

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 pursuant to Reorganization Plan Numbered 2 of 1978 and the Civil Service Reform Act of 1978, including services as authorized by 5 U.S.C. 3109; medical examinations performed for veterans by private physicians on a fee basis; rental of conference rooms in the District of Columbia and elsewhere; hire of passenger motor vehicles; not to exceed \$2,500 for official reception and representation expenses; advances for reimbursements to applicable funds of the Office of Personnel Management and the Federal Bureau of Investigation for expenses incurred under Executive Order No. 10422 of January 9, 1953, as amended; and payment of per diem and/or subsistence allowances to employees where Voting Rights Act activities require an employee to remain overnight at his or her post of duty, \$101,765,000 \$92,829,000, of which \$5,991,000 \$5,851,000 shall remain available until expended for the Enterprise Human Resources Integration project; \$1,351,000 shall remain available until expended for the Human Resources Line of Business project; \$340,000 shall remain available until expended for the E-Payroll project; and \$170,000 shall remain available until expended for the E-Training program; and in addition \$123,901,000 \$118,082,000 for administrative expenses, to be transferred from the appropriate trust funds of the Office of Personnel Management without regard to other statutes, including direct procurement of printed materials, for the retirement and insurance programs, of which \$26,965,000 \$15,200,000 shall remain available until expended for the cost of automating the retirement recordkeeping systems: *Provided*, That the provisions of this appropriation shall not affect the authority to use applicable trust funds as provided by sections 8348(a)(1)(B), and 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 the Office of Personnel Management established pursuant to Executive Order No. 9358 of July 1, 1943, or any successor unit of like purpose: *Provided further*, That the President's Commission on White House Fellows, established by Executive Order No. 11183 of October 3, 1964, may, during fiscal year 2008 2009, 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, 2008.*)

Program and Financing (in millions of dollars)

Identification code 24-0100-0-1-805	2007 actual	2008 est.	2009 est.
Obligations by program activity:			
00.01 Strategic HR policy	19	19	20
00.02 Human capital leadership and merit system accountability	28	28	25
00.03 HR products and services	2	2	1
00.04 Management services	85	35	27
00.05 Executive services	14	11	13
00.06 E-Government projects	10	7	7
01.00 Total direct program	158	102	93
09.00 Reimbursable program	178	124	118
10.00 Total new obligations	336	226	211
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	48	26	26
22.00 New budget authority (gross)	318	226	211
22.10 Resources available from recoveries of prior year obligations	1	.....	.....
23.90 Total budgetary resources available for obligation	367	252	237
23.95 Total new obligations	-336	-226	-211

23.98 Unobligated balance expiring or withdrawn	-5	.....	.....
24.40 Unobligated balance carried forward, end of year	26	26	26
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	112	102	93
50.00 Reappropriation	1	.....	.....
Spending authority from offsetting collections:			
58.00 Offsetting collections (cash)	195	124	118
58.10 Change in uncollected customer payments from Federal sources (unexpired)	10	.....	.....
58.90 Spending authority from offsetting collections (total discretionary)	205	124	118
70.00 Total new budget authority (gross)	318	226	211
Change in obligated balances:			
72.40 Obligated balance, start of year	-2	20	-65
73.10 Total new obligations	336	226	211
73.20 Total outlays (gross)	-318	-311	-225
73.40 Adjustments in expired accounts (net)	-6	.....	.....
73.45 Recoveries of prior year obligations	-1	.....	.....
74.00 Change in uncollected customer payments from Federal sources (unexpired)	-10	.....	.....
74.10 Change in uncollected customer payments from Federal sources (expired)	21	.....	.....
74.40 Obligated balance, end of year	20	-65	-79
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority	302	213	199
86.93 Outlays from discretionary balances	16	98	26
87.00 Total outlays (gross)	318	311	225
Offsets:			
Against gross budget authority and outlays:			
88.00 Offsetting collections (cash) from: Federal sources	-209	-124	-118
Against gross budget authority only:			
88.95 Change in uncollected customer payments from Federal sources (unexpired)	-10	.....	.....
88.96 Portion of offsetting collections (cash) credited to expired accounts	14	.....	.....
Net budget authority and outlays:			
89.00 Budget authority	113	102	93
90.00 Outlays	109	187	107

The Office of Personnel Management's (OPM) mission is to help agencies build an effective Federal civilian workforce based on merit system principles, which America needs to guarantee freedom, promote prosperity, and ensure the security of the Nation. OPM leads Federal agencies in the strategic management of their human capital, proposes and implements human resources management policy, and provides agencies with ongoing advice and technical assistance to implement these policies and initiatives. In 2009 OPM will support agencies' pay-for-performance demonstration projects to replace the current General Schedule pay system with a modern classification, pay, and performance management system that is both results-driven and market-based. OPM also supports veterans preference in Federal hiring and manages the process for personnel security and background checks for suitability and national security clearances. OPM continues to honor the Government's commitment to employees by managing the trust funds that support the retirement and insurance benefits they earn, and delivering excellent benefit services and support to civil servants both during and after their Federal careers. The 2009 Budget will permit OPM to imple-

SALARIES AND EXPENSES—Continued

(INCLUDING TRANSFER OF TRUST FUNDS)—Continued

ment long-term human capital strategies that deliver results, pursue a progressive agenda of policy initiatives to transform human resources management, and enhance the values of the civil service. New human resources management policies will streamline the Federal hiring process, decrease time to hire, and change how Federal employees are paid and how their job performance is evaluated. Many of these policies will be driven by the lessons learned from agencies with contemporary and efficient personnel systems.

