

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, \$132,172,000, of which \$639,018 may be used for strengthening the capacity and capabilities of the acquisition workforce (as defined by the Office of Federal Procurement Policy Act, as amended (41 U.S.C. 4001 et seq.)), including the recruitment, hiring, training, and retention of such workforce and information technology in support of acquisition workforce effectiveness or for management solutions to improve acquisition management, and of which \$14,000,000 shall remain available until expended for information technology infrastructure modernization and Trust Fund Federal Financial System migration or modernization, and shall be in addition to funds otherwise made available for such purposes; and in addition \$133,483,000 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: 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 2018, 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.

Note.—A full-year 2018 appropriation for this account was not enacted at the time the budget was prepared; therefore, the budget assumes this account is operating under the Continuing Appropriations Act, 2018 (Division D of P.L. 115–56, as amended). The amounts included for 2018 reflect the annualized level provided by the continuing resolution.

Program and Financing (in millions of dollars)

Identification code 024–0100–0–1–805	2017 actual	2018 est.	2019 est.
Obligations by program activity:			
0001 Employee Services	30	31	31
0002 Merit System Audit & Compliance	15	13	13
0003 Office of the Chief Financial Officer	1	1	10
0004 Office of the Chief Information Officer	20	29	35
0005 Executive Services	3	3	12
0006 Planning & Policy Analysis	9	10	8
0007 Health and Insurance	10	11	3
0009 Administrative Services and Centrally Financed	20	20	20
0100 Total direct program	108	118	132
0799 Total direct obligations	108	118	132
0801 Trust Fund activity	323	139	134
0900 Total new obligations, unexpired accounts	431	257	266
Budgetary resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	20	17	17
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation	119	118	132
Spending authority from offsetting collections, discretionary:			
1700 Collected	282	139	134
1701 Change in uncollected payments, Federal sources	47	.....	.....
1750 Spending auth from offsetting collections, disc (total)	329	139	134
1900 Budget authority (total)	448	257	266

1930 Total budgetary resources available	468	274	283
Memorandum (non-add) entries:			
1940 Unobligated balance expiring	-20	.....	-14
1941 Unexpired unobligated balance, end of year	17	17	3
Change in obligated balance:			
Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1	87	106	25
3010 New obligations, unexpired accounts	431	257	266
3020 Outlays (gross)	-409	-338	-265
3041 Recoveries of prior year unpaid obligations, expired	-3	.....	.....
3050 Unpaid obligations, end of year	106	25	26
Uncollected payments:			
3060 Uncollected pymts, Fed sources, brought forward, Oct 1	-119	-113	-113
3070 Change in uncollected pymts, Fed sources, unexpired	-47	.....	.....
3071 Change in uncollected pymts, Fed sources, expired	53	.....	.....
3090 Uncollected pymts, Fed sources, end of year	-113	-113	-113
Memorandum (non-add) entries:			
3100 Obligated balance, start of year	-32	-7	-88
3200 Obligated balance, end of year	-7	-88	-87
Budget authority and outlays, net:			
Discretionary:			
4000 Budget authority, gross	448	257	266
Outlays, gross:			
4010 Outlays from new discretionary authority	338	242	249
4011 Outlays from discretionary balances	71	96	16
4020 Outlays, gross (total)	409	338	265
Offsets against gross budget authority and outlays:			
Offsetting collections (collected) from:			
4030 Federal sources	-327	-139	-134
Additional offsets against gross budget authority only:			
4050 Change in uncollected pymts, Fed sources, unexpired	-47	.....	.....
4052 Offsetting collections credited to expired accounts	45	.....	.....
4060 Additional offsets against budget authority only (total)	-2	.....	.....
4070 Budget authority, net (discretionary)	119	118	132
4080 Outlays, net (discretionary)	82	199	131
4180 Budget authority, net (total)	119	118	132
4190 Outlays, net (total)	82	199	131

The Office of Personnel Management's (OPM) 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 2019 Budget will enable OPM to continue to address critical information technology (IT) infrastructure and investments necessary to maintain its security posture and respond to changing business needs and Federal mandates.

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 HR 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 HR 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. It 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.

Retirement Services Program.—Administers the Civil Service Retirement System and the Federal Employees Retirement System, 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

SALARIES AND EXPENSES—Continued

payments, and calculating post retirement changes due to disability and death.

Healthcare & Insurance.—Administers the Federal Employees Health Benefits Program, the Federal Employees' Group Life Insurance Program, the Federal Flexible Spending Account Program, the Federal Long Term Care Insurance Program, and the Federal Employee Dental and Vision Insurance Program. 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	2017 actual	2018 est.	2019 est.
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent	47	55	53
11.3 Other than full-time permanent	1		
11.5 Other personnel compensation	1		
11.9 Total personnel compensation	49	55	53
12.1 Civilian personnel benefits	16	18	17
21.0 Travel and transportation of persons	1	1	1
23.3 Communications, utilities, and miscellaneous charges	16	18	26
25.2 Other services from non-Federal sources	25	23	35
31.0 Equipment	1	3	
99.0 Direct obligations	108	118	132
99.0 Reimbursable obligations	323	139	134
99.9 Total new obligations, unexpired accounts	431	257	266

Employment Summary

Identification code 024-0100-0-1-805	2017 actual	2018 est.	2019 est.
1001 Direct civilian full-time equivalent employment	869	960	810
2001 Reimbursable civilian full-time equivalent employment	1,081	851	827

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, \$5,000,000, and in addition, not to exceed \$25,265,000 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.

Note.—A full-year 2018 appropriation for this account was not enacted at the time the budget was prepared; therefore, the budget assumes this account is operating under the Continuing Appropriations Act, 2018 (Division D of P.L. 115-56, as amended). The amounts included for 2018 reflect the annualized level provided by the continuing resolution.

