | 4,392 | 4,496 |
| 3010 Obligations incurred, unexpired accounts | 47,994 | 50,303 | 53,959 |
| 3020 Outlays (gross) | -48,385 | -50,199 | -53,849 |
| 3050 Unpaid obligations, end of year | 4,392 | 4,496 | 4,606 |
| Uncollected payments: | | | |
| 3060 Uncollected pymts, Fed sources, brought forward, Oct 1 | -1,989 | -2,142 | -2,295 |
| 3070 Change in uncollected pymts, Fed sources, unexpired | -153 | -153 | -145 |
| 3090 Uncollected pymts, Fed sources, end of year | -2,142 | -2,295 | -2,440 |
| Memorandum (non-add) entries: | | | |
| 3100 Obligated balance, start of year | 2,794 | 2,250 | 2,201 |
| 3200 Obligated balance, end of year | 2,250 | 2,201 | 2,166 |
| Budget authority and outlays, net: | | | |
| Discretionary: | | | |
| 4000 Budget authority, gross | 42 | 50 | 56 |
| Outlays, gross: | | | |
| 4010 Outlays from new discretionary authority | 26 | 50 | 56 |
| 4011 Outlays from discretionary balances | 13 | | |
| 4020 Outlays, gross (total) | 39 | 50 | 56 |
| Mandatory: | | | |
| 4090 Budget authority, gross | 47,970 | 51,269 | 54,485 |
| Outlays, gross: | | | |
| 4100 Outlays from new mandatory authority | 43,586 | 45,757 | 49,346 |
| 4101 Outlays from mandatory balances | 4,760 | 4,392 | 4,447 |
| 4110 Outlays, gross (total) | 48,346 | 50,149 | 53,793 |
| Offsets against gross budget authority and outlays: | | | |
| Offsetting collections (collected) from: | | | |
| 4120 Federal Sources | -33,672 | -35,567 | -37,743 |
| 4121 Interest on Federal securities | -239 | -527 | -592 |
| 4123 Non-Federal sources | -13,948 | -15,072 | -16,060 |
| 4130 Offsets against gross budget authority and outlays (total) ... | -47,859 | -51,166 | -54,395 |
| Additional offsets against gross budget authority only: | | | |
| 4140 Change in uncollected pymts, Fed sources, unexpired | -153 | -153 | -145 |
| 4160 Budget authority, net (mandatory) | -42 | -50 | -55 |
| 4170 Outlays, net (mandatory) | 487 | -1,017 | -602 |
| 4180 Budget authority, net (total) | | | 1 |
| 4190 Outlays, net (total) | 526 | -967 | -546 |

Memorandum (non-add) entries:

| | | | |
|---|--------|--------|--------|
| 5000 Total investments, SOY: Federal securities: Par value | 23,558 | 23,021 | 24,655 |
| 5001 Total investments, EOY: Federal securities: Par value | 23,021 | 24,655 | 25,158 |
| 5090 Unexpired unavailable balance, SOY: Offsetting collections | 1 | 1 | 1 |
| 5092 Unexpired unavailable balance, EOY: Offsetting collections | 1 | 1 | |

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

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

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

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

| | 2015 actual | 2016 est. | 2017 est. |
|---------------------------------------|-------------|-----------|-----------|
| Active employees | 2,092,000 | 2,092,000 | 2,092,000 |
| USPS active employees (non-add) | 431,567 | 431,711 | 431,711 |
| Annuitants | 1,933,000 | 1,954,000 | 1,974,000 |
| Tribal Organizations | 16,586 | 16,586 | 16,586 |
| Total | 4,041,586 | 4,062,586 | 4,082,586 |

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:

| | 2015 actual | 2016 est. | 2017 est. |
|---------------------|-------------|-----------|-----------|
| Uniform plan | 79 | 65 | 54 |
| Private plans | 173 | 142 | 117 |
| Total | 252 | 207 | 171 |

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

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

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

Status of Funds (in millions of dollars)

| Identification code 024–9981–0–8–551 | 2015 actual | 2016 est. | 2017 est. |
|---|-------------|-----------|-----------|
| Unexpended balance, start of year: | | | |
| 0100 Balance, start of year | 23,552 | 23,026 | 23,993 |
| 0999 Total balance, start of year | 23,552 | 23,026 | 23,993 |

| | | | | |
|-----------------------------------|---|---------|---------|---------|
| Cash income during the year: | | | | |
| Current law: | | | | |
| Receipts: | | | | |
| 1130 | Employees and Retired Employees Health Benefits Funds | 13,948 | 15,072 | 16,060 |
| 1150 | Employees and Retired Employees Health Benefits Funds | 239 | 527 | 592 |
| 1160 | Employees and Retired Employees Health Benefits Funds | 33,672 | 35,567 | 37,743 |
| 1199 | Income under present law | 47,859 | 51,166 | 54,395 |
| 1999 | Total cash income | 47,859 | 51,166 | 54,395 |
| Cash outgo during year: | | | | |
| Current law: | | | | |
| 2100 | Employees and Retired Employees Health Benefits Funds [027-00-9981-0] | -48,385 | -50,199 | -53,849 |
| 2199 | Outgo under current law | -48,385 | -50,199 | -53,849 |
| 2999 | Total cash outgo (-) | -48,385 | -50,199 | -53,849 |
| Surplus or deficit:: | | | | |
| 3110 | Excluding interest | -765 | 440 | -46 |
| 3120 | Interest | 239 | 527 | 592 |
| 3199 | Subtotal, surplus or deficit | -526 | 967 | 546 |
| Unexpended balance, end of year:: | | | | |
| 4100 | Uninvested balance (net), end of year | 5 | -662 | -619 |
| 4200 | Employees and Retired Employees Health Benefits Funds | 23,021 | 24,655 | 25,158 |

| | | | | |
|------|----------------------------------|--------|--------|--------|
| 4999 | Total balance, end of year | 23,026 | 23,993 | 24,539 |
|------|----------------------------------|--------|--------|--------|

EMPLOYEES AND RETIRED EMPLOYEES HEALTH BENEFITS FUNDS

(Legislative proposal, subject to PAYGO)

The President's 2017 Budget proposes five changes to modernize and strengthen the Federal Employees Health Benefits Program (FEHBP): 1) Streamline pharmacy benefit contracting to allow the Office of Personnel Management (OPM) to contract separately for pharmaceutical benefits; 2) Allow OPM to enter into contracts with a greater variety of health plan types; 3) Permit OPM to adjust plan premiums based on wellness program participation and tobacco use; 4) Extend temporary health benefit coverage to infants born to dependent daughters of FEHBP participants for 30 days; and 5) add FEHBP to the list of Federal Health Programs in the Anti-Kickback statute. If enacted and implemented, these changes could be reflected in carrier contracts issued for 2018.

GENERAL FUND RECEIPT ACCOUNT

(in millions of dollars)

| | 2015 actual | 2016 est. | 2017 est. |
|--|-------------|-----------|-----------|
| Offsetting receipts from the public: | | | |
| 024-322000 All Other General Fund Proprietary Receipts Including Budget Clearing Accounts: Enacted/requested | 7 | 2 | 2 |
| General Fund Offsetting receipts from the public | 7 | 2 | 2 |