The functions and objectives of the OPM Divisions are:

Strategic Human Resources Policy (SHRP).—Develops and administers human resources (HR) policies that strengthen leadership and succession planning activities; provides a source of reliable workforce information; ensures common standards for agency payroll and HR systems; supports improved labor-management relations and security/suitability requirements; establishes competitive compensation and benefits systems; and provides agencies a with variety of hiring options for securing talent.

Human Capital Leadership and Merit Systems Accountability (HCLMSA).—Leads the Government-wide effort to transform human capital management so that agencies are held accountable for managing their workforce effectively, efficiently, and in accordance with merit system principles, to achieve mission results.

In 2009, as part of the President's Management Agenda, OPM will continue to work with Federal agencies as the owner of the Strategic Management of Human Capital initiative. OPM uses its leadership position to establish guidelines for human capital under the Standards for Success in the Human Capital Assessment and Accountability Framework. OPM provides guidance to agencies in the assessment of their human capital programs and assists agencies in preparing for personnel reforms. As part of this guidance, OPM develops specific milestones that contain tools, models, and training to hold agencies accountable for their human capital practices. OPM also works with agencies to ensure that their human resources are being managed in accordance with merit system principles to accomplish their missions. OPM assists agencies in building and strengthening their internal human capital accountability programs to include data collection and analysis, program evaluation, and merit systems compliance.

In 2009, HCLMSA will continue to provide technical assistance to agencies. For instance, OPM has statutory mandates to pre-approve agency actions in a wide range of human capital matters. HCLMSA, through agencies' Human Capital Officers, reviews and provides assistance on agencies' human capital initiatives, such as workforce planning, talent management and performance management strategies and solutions while continuing to strengthen accountability. HCLMSA also reviews and acts on agency requests for such authorities as: Voluntary Early Retirement Authority; Voluntary Separation Incentive Authority; dual compensation waivers; temporary and term appointment extensions; classification appeals; and pay and leave claims. Through these review processes, HCLMSA staff work closely with agency human resources staff to ensure that each agency implements human capital solutions that are best tailored to the demands of its mission.

The 2009 budget request reflects HCLMSA's plans to explore the possibility of a fee-for-service platform for the following functions currently performed through the Salaries and Expenses appropriation: the recruitment and selection of Administrative Law Judges, SES Qualification Review Boards, and Delegated Examining Unit certification training.

Human Resources Products and Services (HRPS).—Provides cost-effective products and services to help maintain the Government's position as a competitive employer by assisting

agencies, employees, and annuitants with staffing, selection, development, and retirement and insurance programs. In addition, HRPS is responsible for supporting the Department of Justice in ensuring voting rights for American citizens.

The 2009 Budget includes funding to maintain timely processing of retirement claims, administer insurance programs, and improve the speed and accuracy of Federal retiree benefit payments by implementing the Retirement Systems Modernization (RSM) project. RSM is OPM's business transformation and information technology initiative for meeting its long-term customer service, business, and financial management strategic goals for the retirement benefits programs. RSM will increase the efficiency and effectiveness of OPM employees who process retirement claims. The project applies a proven technology toward an automated solution that is driven by complete, accurate employment data. Active Federal employees and retirees will, for the first time, be able to view their individual information online, which will allow for improved personal financial planning. RSM will also further improve the customer experience of both by putting tools and data in the hands of highly trained front line customer service specialists. In 2007, RSM completed imaging of all 2.5 million active employee retirement folders, converted approximately half of all active employees' data to electronic format, and commenced intensive testing of the solution. In early 2008, the integrated solution will go live with the first wave of active employees, enabling migrated employees to access their accounts and use a variety of tools to manage their retirement benefits. Also in fiscal year 2008, OPM will complete transition of current retiree data to the new technology and begin using the integrated system to pay benefits, manage customer contacts, and process and manage benefit claims. The migration of most active employee records will be completed during fiscal year 2009.

The Federal Employees Health Benefits Program (FEHBP) offers comprehensive and competitive benefits choices for Federal employees, annuitants, and family members, and helps the Federal government recruit and retain a high-quality workforce. Through FEHBP OPM will continue to provide customers with a variety of resources to make more informed health insurance decisions, including health plan brochures and website postings, health plan customer satisfaction survey results, web-based comparison/decision tools, and performance results for managed care health plans. OPM will work aggressively with health insurance plans to hold down premium costs while at the same time negotiating expanded coverage. The 2008 health insurance premiums increased by an average of only 2 percent for the second consecutive year. The Federal Employees Dental and Vision Insurance Program (FEDVIP) will begin its second season in 2008 after a highly successful first year of operation, which saw an unprecedented 750,000 employees and retirees sign up for either dental or vision coverage, or both programs. In one year, FEDVIP became the largest employer-sponsored dental-vision program in the nation. OPM will also continue to manage the Federal Employees' Group Life Insurance Program; the Federal Long Term Care Insurance Program, which is the largest employer-sponsored long term care insurance program in the world with over 210,000 enrollees; and the Flexible Spending Account Program, which allows employees to pay for health and dependent care expenses on a pre-tax basis.