Program and Financing (in millions of dollars)

Identification code 024-0400-0-1-805	2017 actual	2018 est.	2019 est.
Obligations by program activity:			
0001 Program oversight (audits, investigations, etc.)	5	5	5
0801 Office of Inspector General (Reimbursable)	24	25	25
0900 Total new obligations, unexpired accounts	29	30	30
Budgetary resources:			
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation	5	5	5
Spending authority from offsetting collections, discretionary:			
1700 Collected	20	25	25

1701 Change in uncollected payments, Federal sources	5		
1750 Spending auth from offsetting collections, disc (total)	25	25	25
1900 Budget authority (total)	30	30	30
1930 Total budgetary resources available	30	30	30
Memorandum (non-add) entries:			
1940 Unobligated balance expiring	-1		

Change in obligated balance:

Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1	4	6	1
3010 New obligations, unexpired accounts	29	30	30
3020 Outlays (gross)	-27	-35	-29
3050 Unpaid obligations, end of year	6	1	2
Uncollected payments:			
3060 Uncollected pymts, Fed sources, brought forward, Oct 1	-7	-9	-9
3070 Change in uncollected pymts, Fed sources, unexpired	-5		
3071 Change in uncollected pymts, Fed sources, expired	3		
3090 Uncollected pymts, Fed sources, end of year	-9	-9	-9
Memorandum (non-add) entries:			
3100 Obligated balance, start of year	-3	-3	-8
3200 Obligated balance, end of year	-3	-8	-7

Budget authority and outlays, net:

Discretionary:			
4000 Budget authority, gross	30	30	30
Outlays, gross:			
4010 Outlays from new discretionary authority	25	29	29
4011 Outlays from discretionary balances	2	6	
4020 Outlays, gross (total)	27	35	29
Offsets against gross budget authority and outlays:			
Offsetting collections (collected) from:			
4030 Federal sources	-22	-25	-25
Additional offsets against gross budget authority only:			
4050 Change in uncollected pymts, Fed sources, unexpired	-5		
4052 Offsetting collections credited to expired accounts	2		
4060 Additional offsets against budget authority only (total)	-3		
4070 Budget authority, net (discretionary)	5	5	5
4080 Outlays, net (discretionary)	5	10	4
4180 Budget authority, net (total)	5	5	5
4190 Outlays, net (total)	5	10	4

This appropriation funds agency-wide audits, investigations, evaluations, and administrative sanctions which help to prevent and detect fraud, waste, abuse, and mismanagement. During 2017, the Office of the Inspector General (OIG) activities resulted in positive financial impacts of over \$29 million to the programs managed by the U.S. Office of Personnel Management (OPM).

The OIG's Office of Audits conducts audits of agency programs and operations, although the majority of its work is in the Federal Employees Health Benefits Program (FEHBP), auditing participating health carriers and the pharmacy benefit managers they contract with. The Office of Audits issued 46 audit reports in 2017, with questioned costs totaling over \$52 million. Other key programs the Office of Audits focuses on include employee benefit programs such as the Federal retirement program, the Federal Employees' Group Life Insurance Program, the Federal Employee Dental and Vision Insurance Program, the Federal Long Term Care Insurance Program, and the Federal Flexible Spending Accounts for Federal employees. The OIG also conducts information systems audits that cover general and application controls and security within the agency's information systems and programs as well as agency contractor systems, such as those of FEHBP participating carriers. One key project the OIG continues to provide oversight for is OPM's agency-wide information technology (IT) infrastructure project, including data center consolidation and potential mainframe migrations. Congress has expressed interest in the oversight of this project, as it is essential to the IT security posture of the agency, its systems, and the highly sensitive data contained in these systems. The Office of Audits also conducts audits of the National Background Investigations Bureau (NBIB) and other revolving fund programs and operations, and is responsible for the oversight of the agency financial system audit conducted by an independent public accounting firm.

The OIG's Office of Investigations detects and investigates improper and illegal activities involving agency programs, personnel, and operations. The Office of Investigations is a statutory law enforcement organization, with the authority to carry firearms, issue subpoenas, and to seek and execute both search and arrest warrants. In 2017, the Office of Investigations' activities led to 71 arrests, 110 indictments/informations, 50 criminal convictions, and 858 suspensions or debarments within the FEHBP. In addition, the Office of Investigations joint efforts with the U.S. Department of Justice (DOJ) and other Federal, state, and local law enforcement agencies resulted in collected fines/penalties/forfeitures to the Federal Government totaling over \$260 million. Based on the evidence gathered during investigations, the Office of Investigations pursues appropriate remedies including referrals to the DOJ for criminal prosecutions or civil action, and/or referral to OPM or to the FEHBP Administrative Sanctions program for administrative sanctions. The Office of Investigations commonly conducts investigations involving allegations of fraud against OPM programs, such as the FEHBP, Civil Service and Federal Employees Retirement Systems, and the NBIB. When appropriate, the Office of Investigations also conducts investigations of OPM internal operations and employee and contractor misconduct.

The OIG's Office of Evaluations conducts nationwide studies of OPM programs from a broad, issue-based perspective. The work includes special reviews, such as Congressional requests for studies or information that may require immediate attention, agency management requests for independent assessments, or evaluations of specific areas of operation, and matters of urgent concern. Evaluators in this office 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, the Congress, the Council of the Inspectors General on Integrity and Efficiency (CIGIE), and the public.

The 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.

In January 2014, the Congress passed the OPM IG Act (P.L. 113–80). 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	2017 actual	2018 est.	2019 est.
Direct obligations:			
11.1 Personnel compensation: Full-time permanent	3	3	3
12.1 Civilian personnel benefits	1	1	1
23.3 Communications, utilities, and miscellaneous charges	1	1	1
99.0 Direct obligations	4	5	5
99.0 Reimbursable obligations	25	25	25
99.9 Total new obligations, unexpired accounts	29	30	30

Employment Summary

Identification code 024–0400–0–1–805	2017 actual	2018 est.	2019 est.
1001 Direct civilian full-time equivalent employment	20	20	20
2001 Reimbursable civilian full-time equivalent employment	116	132	134

GOVERNMENT PAYMENT FOR ANNUITANTS, EMPLOYEES HEALTH BENEFITS

Program and Financing (in millions of dollars)

Identification code 024–0206–0–1–551	2017 actual	2018 est.	2019 est.
Obligations by program activity:			
0001 Government contribution for annuitants benefits (1959 Act)	12,654	12,916	13,641
0002 Government contribution for annuitants benefits (1960 Act)	1	1	1
0900 Total new obligations, unexpired accounts (object class 13.0)	12,654	12,917	13,642

Budgetary resources:				
Budget authority:				
Appropriations, mandatory:				
1200	Appropriation	12,654	12,917	13,642
1930	Total budgetary resources available	12,654	12,917	13,642
Change in obligated balance:				
Unpaid obligations:				
3000	Unpaid obligations, brought forward, Oct 1	1,351	1,389	1,389
3010	New obligations, unexpired accounts	12,654	12,917	13,642
3020	Outlays (gross)	–12,616	–12,917	–13,642
3050	Unpaid obligations, end of year	1,389	1,389	1,389
Memorandum (non-add) entries:				
3100	Obligated balance, start of year	1,351	1,389	1,389
3200	Obligated balance, end of year	1,389	1,389	1,389
Budget authority and outlays, net:				
Mandatory:				
4090	Budget authority, gross	12,654	12,917	13,642
Outlays, gross:				
4100	Outlays from new mandatory authority	11,265	11,597	12,444
4101	Outlays from mandatory balances	1,351	1,320	1,198
4110	Outlays, gross (total)	12,616	12,917	13,642
4180	Budget authority, net (total)	12,654	12,917	13,642
4190	Outlays, net (total)	12,616	12,917	13,642

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 Postal Service Retiree Health Benefits Fund to finance a portion of United States Postal Service annuitants' health benefit costs.

	2017 actual	2018 est.	2019 est.
Annuitants:			
FEHB	1,924,754	1,945,000	1,966,000
USPS annuitants (non-add)	431,567	431,711	431,711
REHB	163	168	111
Total, annuitants	1,924,917	1,945,134	1,966,111

GOVERNMENT PAYMENT FOR ANNUITANTS, EMPLOYEES HEALTH BENEFITS

(Legislative proposal, subject to PAYGO)

The President's 2019 Budget includes a package of proposals that will improve program efficiency, introduce more accountability and increase competition and choice: 1) Medical Liability Reform would potentially reduce the costs of medical liability and lower insurance premiums of the Federal Employee Health Benefit (FEHB) Program; and 2) Modifying the Federal government contribution rate for premiums to base it on a plan's score from the FEHB Plan Performance Assessment would improve healthcare quality and affordability within the program. The enactment of the proposals in 2019 will not begin to impact program financials until 2021.

GOVERNMENT PAYMENT FOR ANNUITANTS, EMPLOYEE LIFE INSURANCE

Program and Financing (in millions of dollars)

Identification code 024–0500–0–1–602	2017 actual	2018 est.	2019 est.
Obligations by program activity:			
0001 Government Payment for Annuitants, Employee Life Insurance (Direct)	43	44	45
0900 Total new obligations (object class 25.2)	43	44	45

GOVERNMENT PAYMENT FOR ANNUITANTS, EMPLOYEE LIFE INSURANCE—Continued
Program and Financing—Continued

Identification code 024-0500-0-1-602	2017 actual	2018 est.	2019 est.
Budgetary resources:			
Budget authority:			
Appropriations, mandatory:			
1200 Appropriation	43	44	45
1930 Total budgetary resources available	43	44	45
Change in obligated balance:			
Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1	5	5	5
3010 New obligations, unexpired accounts	43	44	45
3020 Outlays (gross)	-43	-44	-45
3050 Unpaid obligations, end of year	5	5	5
Memorandum (non-add) entries:			
3100 Obligated balance, start of year	5	5	5
3200 Obligated balance, end of year	5	5	5
Budget authority and outlays, net:			
Mandatory:			
4090 Budget authority, gross	43	44	45
Outlays, gross:			
4100 Outlays from new mandatory authority	37	38	39
4101 Outlays from mandatory balances	6	6	6
4110 Outlays, gross (total)	43	44	45
4180 Budget authority, net (total)	43	44	45
4190 Outlays, net (total)	43	44	45

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	2017 actual	2018 est.	2019 est.
Obligations by program activity:			
0002 Payment of Government share of retirement costs	15,050	14,900	14,700
0003 Transfers for interest on unfunded liability and payment of military service annuities	25,534	25,700	26,500
0005 Spouse equity payment	52	53	53
0900 Total new obligations, unexpired accounts	40,636	40,653	41,253
Budgetary resources:			
Budget authority:			
Appropriations, mandatory:			
1200 Appropriation	25,534	25,700	26,500
1200 Appropriation	15,102	14,953	14,753
1260 Appropriations, mandatory (total)	40,636	40,653	41,253
1930 Total budgetary resources available	40,636	40,653	41,253
Change in obligated balance:			
Unpaid obligations:			
3010 New obligations, unexpired accounts	40,636	40,653	41,253
3020 Outlays (gross)	-40,636	-40,653	-41,253
Budget authority and outlays, net:			
Mandatory:			
4090 Budget authority, gross	40,636	40,653	41,253
Outlays, gross:			
4100 Outlays from new mandatory authority	40,636	40,653	41,253
4180 Budget authority, net (total)	40,636	40,653	41,253
4190 Outlays, net (total)	40,636	40,653	41,253

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 the Congress granting new or liberalized benefits, extensions of coverage, or pay raises, exclusive of the effects of cost-of-living adjustments. 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 five percent interest on the Civil Service Retirement and Disability Fund's 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, and annuities under special Acts to be credited to the Civil Service Retirement and Disability Fund, may be paid out of the Civil Service Retirement and Disability Fund.

Object Classification (in millions of dollars)

Identification code 024-0200-0-1-805	2017 actual	2018 est.	2019 est.
Direct obligations:			
12.1 Civilian personnel benefits	15,102	14,953	14,753
13.0 Benefits for former personnel	25,534	25,700	26,500
99.9 Total new obligations, unexpired accounts	40,636	40,653	41,253

FLEXIBLE BENEFITS PLAN RESERVE

Program and Financing (in millions of dollars)

Identification code 024-0800-0-1-805	2017 actual	2018 est.	2019 est.
Obligations by program activity:			
0801 FSA FEDS Risk Reserve	11	16	18
0900 Total new obligations (object class 25.6)	11	16	18
Budgetary resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	60	50	63
Budget authority:			
Spending authority from offsetting collections, mandatory:			
1800 Collected	2	31	21
1823 New and/or unobligated balance of spending authority from offsetting collections temporarily reduced	-1	-2	.....
1850 Spending auth from offsetting collections, mand (total)	1	29	21
1930 Total budgetary resources available	61	79	84
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year	50	63	66
Change in obligated balance:			
Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1	4	4	.....
3010 New obligations, unexpired accounts	11	16	18
3020 Outlays (gross)	-11	-20	-18
3050 Unpaid obligations, end of year	4	.....	.....
Memorandum (non-add) entries:			
3100 Obligated balance, start of year	4	4	.....
3200 Obligated balance, end of year	4	.....	.....

Budget authority and outlays, net:				
Mandatory:				
4090	Budget authority, gross	1	29	21
Outlays, gross:				
4100	Outlays from new mandatory authority		16	18
4101	Outlays from mandatory balances	11	4	
4110	Outlays, gross (total)	11	20	18
Offsets against gross budget authority and outlays:				
Offsetting collections (collected) from:				
4120	Federal sources	-1	-1	-1
4123	Non-Federal sources	-1	-30	-20
4130	Offsets against gross budget authority and outlays (total)	-2	-31	-21
4160	Budget authority, net (mandatory)	-1	-2	
4170	Outlays, net (mandatory)	9	-11	-3
4180	Budget authority, net (total)	-1	-2	
4190	Outlays, net (total)	9	-11	-3
Memorandum (non-add) entries:				
5090	Unexpired unavailable balance, SOY: Offsetting collections	6	7	9
5092	Unexpired unavailable balance, EOY: Offsetting collections	7	9	9

This account contains reserve resources required under the Office of Personnel Management's (OPM) 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. Cost mitigation is projected to continue at least through 2019.