Due to the highly variable cost of the program, the 2009 budget proposes that the Department of Justice reimburse OPM for the expense of deploying voting rights observers to election sites.

E-Gov Projects.—OPM manages the Human Resources Line of Business (HR LOB) initiative, which is transforming and modernizing HR business processes and systems Government-wide. In addition to the previously selected five Federal Shared Service Centers, the HR LOB is selecting additional

private Shared Service Centers to provide technology solutions to support Federal agencies Government-wide with HR management and administrative transactions. The HR LOB is also responsible for agency migration to these service centers. In addition, the Enterprise Human Resources Integration project is an E-Government initiative to transform human resources processes from paper-based to electronic. OPM operates and maintains a comprehensive data warehouse of HR information across the Executive branch. Cost efficiencies are realized through these streamlined HR processes.

Management Services.—Include: OPM human resources; equal employment opportunity; security; facilities; telecommunications; publishing; acquisitions; information technology management; risk management; strategic planning; and financial management to support all of OPM's goals.

Executive Services.—Includes: executive direction; legal advice and representation; public affairs; and legislative activities concerning OPM as well as assistance for the President's Commission on White House Fellows.

Object Classification (in millions of dollars)

Identification code 24-0100-0-1-805	2007 actual	2008 est.	2009 est.
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent	62	50	44
11.3 Other than full-time permanent	1	1	1
11.5 Other personnel compensation	4	4	3
11.9 Total personnel compensation	67	55	48
12.1 Civilian personnel benefits	11	13	10
21.0 Travel and transportation of persons	2	2	3
23.1 Rental payments to GSA	8	8	8
23.3 Communications, utilities, and miscellaneous charges	7	7	6
24.0 Printing and reproduction	1		
25.2 Other services	58	17	18
26.0 Supplies and materials	1		
31.0 Equipment	3		
99.0 Direct obligations	158	102	93
99.0 Reimbursable obligations	178	124	118
99.9 Total new obligations	336	226	211

Employment Summary

Identification code 24-0100-0-1-805	2007 actual	2008 est.	2009 est.
Direct:			
1001 Civilian full-time equivalent employment	852	789	791
Reimbursable:			
2001 Civilian full-time equivalent employment	990	950	909

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, **[\$1,519,000] \$1,538,000**, and in addition, not to exceed **[\$17,081,000] \$16,462,000** 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, 2008.*)

Program and Financing (in millions of dollars)

Identification code 24-0400-0-1-805	2007 actual	2008 est.	2009 est.
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Obligations by program activity:

00.01 Direct program activity — Program oversight (audits, investigations, etc.)	2	2	2
09.00 Reimbursable program	16	17	16
10.00 Total new obligations	18	19	18
Budgetary resources available for obligation:			
22.00 New budget authority (gross)	19	19	18
23.95 Total new obligations	-18	-19	-18
23.98 Unobligated balance expiring or withdrawn	-1		
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	2	2	2
Spending authority from offsetting collections:			
58.00 Offsetting collections (cash)	15	17	16
58.10 Change in uncollected customer payments from Federal sources (unexpired)	2		
58.90 Spending authority from offsetting collections (total discretionary)	17	17	16
70.00 Total new budget authority (gross)	19	19	18
Change in obligated balances:			
72.40 Obligated balance, start of year	-1	-2	-2
73.10 Total new obligations	18	19	18
73.20 Total outlays (gross)	-19	-19	-18
74.00 Change in uncollected customer payments from Federal sources (unexpired)	-2		
74.10 Change in uncollected customer payments from Federal sources (expired)	2		
74.40 Obligated balance, end of year	-2	-2	-2
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority	18	19	18
86.93 Outlays from discretionary balances	1		
87.00 Total outlays (gross)	19	19	18
Offsets:			
Against gross budget authority and outlays:			
88.00 Offsetting collections (cash) from: Federal sources	-16	-17	-16
Against gross budget authority only:			
88.95 Change in uncollected customer payments from Federal sources (unexpired)	-2		
88.96 Portion of offsetting collections (cash) credited to expired accounts	1		
Net budget authority and outlays:			
89.00 Budget authority	2	2	2
90.00 Outlays	3	2	2

This appropriation provides agency-wide audit, investigation, evaluation, inspection, and administrative sanction and debarment functions to identify program management, contractual, and administrative deficiencies that may create conditions for fraud, waste, abuse, and mismanagement. During 2007, Office of Inspector General (OIG) activities resulted in positive financial impacts of over \$186 million, and led to 46 arrests, 66 indictments, 50 criminal convictions, and 806 suspensions or debarments within the Federal Employees Health Benefits Program (FEHBP).

The audits function provides internal agency audit, health and life insurance audit, contract audit, and information systems audit services. Internal agency audits review all facets of agency operations, and include 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. Contract audits provide professional advice to agency contracting officials on accounting and financial matters regarding the negotiation, award, administration, repricing, and settlement of contracts. Information systems audits review both general controls and application controls for agencies' systems and programs as well as for the information systems of carriers within FEHBP.

The investigative and evaluative function detects and investigates improper and illegal activities involving agency pro-

OFFICE OF INSPECTOR GENERAL—Continued
(INCLUDING TRANSFER OF TRUST FUNDS)—Continued

grams, personnel, and operations. A large component of the investigative program involves activities within the health benefits, retirement, and life insurance programs. Health care providers whose conduct may pose a threat to the financial integrity of benefit programs or to the well-being of insurance program enrollees are debarred by administrative sanctions from participation in the health insurance program.

In 2009, OIG will continue to develop its prescription drug audit program, which includes audits of pharmacy benefit managers. The Federal Government and Federal employees together pay an estimated \$6 to \$7 billion annually for prescription drug premiums, which represents approximately 26 percent of the total premiums for health benefit coverage for Federal employees and annuitants. Through these audits, OIG helps FEHBP to recover inappropriate charges, negotiate more favorable contracts, control future cost growth, and improve benefits provided to program enrollees. OIG will also continue its FEHBP data warehouse initiative in 2009. This project streamlines and enhances the various administrative and analytical procedures involved in the oversight of FEHBP. The purpose of the project is to capture data from experience-rated insurance carriers in a data warehouse of health care information. 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 FEHBP by enhancing the ability of auditors and investigators to identify improper payments.

Object Classification (in millions of dollars)

Identification code 24-0400-0-1-805	2007 actual	2008 est.	2009 est.
Direct obligations:			
11.1 Personnel compensation: Full-time permanent	1	1	1
12.1 Civilian personnel benefits	1	1	1
99.0 Direct obligations	2	2	2
99.0 Reimbursable obligations	16	17	16
99.9 Total new obligations	18	19	18

Employment Summary

Identification code 24-0400-0-1-805	2007 actual	2008 est.	2009 est.
Direct:			
1001 Civilian full-time equivalent employment	14	14	14
Reimbursable:			
2001 Civilian full-time equivalent employment	110	109	109

GOVERNMENT PAYMENT FOR ANNUITANTS, EMPLOYEES HEALTH BENEFITS

For payment of Government contributions with respect to retired employees, as authorized by chapter 89 of title 5, United States Code, and the Retired Federal Employees Health Benefits Act (74 Stat. 849), as amended, such sums as may be necessary. (*Financial Services and General Government Appropriations Act, 2008.*)

Program and Financing (in millions of dollars)

Identification code 24-0206-0-1-551	2007 actual	2008 est.	2009 est.
Obligations by program activity:			
00.01 Government contribution for annuitants benefits (1959 Act)	8,580	8,826	9,594
00.02 Government contribution for annuitants benefits (1960 Act)	1	1	1
10.00 Total new obligations (object class 13.0)	8,581	8,827	9,595
Budgetary resources available for obligation:			
22.00 New budget authority (gross)	8,581	8,826	9,595

23.95	Total new obligations	-8,581	-8,827	-9,595
New budget authority (gross), detail:				
Mandatory:				
60.00	Appropriation	8,581	8,826	9,595
Change in obligated balances:				
72.40	Obligated balance, start of year	847	870	871
73.10	Total new obligations	8,581	8,827	9,595
73.20	Total outlays (gross)	-8,558	-8,826	-9,535
74.40	Obligated balance, end of year	870	871	931
Outlays (gross), detail:				
86.97	Outlays from new mandatory authority	7,711	8,021	8,685
86.98	Outlays from mandatory balances	847	805	850
87.00	Total outlays (gross)	8,558	8,826	9,535
Net budget authority and outlays:				
89.00	Budget authority	8,581	8,826	9,595
90.00	Outlays	8,558	8,826	9,535

Summary of Budget Authority and Outlays

(in millions of dollars)

	2007 actual	2008 est.	2009 est.
Enacted/requested:			
Budget Authority	8,581	8,826	9,595
Outlays	8,558	8,826	9,535
Legislative proposal, not subject to PAYGO:			
Budget Authority			43
Outlays			38
Total:			
Budget Authority	8,581	8,826	9,638
Outlays	8,558	8,826	9,573

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.

	2007 actual	2008 est.	2009 est.
Annuitants:			
FEHB	1,860,319	1,887,000	1,940,500
(USPS non-add)	450,783	452,000	455,000
REHB	1,072	875	721
Total, annuitants	1,861,391	1,887,875	1,941,221

GOVERNMENT PAYMENT FOR ANNUITANTS, EMPLOYEES HEALTH BENEFITS

(Legislative proposal, not subject to PAYGO)

Program and Financing (in millions of dollars)

Identification code 24-0206-2-1-551	2007 actual	2008 est.	2009 est.
Obligations by program activity:			
00.01 Government contribution for annuitants benefits (1959 Act)			43
10.00 Total new obligations (object class 13.0)			43
Budgetary resources available for obligation:			
22.00 New budget authority (gross)			43
23.95 Total new obligations			-43
New budget authority (gross), detail:			
Mandatory:			
60.00	Appropriation		43

Change in obligated balances:			
73.10	Total new obligations	43	
73.20	Total outlays (gross)	—38	
74.40	Obligated balance, end of year	5	
Outlays (gross), detail:			
86.97	Outlays from new mandatory authority	38	
Net budget authority and outlays:			
89.00	Budget authority	43	
90.00	Outlays	38	