POSTAL SERVICE RETIREE HEALTH BENEFITS FUND

Special and Trust Fund Receipts (in millions of dollars)

Identification code 024-5391-0-2-551				
	2017 actual	2018 est.	2019 est.	
0100	Balance, start of year	51,495	49,491	50,867
Receipts:				
Current law:				
1140	Postal Service Contributions for Current Workers, Postal Service Retiree Health Benefits Fund		3,681	3,858
1140	Postal Service Contributions for Current Workers, Postal Service Retiree Health Benefits Fund			-3,858
1140	Earnings on Investments, Postal Service Retiree Health Benefits Fund	1,437	1,340	1,316
1140	Postal Service Contributions for Benefits Paid to Retirees, Postal Service Retiree Health Benefits Fund		-955	-955
1140	Postal Service Contributions for Benefits Paid to Retirees, Postal Service Retiree Health Benefits Fund		955	955
1140	Surplus Contributions from Civil Service Retirement and Disability Fund, Postal Service Retiree Health Benefits Fund	9		
1199	Total current law receipts	1,446	5,021	1,316
Proposed:				
1240	Postal Service Contributions for Current Workers, Postal Service Retiree Health Benefits Fund			3,565
1999	Total receipts	1,446	5,021	4,881
2000	Total: Balances and receipts	52,941	54,512	55,748
Appropriations:				
Current law:				
2101	Postal Service Retiree Health Benefits Fund	-1,446	-5,021	-1,316
2103	Postal Service Retiree Health Benefits Fund	-2,004		-2,536
2134	Postal Service Retiree Health Benefits Fund		1,376	
2199	Total current law appropriations	-3,450	-3,645	-3,852
2999	Total appropriations	-3,450	-3,645	-3,852
5099	Balance, end of year	49,491	50,867	51,896

Program and Financing (in millions of dollars)

Identification code 024-5391-0-2-551				
	2017 actual	2018 est.	2019 est.	
Obligations by program activity:				
0001	Obligations to FEHB Fund	3,450	3,645	3,852
0900	Total new obligations (object class 13.0)	3,450	3,645	3,852
Budgetary resources:				
Budget authority:				
Appropriations, mandatory:				
1201	Appropriation (special or trust fund)	1,446	5,021	1,316
1203	Appropriation (previously unavailable)	2,004		2,536
1234	Appropriations precluded from obligation		-1,376	
1260	Appropriations, mandatory (total)	3,450	3,645	3,852
1930	Total budgetary resources available	3,450	3,645	3,852
Change in obligated balance:				
Unpaid obligations:				
3010	New obligations, unexpired accounts	3,450	3,645	3,852
3020	Outlays (gross)	-3,450	-3,645	-3,852
Budget authority and outlays, net:				
Mandatory:				
4090	Budget authority, gross	3,450	3,645	3,852
Outlays, gross:				
4100	Outlays from new mandatory authority	3,450	3,645	3,852
4180	Budget authority, net (total)	3,450	3,645	3,852
4190	Outlays, net (total)	3,450	3,645	3,852
Memorandum (non-add) entries:				
5000	Total investments, SOY: Federal securities: Par value	51,495	49,491	50,867
5001	Total investments, EOY: Federal securities: Par value	49,491	50,867	48,331

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

This account receives from USPS: 1) the pension savings provided to USPS 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 USPS's unfunded liability for post-retirement health benefits; and 3) beginning in 2017, payments for the actuarial cost of USPS 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 USPS that are attributable to civilian employment with USPS.

As a result of this health benefits financing system, beginning in 2017, USPS ceased 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 are paid from balances of this account. Payments for a proportion of the premium costs of USPS annuitants' pre-1971 service continues 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 was required to make a stream of payments set in statute through 2016 toward paying down retiree health benefit unfunded liabilities, as well as pay annual Federal Employees Health Benefits Program premiums for current retirees. Also under current law, starting in 2017, USPS must pay the per capita accruing costs (or normal cost) to fund future retiree health benefits of current employees and a 40-year amortization of the remaining unfunded liability for current retirees. The Budget reflects that USPS defaulted on the statutorily required payments since 2012. These defaults are not factored into the 40-year amortization schedule starting in 2017, but remain on USPS's financial statements in each year as outstanding liabilities. The 2019 Budget assumes USPS will continue to default on the

POSTAL SERVICE RETIREE HEALTH BENEFITS FUND—Continued
statutorily required amortization payments in 2018 and beyond, and will not fully finance per capita accruing costs after 2018.

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

Outlays from the Postal Service Retiree Health Benefits Fund would decrease under proposals in the 2019 Budget that impact the cost and cost sharing structure of health insurance in the Federal Employees Health Benefits Program (FEHBP). If these proposals are enacted in 2019, they will begin to financially impact the FEHBP, and thus the Postal Service Retiree Health Benefits Fund in 2021.

REVOLVING FUND

Program and Financing (in millions of dollars)

Identification code 024-4571-0-4-805	2017 actual	2018 est.	2019 est.
Obligations by program activity:			
0801 Human Resource Solutions	251	196	208
0802 National Background Investigations Bureau (NBIB)	1,151	1,446	1,368
0803 Human Resources Tools & Technology (HRTT)	55	54	55
0804 Enterprise Human Resources Integration	41	42	41
0805 USAJOBS	13	15	15
0807 Human Resource Line of Business (HRLoB)	1	3	3
0808 Inspector General Activities	2	2	3
0900 Total new obligations, unexpired accounts	1,514	1,758	1,693
Budgetary resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	863	1,124	1,121
1021 Recoveries of prior year unpaid obligations	38		
1050 Unobligated balance (total)	901	1,124	1,121
Budget authority:			
Spending authority from offsetting collections, mandatory:			
1800 Collected	1,701	1,755	1,728
1801 Change in uncollected payments, Federal sources	36		
1850 Spending auth from offsetting collections, mand (total)	1,737	1,755	1,728
1930 Total budgetary resources available	2,638	2,879	2,849
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year	1,124	1,121	1,156
Change in obligated balance:			
Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1	972	1,000	1,003
3010 New obligations, unexpired accounts	1,514	1,758	1,693
3020 Outlays (gross)	-1,448	-1,755	-1,690
3040 Recoveries of prior year unpaid obligations, unexpired	-38		
3050 Unpaid obligations, end of year	1,000	1,003	1,006
Uncollected payments:			
3060 Uncollected pymts, Fed sources, brought forward, Oct 1	-616	-652	-652
3070 Change in uncollected pymts, Fed sources, unexpired	-36		
3090 Uncollected pymts, Fed sources, end of year	-652	-652	-652
Memorandum (non-add) entries:			
3100 Obligated balance, start of year	356	348	351
3200 Obligated balance, end of year	348	351	354
Budget authority and outlays, net:			
Mandatory:			
4090 Budget authority, gross	1,737	1,755	1,728
Outlays, gross:			
4100 Outlays from new mandatory authority	883	805	1,690
4101 Outlays from mandatory balances	565	950	
4110 Outlays, gross (total)	1,448	1,755	1,690
Offsets against gross budget authority and outlays:			
Offsetting collections (collected) from:			
4120 Federal sources	-1,701	-1,755	-1,728
Additional offsets against gross budget authority only:			
4140 Change in uncollected pymts, Fed sources, unexpired	-36		
4170 Outlays, net (mandatory)	-253		-38
4180 Budget authority, net (total)			
4190 Outlays, net (total)	-253		-38