GOVERNMENT PAYMENT FOR ANNUITANTS, EMPLOYEE LIFE INSURANCE

For payment of Government contributions with respect to employees retiring after December 31, 1989, as required by chapter 87 of title 5, United States Code, such sums as may be necessary. (*Financial Services and General Government Appropriations Act, 2008.*)

Program and Financing (in millions of dollars)

Identification code 24-0500-0-1-602	2007 actual	2008 est.	2009 est.	
Obligations by program activity:				
00.01	Direct program activity	43	45	46
10.00	Total new obligations (object class 25.2)	43	45	46
Budgetary resources available for obligation:				
22.00	New budget authority (gross)	43	45	46
23.95	Total new obligations	—43	—45	—46
New budget authority (gross), detail:				
Mandatory:				
60.00	Appropriation	43	45	46
Change in obligated balances:				
72.40	Obligated balance, start of year	5	6	6
73.10	Total new obligations	43	45	46
73.20	Total outlays (gross)	—42	—45	—46
74.40	Obligated balance, end of year	6	6	6
Outlays (gross), detail:				
86.97	Outlays from new mandatory authority	37	41	42
86.98	Outlays from mandatory balances	5	4	4
87.00	Total outlays (gross)	42	45	46
Net budget authority and outlays:				
89.00	Budget authority	43	45	46
90.00	Outlays	42	45	46

This appropriation finances the Government's share of premiums, which is one-third the cost, for Basic life insurance for annuitants retiring after December 31, 1989, and who are less than 65 years old.

PAYMENT TO CIVIL SERVICE RETIREMENT AND DISABILITY FUND

For financing the unfunded liability of new and increased annuity benefits becoming effective on or after October 20, 1969, as authorized by 5 U.S.C. 8348, and annuities under special Acts to be credited to the Civil Service Retirement and Disability Fund, such sums as may be necessary: *Provided*, That annuities authorized by the Act of May 29, 1944, and the Act of August 19, 1950, *as amended* (33 U.S.C. 771-775), may hereafter be paid out of the Civil Service Retirement and Disability Fund. (*Financial Services and General Government Appropriations Act, 2008.*)

Program and Financing (in millions of dollars)

Identification code 24-0200-0-1-805	2007 actual	2008 est.	2009 est.	
Obligations by program activity:				
00.02	Payment of Government share of retirement costs	10,455	10,000	10,100

00.03	Transfers for interest on unfunded liability and payment of military service annuities	20,466	20,113	20,813
00.05	Spouse equity payment	75	72	72
10.00	Total new obligations	30,996	30,185	30,985

Budgetary resources available for obligation:

22.00	New budget authority (gross)	30,996	30,185	30,985
23.95	Total new obligations	—30,996	—30,185	—30,985

New budget authority (gross), detail:

Mandatory:				
60.00	Appropriation	20,466	20,113	20,813
60.00	Appropriation	10,530	10,072	10,172
62.50	Appropriation (total mandatory)	30,996	30,185	30,985

Change in obligated balances:

73.10	Total new obligations	30,996	30,185	30,985
73.20	Total outlays (gross)	—30,996	—30,185	—30,985

Outlays (gross), detail:

86.97	Outlays from new mandatory authority	30,996	30,185	30,985
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Net budget authority and outlays:

89.00	Budget authority	30,996	30,185	30,985
90.00	Outlays	30,996	30,185	30,985

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

Transfers for interest on static unfunded liability and payment of military service annuities cover interest on the static unfunded liability and annuity disbursements attributable to military service.

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

Object Classification (in millions of dollars)

Identification code 24-0200-0-1-805	2007 actual	2008 est.	2009 est.	
Direct obligations:				
12.1	Civilian personnel benefits	10,530	10,000	10,100
13.0	Benefits for former personnel	20,466	20,185	20,885
99.9	Total new obligations	30,996	30,185	30,985

FLEXIBLE BENEFITS PLAN RESERVE

Program and Financing (in millions of dollars)

Identification code 24-0800-0-1-805	2007 actual	2008 est.	2009 est.
Obligations by program activity:			
09.01	FSA FEDS Risk Reserve	17	14
10.00	Total new obligations (object class 25.6)	17	14
Budgetary resources available for obligation:			
21.40	Unobligated balance carried forward, start of year		14
22.00	New budget authority (gross)	31	15
23.90	Total budgetary resources available for obligation	31	29
23.95	Total new obligations	—17	—14
24.40	Unobligated balance carried forward, end of year	14	15
New budget authority (gross), detail:			
Mandatory:			
69.00	Spending authority from offsetting collections: Offsetting collections (cash)	31	15
Change in obligated balances:			
73.10	Total new obligations	17	14
73.20	Total outlays (gross)	—17	—14

FLEXIBLE BENEFITS PLAN RESERVE—Continued

Program and Financing (in millions of dollars)—Continued

Identification code 24-0800-0-1-805	2007 actual	2008 est.	2009 est.
74.40 Obligated balance, end of year			
Outlays (gross), detail:			
86.97 Outlays from new mandatory authority		17	14
Offsets:			
Against gross budget authority and outlays:			
Offsetting collections (cash) from:			
88.00 Federal sources		-30	-14
88.20 Interest on Federal securities		-1	-1
88.90 Total, offsetting collections (cash)		-31	-15
Net budget authority and outlays:			
89.00 Budget authority			
90.00 Outlays		-14	-1

This new 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, net forfeitures, and interest earnings, 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, and for program enhancements.

POSTAL SERVICE RETIREE HEALTH BENEFITS FUND

Special and Trust Fund Receipts (in millions of dollars)

Identification code 24-5391-0-2-551	2007 actual	2008 est.	2009 est.
01.00 Balance, start of year		25,491	32,278
01.99 Balance, start of year		25,491	32,278
Receipts:			
02.00 Surplus Contributions from Civil Service Retirement and Disability Fund, Postal Service Retiree Health Benefits Fund	17,100		
02.40 Earnings on Investments, Postal Service Retiree Health Benefits Fund	33	1,187	1,546
02.41 Postal Service Contributions for Benefits Paid to Retirees, Postal Service Retiree Health Benefits Fund	5,400	5,600	5,400
02.42 Postal Service Contributions from Escrow Account, Postal Service Retiree Health Benefits Fund	2,958		
02.99 Total receipts and collections	25,491	6,787	6,946
04.00 Total: Balances and collections	25,491	32,278	39,224
Appropriations:			
05.00 Postal Service Retiree Health Benefits Fund	-25,491	-6,787	-6,946
05.01 Postal Service Retiree Health Benefits Fund	25,491	6,787	6,946
05.99 Total appropriations			
07.99 Balance, end of year	25,491	32,278	39,224

Program and Financing (in millions of dollars)

Identification code 24-5391-0-2-551	2007 actual	2008 est.	2009 est.
New budget authority (gross), detail:			
Mandatory:			
60.20 Appropriation (special fund)	25,491	6,787	6,946
60.45 Portion precluded from obligation	-25,491	-6,787	-6,946
62.50 Appropriation (total mandatory)			
Net budget authority and outlays:			
89.00 Budget authority			
90.00 Outlays			

Memorandum (non-add) entries:

92.01 Total investments, start of year: Federal securities:			
Par value		25,491	32,278
92.02 Total investments, end of year: Federal securities:			
Par value	25,491	32,278	39,224

The Postal Accountability and Enhancement Act (P.L.109-435) created the Postal Service Retiree Health Benefits Fund to put the Postal Service on a path that fully funds its substantial retiree (annuitant) health benefits liabilities.

This new 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 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. The new account also receives the 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 United States Postal Service that are attributable to civilian employment with the Postal Service.

As a result of this new health benefits financing system, the Postal Service would cease to pay annual premium costs for its post-1971 current annuitants directly to the Employees and Retired Employees Health Benefits Fund in 2017. Instead, these premium payments would be paid from amounts that the Postal Service remits to this new 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.

REVOLVING FUND

Program and Financing (in millions of dollars)

Identification code 24-4571-0-4-805	2007 actual	2008 est.	2009 est.
Obligations by program activity:			
09.01 Talent services	236	211	217
09.02 Investigation services	570	706	716
09.03 Leadership capacity services	84	84	87
09.04 Enterprise human resources integration	44	39	40
10.00 Total new obligations	934	1,040	1,060
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	407	633	623
22.00 New budget authority (gross)	1,143	1,030	1,061
22.10 Resources available from recoveries of prior year obligations	17		
23.90 Total budgetary resources available for obligation	1,567	1,663	1,684
23.95 Total new obligations	-934	-1,040	-1,060
24.40 Unobligated balance carried forward, end of year	633	623	624
New budget authority (gross), detail:			
Discretionary:			
Spending authority from offsetting collections:			
58.00 Offsetting collections (cash)	1,216	1,030	1,061
58.10 Change in uncollected customer payments from Federal sources (unexpired)	-73		
58.90 Spending authority from offsetting collections (total discretionary)	1,143	1,030	1,061
Change in obligated balances:			
72.40 Obligated balance, start of year	-112	-139	-129
73.10 Total new obligations	934	1,040	1,060
73.20 Total outlays (gross)	-1,017	-1,030	-1,061
73.45 Recoveries of prior year obligations	-17		
74.00 Change in uncollected customer payments from Federal sources (unexpired)	73		

74.40	Obligated balance, end of year	-139	-129	-130
Outlays (gross), detail:				
86.90	Outlays from new discretionary authority	1,017	1,030	1,061
Offsets:				
Against gross budget authority and outlays:				
88.00	Offsetting collections (cash) from: Federal sources	-1,216	-1,030	-1,061
Against gross budget authority only:				
88.95	Change in uncollected customer payments from			
	Federal sources (unexpired)	73		
Net budget authority and outlays:				
89.00	Budget authority			
90.00	Outlays	-199		

OPM's Revolving Fund supports the President's Management Agenda by fully or partially funding three E-Government projects: E-Clearance, the Human Resources Line of Business, and Enterprise Human Resources Integration. On a fee-for-service basis, the Enterprise Human Resources Integration project provides Federal agencies with an electronic official personnel folder (eOPF) system, as well as workforce analysis and other analytical tools. These tools streamline and automate the electronic exchange of standardized HR data and provide comprehensive workforce analysis, forecasting, and reporting capabilities across the Executive Branch for the strategic management of human capital. The Revolving Fund also provides financing on a reimbursable basis for several other products and services to Federal agencies.