Budget Program.—The Office of Personnel Management (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), Enterprise Human Resources Data Warehouse (EHRD), Human Resources Line of Business (HRLOB), Human Resources Tools and Technology (HRTT), and USAJOBS. The National Background Investigations Bureau (NBIB) became operational as of October 1, 2016. NBIB has a strong national security focus, concentrating on its mission to provide effective, efficient, and secure background investigations for the Federal Government. Suitability Executive Agent (SuitEA) was established as a distinct program office within OPM in December 2016, to strengthen the effectiveness of suitability vetting across the Government by providing a focal point within OPM for leadership, process improvement, and modernization. Pursuant to Executive Order 13467, as amended, the OPM Director is the Suitability & Credentialing Executive Agent with specific Government-wide responsibilities. NBIB is a key strategic partner and provides data to support suitability program oversight as well as investigations to support suitability adjudicative operations. NBIB also collects the revolving funds used for SuitEA through background investigations pricing.

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 and competitive, high quality Government-to-Government solutions designed to assist them in attracting and building a high quality public sector workforce, developing effectual leaders and achieving sustainable 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.

USAJOBS is a centralized 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 public 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.

NBIB provides personnel background investigative services on a fee-for-service basis to assist its Federal agency customers in determining individuals' suitability and fitness for Federal civilian, military, and contract employment, eligibility for logical and physical access to agency systems and facilities, and eligibility to classified national security information. NBIB will focus on bolstering security and intergovernmental communications and innovating its business processes, information technology, and tools to allow for increased communication and information sharing.

During FY 2018, the National Defense Authorization Act (NDAA) was enacted and states that the Secretary of Defense has the authority to conduct all types of background investigations and now mandates that by October 1, 2020, the Department of Defense (DOD) will assume responsibility for their background investigations according to the implementation plan that was developed pursuant to the NDAA of 2017. OPM (NBIB) is cooperating with the transition and is continuing to analyze and create scenarios as DOD's implementation plan becomes more definitive.

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

HRLOB provides an essential leadership role in the consolidation of agency personnel action processing, benefits management, and payroll systems into HRLOB Shared Service Centers.

The EHRD is comprised of two programs, the electronic Official Personnel Folder (eOPF) and Enterprise Human Resources Integration Data Warehouse (EHRIDW). These two programs support 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 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 Office of the Inspector General. The Act limits the amount of revolving fund resources available to the Office of 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: HRS 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 HRS 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. NBIB offers its Federal customers investigations based on five tiers with an Expandable Focused Investigation model at each tier. The newly established tiered approach increases transparency and clarity into the type of investigation being completed. The price of each type of investigation varies based on the estimated fieldwork and time it will take to complete. Prices are determined and justified using a cost allocation model. The significant cost drivers that impact pricing considerations include Federal and contracted investigative fieldwork, third-party search fees, the accuracy of workload projections, policy changes, and major infrastructure upgrades. SuitEA and CreEA funding is factored into NBIB pricing and budgeted by the background investigation customers. EHRD provides two primary service offerings on a fee-for-service basis: the 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 to provide technology solutions to support multiple agencies with HR IT and HR services and is financed in part by agency contributions from partner agencies.

Operating Results.—In fiscal year 2017, OPM's Revolving Fund businesses revenue total was \$1.474 billion and the expenses total was \$1.331 billion which provided a net gain on operations of \$143 million. The cumulative net position of the fund is a positive \$173 million.

Object Classification (in millions of dollars)				
Identification code 024-4571-0-4-805	2017 actual	2018 est.	2019 est.	
Reimbursable obligations:				
Personnel compensation:				
11.1 Full-time permanent	270	335	348	
11.5 Other personnel compensation	23	28	30	
11.9 Total personnel compensation	293	363	378	
12.1 Civilian personnel benefits	93	105	113	
21.0 Travel and transportation of persons	24	26	28	

23.1 Rental payments to GSA	20	17	20
23.3 Communications, utilities, and miscellaneous charges	49	40	47
24.0 Printing and reproduction	1	2	1
25.2 Other services from non-Federal sources	995	1,174	1,086
26.0 Supplies and materials	15	6	4
31.0 Equipment	24	25	16
99.9 Total new obligations, unexpired accounts	1,514	1,758	1,693

Employment Summary

Identification code 024-4571-0-4-805	2017 actual	2018 est.	2019 est.
2001 Reimbursable civilian full-time equivalent employment	3,445	3,948	3,985

Trust Funds

CIVIL SERVICE RETIREMENT AND DISABILITY FUND

Special and Trust Fund Receipts (in millions of dollars)

Identification code 024-8135-0-7-602	2017 actual	2018 est.	2019 est.
0100 Balance, start of year	879,824	897,661	915,956
Receipts:			
Current law:			
1110 Employee Contributions, Civil Service Retirement and Disability Fund	3,489	4,027	4,311
1110 District of Columbia Contributions, Civil Service Retirement and Disability Fund	34	37	39
1110 Employee Deposits, Redeposits and Other Contributions, Civil Service Retirement and Disability Fund	614	599	586
1140 Agency Contributions, Civil Service Retirement and Disability Fund	27,007	27,383	27,654
1140 Postal Service Agency Contributions, Civil Service Retirement and Disability Fund	3,478	3,778	3,869
1140 Postal Service Supplemental Contributions, Civil Service Retirement and Disability Fund		917	917
1140 Postal Service Supplemental Contributions, Civil Service Retirement and Disability Fund			-917
1140 Postal Service Amortization Payments, Civil Service Retirement and Disability Fund		1,741	1,741
1140 Postal Service Amortization Payments, Civil Service Retirement and Disability Fund		-1,741	-1,741
1140 FFB, TVA, and USPS Interest, Civil Service Retirement and Disability Fund	401	340	296
1140 Treasury Interest, Civil Service Retirement and Disability Fund	26,025	25,599	24,320
1140 General Fund Payment to the Civil Service Retirement and Disability Fund	40,636	40,653	41,253
1140 Re-employed Annuitants Salary Offset, Civil Service Retirement and Disability Fund	40	38	36
1199 Total current law receipts	101,724	103,371	102,364
9999 Total receipts	101,724	103,371	102,364
2000 Total: Balances and receipts	981,548	1,001,032	1,018,320
Appropriations:			
Current law:			
2101 Civil Service Retirement and Disability Fund	-107	-108	-102
2101 Civil Service Retirement and Disability Fund	-101,616	-102,346	-102,261
2103 Civil Service Retirement and Disability Fund	-4	-4	
2132 Civil Service Retirement and Disability Fund	4	4	
2134 Civil Service Retirement and Disability Fund	17,836	17,378	13,875
2199 Total current law appropriations	-83,887	-85,076	-88,488
2999 Total appropriations	-83,887	-85,076	-88,488
5099 Balance, end of year	897,661	915,956	929,832

Program and Financing (in millions of dollars)

Identification code 024-8135-0-7-602	2017 actual	2018 est.	2019 est.
Obligations by program activity:			
0001 Annuities	83,328	84,529	87,946
0002 Refunds and death claims	412	439	440
0003 Administration - operations	141	101	95
0004 Transfer to MSPB	2	2	2
0005 Administration - OIG	4	5	5
0900 Total new obligations, unexpired accounts	83,887	85,076	88,488

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

Identification code 024–8135–0–7–602	2017 actual	2018 est.	2019 est.
Budgetary resources:			
Budget authority:			
Appropriations, discretionary:			
1101	107	108	102
Appropriations, mandatory:			
1201	101,616	102,346	102,261
1203	4	4	
1232			
1234	–4	–4	
1260	83,780	84,968	88,386
1900	83,887	85,076	88,488
1930	83,887	85,076	88,488
Change in obligated balance:			
Unpaid obligations:			
3000	7,348	7,454	7,718
3010	83,887	85,076	88,488
3020	–83,781	–84,812	–88,201
3050	7,454	7,718	8,005
Memorandum (non-add) entries:			
3100	7,348	7,454	7,718
3200	7,454	7,718	8,005
Budget authority and outlays, net:			
Discretionary:			
4000	107	108	102
Outlays, gross:			
4010	75	108	102
4011	24		
4020	99	108	102
Mandatory:			
4090	83,780	84,968	88,386
Outlays, gross:			
4100	76,358	77,255	79,228
4101	7,324	7,449	8,871
4110	83,682	84,704	88,099
4180	83,887	85,076	88,488
4190	83,781	84,812	88,201
Memorandum (non-add) entries:			
5000	887,161	905,103	922,376
5001	905,103	922,376	936,252

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

	2017 actual	2018 est.	2019 est.
Enacted/requested:			
Budget Authority	83,887	85,076	88,488
Outlays	83,781	84,812	88,201
Legislative proposal, subject to PAYGO:			
Outlays			–1,893
Total:			
Budget Authority	83,887	85,076	88,488
Outlays	83,781	84,812	86,308

The Civil Service Retirement and Disability Fund (CSRDF) 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 CSRDF 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 largely 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 CSRS.

Financing.— CSRS has been financed under a statutory funding method passed by the 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 5.0 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 the Congress an extra 1.0 percent of pay. Non-United States Postal Service (USPS) 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 USPS. 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-USPS employees that occurred during the year, and pays for the cost of any benefits attributable to military service for both USPS and Non-USPS 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 savings plan. FERS regular employees contribute a percentage of salary that is equal to the contribution rate for CSRS employees—7.0 percent, as set forth above, less the 6.2 percent tax rate under the Old Age, Survivors and Disability Insurance 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 of 0.8 percent and employer's share of 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 of 3.1 percent and employer's share of 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 of 4.4 percent and employer's share of 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 CSRS. These payments, along with similar amortization payments for UFL in FERS are paid to CSRDF.

	2017 actual	2018 est.	2019 est.
Active employees	2,561,748	2,533,000	2,506,000
Annuitants:			
Employees	2,141,213	2,172,000	2,204,000
Survivors	536,902	531,000	527,000
Total, annuitants	2,678,115	2,703,000	2,731,000

Status of Funds (in millions of dollars)

Identification code 024–8135–0–7–602	2017 actual	2018 est.	2019 est.
Unexpended balance, start of year:			
0100	887,172	905,115	923,674

0999	Total balance, start of year	887,172	905,115	923,674
Cash income during the year:				
Current law:				
Receipts:				
1110	Employee Contributions, Civil Service Retirement and Disability Fund	3,489	4,027	4,311
1110	District of Columbia Contributions, Civil Service Retirement and Disability Fund	34	37	39
1110	Employee Deposits, Redeposits and Other Contributions, Civil Service Retirement and Disability Fund	614	599	586
1150	FFB, TVA, and USPS Interest, Civil Service Retirement and Disability Fund	401	340	296
1150	Treasury Interest, Civil Service Retirement and Disability Fund	26,025	25,599	24,320
1160	Agency Contributions, Civil Service Retirement and Disability Fund			
1160	Agency Contributions, Civil Service Retirement and Disability Fund	27,007	27,383	27,654
1160	Postal Service Agency Contributions, Civil Service Retirement and Disability Fund			
1160	Postal Service Agency Contributions, Civil Service Retirement and Disability Fund	3,478	3,778	3,869
1160	Postal Service Supplemental Contributions, Civil Service Retirement and Disability Fund		917	
1160	Postal Service Amortization Payments, Civil Service Retirement and Disability Fund			
1160	General Fund Payment to the Civil Service Retirement and Disability Fund	40,636	40,653	41,253
1160	Re-employed Annuitants Salary Offset, Civil Service Retirement and Disability Fund	40	38	36
1199	Income under present law	101,724	103,371	102,364
Proposed:				
1210	Employee Contributions, Civil Service Retirement and Disability Fund			
Offsetting governmental receipts:				
1260	Agency Contributions, Civil Service Retirement and Disability Fund			
1260	Postal Service Agency Contributions, Civil Service Retirement and Disability Fund			
1299	Income proposed			
1999	Total cash income	101,724	103,371	102,364
Cash outgo during year:				
Current law:				
2100	Civil Service Retirement and Disability Fund [027-00-8135-0]	-83,781	-84,812	-88,201
2199	Outgo under current law	-83,781	-84,812	-88,201
Proposed:				
2200	Civil Service Retirement and Disability Fund			1,893
2299	Outgo under proposed legislation			1,893
2999	Total cash outgo (-)	-83,781	-84,812	-86,308
Surplus or deficit::				
3110	Excluding interest	-8,483	-7,380	-8,560
3120	Interest	26,426	25,939	24,616
3199	Subtotal, surplus or deficit	17,943	18,559	16,056
3999	Total change in fund balance	17,943	18,559	16,056
Unexpended balance, end of year::				
4100	Uninvested balance (net), end of year	12	1,298	3,478
4200	Civil Service Retirement and Disability Fund	905,103	922,376	936,252
4999	Total balance, end of year	905,115	923,674	939,730