The Center for Talent Services (CTS) delivers integrated, expert solutions to support Federal agencies' human resources needs. Talent Services provides relevant, cost-effective products and services on a fee-for-service basis that span the employment life cycle from recruitment and selection through training and development. Examples of CTS's products and services include tailored recruitment and branding, nationwide testing services (including screening for the U.S. Armed Forces), employee competency assessments, workforce and succession planning, surveys of organizational culture and climate, strategies for change, and USASTaffing, an automated recruitment and assessment tool.

The Federal Investigative Services Division (FISD) provides background investigative services to agencies on a fee basis. FISD conducts more than 90 percent of the Federal Government's background investigations concerning Federal employees, contractors, and military members for various Federal agencies. Investigations are a critical step in the Federal hiring processes, and can affect hiring or removal decisions based on the individual's fitness and suitability for employment. Based on information gathered in background investigations, Federal agencies also issue security clearances and place individuals in sensitive positions involving national security or the public trust.

OPM has focused on developing policies and strategies to meet OPM strategic goals and goals set forth by the Intelligence Reform and Terrorism Prevention Act (IRTPA) of 2004. FISD has primarily focused on reducing the backlog of pending investigations while also improving the timeliness of completed investigations. FISD initiated aggressive hiring and training to bolster the field investigator workforce as well as administrative support for reviewing and closing out investigations. An International Group was established to coordinate and conduct overseas investigations for Department of Defense personnel. To further support overseas tasks, OPM established a memorandum of understanding with the Department of State to assist in conducting overseas investigations on military installations. OPM is also negotiating with the Department of the Army to provide counterintelligence agents to conduct investigative tasks related to Department

of Defense personnel deployed or scheduled for deployment overseas.

OPM has also initiated a major review and update of the core technology components of the Investigations program. A modernization analysis has started on the Personnel Investigations Processing System (PIPS), the case management system used to process all background investigations. OPM continues to pilot an imaging system which will allow for the electronic delivery and storage of case papers. Agencies are also increasingly deploying the e-QIP system, which provides them with the ability to remotely enter and transmit case papers when requesting a background investigation. Ultimately, these types of technology initiatives will improve OPM's and agencies' responsiveness to Federal and contractor staffing needs.

OPM continues to work with the Office of Management and Budget and other stakeholders to meet various IRTPA requirements concerning the investigative and security clearance programs. Some of the IRTPA requirements include: 1) ensuring reciprocity of security clearances and access determinations; 2) creating a database on security clearances; and 3) evaluating the use of available technology in clearance investigations and adjudication. OPM is also working with stakeholders to develop a more simplified system for investigative and adjudicative functions. The primary goals are to develop a tiered investigative model that would allow for the use of prior investigative data should the need arise for a higher level investigation. The entire investigative process will be reviewed and models will be developed detailing new methods to conduct investigations for security clearance cases.

The Center for Leadership Capacity Services (CLCS) conducts residential and nonresidential programs for Federal executives and managers to improve the effectiveness and efficiency of Federal programs. CLCS operates three leadership development centers that serve government managers and executives from GS-11 to Senior Executive Service. CLCS courses are designed to fit the long term career development path of emerging federal leaders. Many of the open enrollment courses are accredited and can be applied to college level degree programs. In addition, CLCS offers custom-designed leadership programs for individual agencies and for communities of professional interest. Moreover, CLCS develops and delivers leadership candidate development and succession planning programs, including the Presidential Management Fellows program, and consulting services for leading organizational change initiatives.

Regulations contained in 5 CFR Parts 330, 333, and 335 that implement section 4 of Public Law 104-52 authorize OPM to charge fees to agencies to pay the cost of providing Federal employment information and services through USAJOBS. The USAJOBS system serves as the one-stop solution for bringing government recruiters and job seekers together, giving recruiters the ability to create and advertise government jobs, search through job seeker resumes, and manage the hiring process through a Web interface. The USAJOBS system gives job seekers the ability to create and advertise their resumes, search for government jobs, and apply for a job directly through the Web interface.

GoLearn provides web-based learning, competency, performance and content management systems along with collaboration tools and content libraries on a fee-for-service basis that supports many agencies' learning and development functions. In addition, the GoLearn Program operates the only Government-wide Learning Management System (GoLearn.gov) available to any federal employee and a content repository tool that allows agencies to cost-effectively create and manage pools of reusable content objects for training and communication.