Object Classification (in millions of dollars)

Identification code 024-8135-0-7-602	2017 actual	2018 est.	2019 est.	
Direct obligations:				
25.2	Other services from non-Federal sources	147	108	102
42.0	Insurance claims and indemnities	83,328	84,529	87,946
44.0	Refunds and death claims	412	439	440

99.9	Total new obligations, unexpired accounts	83,887	85,076	88,488
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CIVIL SERVICE RETIREMENT AND DISABILITY FUND
(Legislative proposal, subject to PAYGO)

Program and Financing (in millions of dollars)

Identification code 024-8135-4-7-602	2017 actual	2018 est.	2019 est.	
Change in obligated balance:				
Unpaid obligations:				
3020	Outlays (gross)			1,893
3050	Unpaid obligations, end of year			1,893
Memorandum (non-add) entries:				
3200	Obligated balance, end of year			1,893
Budget authority and outlays, net:				
Mandatory:				
Outlays, gross:				
4101	Outlays from mandatory balances			-1,893
4180	Budget authority, net (total)			
4190	Outlays, net (total)			-1,893

The 2019 Budget proposes four potential legislative changes to the Civil Service Retirement and Disability Fund (CSRDF) generating Government-wide savings: 1) Utilize a high-5 average salary instead of a high-3 in the computation of new Federal Employees Retirement System (FERS) annuities; 2) Eliminate the special annuity supplement for new FERS retirees who do not meet the Social Security minimum retirement age; 3) Eliminate the Cost of Living Adjustment (COLA) for FERS retirees and reduce the COLA for Civil Service Retirement System retirees by 0.5 percent; and 4) Equalize the employee and employer share of contributions to FERS, changing contribution rates by one percent per year until contributions from the employer and employee shares combined reach the normal cost level. If enacted, these changes would reduce the amount of outlays from the CSRDF for annuity payments, and transfer more of the cost of financing these benefits to employees.

EMPLOYEES LIFE INSURANCE FUND

Program and Financing (in millions of dollars)

Identification code 024-8424-0-8-602	2017 actual	2018 est.	2019 est.	
Obligations by program activity:				
0801	Insurance Payments	3,057	3,115	3,160
0804	Administration—OPM & OIG	6	5	4
0805	Administration—long term care	2	2	2
0900	Total new obligations (object class 25.2)	3,065	3,122	3,166
Budgetary resources:				
Unobligated balance:				
1000	Unobligated balance brought forward, Oct 1	44,168	44,684	45,321
Budget authority:				
Spending authority from offsetting collections, discretionary:				
1700	Collected	6	5	4
Spending authority from offsetting collections, mandatory:				
1800	Collected	3,538	3,486	3,862
1800	Collected with Pay Raise Impact		1	3
1801	Change in uncollected payments, Federal sources	37	267	7
1850	Spending auth from offsetting collections, mand (total)	3,575	3,754	3,872
1900	Budget authority (total)	3,581	3,759	3,876
1930	Total budgetary resources available	47,749	48,443	49,197
Memorandum (non-add) entries:				
1941	Unexpired unobligated balance, end of year	44,684	45,321	46,031

Change in obligated balance:

Unpaid obligations:				
3000	Unpaid obligations, brought forward, Oct 1	959	971	1,045
3010	New obligations, unexpired accounts	3,065	3,122	3,166
3020	Outlays (gross)	-3,053	-3,048	-3,106
3050	Unpaid obligations, end of year	971	1,045	1,105
Uncollected payments:				
3060	Uncollected pymts, Fed sources, brought forward, Oct 1	-71	-108	-375

EMPLOYEES LIFE INSURANCE FUND—Continued
Program and Financing—Continued

Identification code 024-8424-0-8-602	2017 actual	2018 est.	2019 est.
3070 Change in uncollected pymts, Fed sources, unexpired	-37	-267	-7
3090 Uncollected pymts, Fed sources, end of year	-108	-375	-382
Memorandum (non-add) entries:			
3100 Obligated balance, start of year	888	863	670
3200 Obligated balance, end of year	863	670	723
Budget authority and outlays, net:			
Discretionary:			
4000 Budget authority, gross	6	5	4
Outlays, gross:			
4010 Outlays from new discretionary authority	4	5	4
4011 Outlays from discretionary balances	1		
4020 Outlays, gross (total)	5	5	4
Mandatory:			
4090 Budget authority, gross	3,575	3,754	3,872
Outlays, gross:			
4100 Outlays from new mandatory authority	2,089	2,298	2,338
4101 Outlays from mandatory balances	959	745	764
4110 Outlays, gross (total)	3,048	3,043	3,102
Offsets against gross budget authority and outlays:			
Offsetting collections (collected) from:			
4120 Federal sources	-561	-573	-579
4121 Interest on Federal securities	-212	-60	-363
4123 Non-Federal sources	-2,771	-2,859	-2,925
4123 Non-Federal sources with Pay Raise Impact			-2
4130 Offsets against gross budget authority and outlays (total) ...	-3,544	-3,492	-3,869
Additional offsets against gross budget authority only:			
4140 Change in uncollected pymts, Fed sources, unexpired	-37	-267	-7
4160 Budget authority, net (mandatory)	-6	-5	-4
4170 Outlays, net (mandatory)	-496	-449	-767
4180 Budget authority, net (total)			
4190 Outlays, net (total)	-491	-444	-763
Memorandum (non-add) entries:			
5000 Total investments, SOY: Federal securities: Par value	45,167	45,680	46,123
5000 Total investments, SOY: Federal securities: Par value			1
5001 Total investments, EOY: Federal securities: Par value	45,680	46,123	46,884
5001 Total investments, EOY: Federal securities: Par value with Pay Raise Impact		1	3

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:

	2017 act.	2018 est.	2019 est.
Life insurance in force (in billions of dollars):			
On active employees	777.9	804.3	831.5
On retired employees	98.7	99.7	100.7
Total	876.6	904.0	932.3
Number of participants (in thousands):			
Active employees	2,423	2,433	2,444
Annuity holders	1,648	1,654	1,661
Total	4,070	4,088	4,105

Financing.—Non-United States 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:

	2017 act.	2018 est.	2019 est.
Status of Reserves			
Held in reserve (in millions of dollars):			
Contingency reserve	690	690	690
Beneficial association program reserve	0	0	0
U.S. Treasury reserve	44,210	44,252	44,972

Total reserves	44,900	44,942	45,662
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EMPLOYEES AND RETIRED EMPLOYEES HEALTH BENEFITS FUNDS

Program and Financing (in millions of dollars)

Identification code 024-9981-0-8-551	2017 actual	2018 est.	2019 est.
Obligations by program activity:			
0801 Benefit payments	50,520	54,967	57,938
0802 Payments from OPM contingency reserve	284	300	300
0803 Government payment for annuitants (1960 Act)		1	1
0804 Administration (OPM and OIG)	52	53	55
0806 Administration - dental and vision program	6	6	6
0900 Total new obligations (object class 25.6)	50,862	55,327	58,300
Budgetary resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	21,280	23,337	23,381
Budget authority:			
Spending authority from offsetting collections, discretionary:			
1700 Collected	55	53	55
Spending authority from offsetting collections, mandatory:			
1800 Collected	52,846	55,210	58,249
1801 Change in uncollected payments, Federal sources	17	108	127
1802 Offsetting collections (previously unavailable)	1		
1850 Spending auth from offsetting collections, mand (total)	52,864	55,318	58,376
1900 Budget authority (total)	52,919	55,371	58,431
1930 Total budgetary resources available	74,199	78,708	81,812
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year	23,337	23,381	23,512
Change in obligated balance:			
Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1	4,625	4,877	5,009
3010 New obligations, unexpired accounts	50,862	55,327	58,300
3020 Outlays (gross)	-50,610	-55,195	-58,267
3050 Unpaid obligations, end of year	4,877	5,009	5,042
Uncollected payments:			
3060 Uncollected pymts, Fed sources, brought forward, Oct 1	-2,215	-2,232	-2,340
3070 Change in uncollected pymts, Fed sources, unexpired	-17	-108	-127
3090 Uncollected pymts, Fed sources, end of year	-2,232	-2,340	-2,467
Memorandum (non-add) entries:			
3100 Obligated balance, start of year	2,410	2,645	2,669
3200 Obligated balance, end of year	2,645	2,669	2,575
Budget authority and outlays, net:			
Discretionary:			
4000 Budget authority, gross	55	53	55
Outlays, gross:			
4010 Outlays from new discretionary authority	34	53	55
4011 Outlays from discretionary balances	16		
4020 Outlays, gross (total)	50	53	55
Mandatory:			
4090 Budget authority, gross	52,864	55,318	58,376
Outlays, gross:			
4100 Outlays from new mandatory authority	45,986	50,057	53,004
4101 Outlays from mandatory balances	4,574	5,085	5,208
4110 Outlays, gross (total)	50,560	55,142	58,212
Offsets against gross budget authority and outlays:			
Offsetting collections (collected) from:			
4120 Federal Sources (OIG)	-37,022	-38,371	-40,335
4121 Interest on Federal securities	-187	-209	-307
4123 Non-Federal sources	-15,692	-16,683	-17,662
4130 Offsets against gross budget authority and outlays (total) ...	-52,901	-55,263	-58,304
Additional offsets against gross budget authority only:			
4140 Change in uncollected pymts, Fed sources, unexpired	-17	-108	-127
4160 Budget authority, net (mandatory)	-54	-53	-55
4170 Outlays, net (mandatory)	-2,341	-121	-92
4180 Budget authority, net (total)	1		
4190 Outlays, net (total)	-2,291	-68	-37
Memorandum (non-add) entries:			
5000 Total investments, SOY: Federal securities: Par value	23,729	26,021	26,089
5001 Total investments, EOY: Federal securities: Par value	26,021	26,089	26,130
5090 Unexpired unavailable balance, SOY: Offsetting collections	1		

This display combines the Federal Employees Health Benefit (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) annuitants transferred from the REHB fund as authorized by Public Law 93-246; and 4) tribal organizations. In 2016, the Office of Personnel Management (OPM) began offering 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 were enrolled 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:

	2017 actual	2018 est.	2019 est.
Active employees	2,130,085	2,118,000	2,118,000
USPS active employees (non-add)	431,567	431,711	431,711
Annuityants	1,924,754	1,945,000	1,966,000
Tribal Organizations	22,498	22,498	22,498
Total	4,077,337	4,085,498	4,106,498

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:

	2017 actual	2018 est.	2019 est.
Uniform plan	56	46	38
Private plans	107	88	73
Total	163	134	111

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 United States 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	2017 actual	2018 est.	2019 est.
Unexpended balance, start of year:			
0100 Balance, start of year	23,690	25,982	26,050
0298 Rounding adjustment	1		
0999 Total balance, start of year	23,691	25,982	26,050
Cash income during the year:			
Current law:			
Receipts:			
1130 Employees and Retired Employees Health Benefits Funds	15,692	16,683	17,662
1150 Employees and Retired Employees Health Benefits Funds	187	209	307
1160 Employees and Retired Employees Health Benefits Funds	37,022	38,371	40,335
1199 Income under present law	52,901	55,263	58,304
1999 Total cash income	52,901	55,263	58,304
Cash outgo during year:			
Current law:			
2100 Employees and Retired Employees Health Benefits Funds [027-00-9981-0]	-50,610	-55,195	-58,267
2199 Outgo under current law	-50,610	-55,195	-58,267
2999 Total cash outgo (-)	-50,610	-55,195	-58,267
Surplus or deficit:			
3110 Excluding interest	2,104	-141	-270
3120 Interest	187	209	307
3199 Subtotal, surplus or deficit	2,291	68	37
3999 Total change in fund balance	2,291	68	37
Unexpended balance, end of year:			
4100 Uninvested balance (net), end of year	-39	-39	-43
4200 Employees and Retired Employees Health Benefits Funds	26,021	26,089	26,130
4999 Total balance, end of year	25,982	26,050	26,087

EMPLOYEES AND RETIRED EMPLOYEES HEALTH BENEFITS FUNDS

(Legislative proposal, subject to PAYGO)

The 2019 Budget includes a package of proposals that will improve program efficiency, introduce more accountability and increase competition and choice: 1) Medical Liability Reform would potentially reduce the costs of medical liability and lower insurance premiums of the Federal Employee Health Benefit (FEHB) Program; and 2) Modifying the Federal government contribution rate for premiums to base it on a plan's score from the FEHB Plan Performance Assessment would improve healthcare quality and affordability within the program.

GENERAL FUND RECEIPT ACCOUNT

(in millions of dollars)

	2017 actual	2018 est.	2019 est.
Offsetting receipts from the public:			
024-322000 All Other General Fund Proprietary Receipts Including Budget Clearing Accounts	4	2	2
General Fund Offsetting receipts from the public	4	2	2