REVOLVING FUND—Continued

WORKLOAD COUNT

	2007 actual	2008 est.	2009 est.
Training participants	14,096	13,214	13,260
Background security investigations processed	231,485	225,000	225,000
National and special agency check and inquiry cases closed ..	1,256,501	1,250,000	1,250,000
Special agreement checks closed	539,673	540,000	540,000

Object Classification (in millions of dollars)

Identification code 24-4571-0-4-805	2007 actual	2008 est.	2009 est.
Reimbursable obligations:			
Personnel compensation:			
11.1 Full-time permanent	167	154	159
11.5 Other personnel compensation	30	27	28
11.9 Total personnel compensation	197	181	187
12.1 Civilian personnel benefits	49	69	72
13.0 Benefits for former personnel	1		
21.0 Travel and transportation of persons	24	20	21
22.0 Transportation of things	1	1	1
23.1 Rental payments to GSA	14	13	13
23.3 Communications, utilities, and miscellaneous charges	16	16	16
24.0 Printing and reproduction	2	2	2
25.2 Other services	611	719	729
26.0 Supplies and materials	5	5	5
31.0 Equipment	14	14	14
99.9 Total new obligations	934	1,040	1,060

Employment Summary

Identification code 24-4571-0-4-805	2007 actual	2008 est.	2009 est.
Reimbursable:			
2001 Civilian full-time equivalent employment	2,660	3,127	3,125

Trust Funds

CIVIL SERVICE RETIREMENT AND DISABILITY FUND

Special and Trust Fund Receipts (in millions of dollars)

Identification code 24-8135-0-7-602	2007 actual	2008 est.	2009 est.
01.00 Balance, start of year	684,824	696,249	727,802
01.99 Balance, start of year	684,824	696,249	727,802
Receipts:			
02.00 Agency Contributions, Civil Service Retirement and Disability Fund	14,480	14,664	15,955
02.01 Agency Contributions, Civil Service Retirement and Disability Fund—legislative proposal not subject to PAYGO			2
02.02 Postal Service Agency Contributions, Civil Service Retirement and Disability Fund	2,883	3,600	3,865
02.03 FFB, TVA, and USPS Interest, Civil Service Retirement and Disability Fund	651	653	651
02.04 Treasury Interest, Civil Service Retirement and Disability Fund	36,606	42,139	43,902
02.05 General Fund Payment to the Civil Service Retirement and Disability Fund	30,996	30,185	30,985
02.06 Re-employed Annuitants Salary Offset, Civil Service Retirement and Disability Fund	38	40	41
02.60 Employee Contributions, Civil Service Retirement and Disability Fund	3,589	4,069	4,117
02.61 Employee Contributions, Civil Service Retirement and Disability Fund—legislative proposal subject to PAYGO			1
02.62 District of Columbia Contributions, Civil Service Retirement and Disability Fund	51	25	26
02.63 Employee Deposits, Redeposits and Other Contributions, Civil Service Retirement and Disability Fund	565	570	576
02.99 Total receipts and collections	89,859	95,945	100,121
04.00 Total: Balances and collections	774,683	792,194	827,923
Appropriations:			
05.00 Civil Service Retirement and Disability Fund	-151	-115	-110
05.01 Civil Service Retirement and Disability Fund	-89,708	-95,945	-100,115
05.02 Civil Service Retirement and Disability Fund	11,425	31,668	32,175
05.03 Civil Service Retirement and Disability Fund—legislative proposal not subject to PAYGO			-2

05.04 Civil Service Retirement and Disability Fund—legislative proposal not subject to PAYGO			2
05.05 Civil Service Retirement and Disability Fund—legislative proposal subject to PAYGO			-2
05.99 Total appropriations	-78,434	-64,392	-68,052
07.99 Balance, end of year	696,249	727,802	759,871

Program and Financing (in millions of dollars)

Identification code 24-8135-0-7-602	2007 actual	2008 est.	2009 est.
Obligations by program activity:			
00.01 Annuities	60,860	63,915	67,572
00.02 Refunds and death claims	323	307	313
00.03 Administration—operations	147	164	159
00.04 Transfer to MSPB	2	3	3
00.05 Administration—OIG	2	3	3
00.06 Transfer to PSRHBF	17,100		
10.00 Total new obligations	78,434	64,392	68,050

Budgetary resources available for obligation:

22.00 New budget authority (gross)	78,434	64,392	68,050
23.95 Total new obligations	-78,434	-64,392	-68,050

New budget authority (gross), detail:

Discretionary:			
40.26 Appropriation (trust fund)	151	115	110
Mandatory:			
60.26 Appropriation (trust fund)	89,708	95,945	100,115
60.45 Portion precluded from balances	-11,425	-31,668	-32,175
62.50 Appropriation (total mandatory)	78,283	64,277	67,940
70.00 Total new budget authority (gross)	78,434	64,392	68,050

Change in obligated balances:

72.40 Obligated balance, start of year	5,128	5,416	5,687
73.10 Total new obligations	78,434	64,392	68,050
73.20 Total outlays (gross)	-78,146	-64,121	-66,725
74.40 Obligated balance, end of year	5,416	5,687	7,012

Outlays (gross), detail:

86.90 Outlays from new discretionary authority	151	115	110
86.97 Outlays from new mandatory authority	72,867	58,995	61,113
86.98 Outlays from mandatory balances	5,128	5,011	5,502
87.00 Total outlays (gross)	78,146	64,121	66,725

Net budget authority and outlays:

89.00 Budget authority	78,434	64,392	68,050
90.00 Outlays	78,146	64,121	66,725

Memorandum (non-add) entries:

92.01 Total investments, start of year: Federal securities: Par value	689,936	701,665	733,489
92.02 Total investments, end of year: Federal securities: Par value	701,665	733,489	766,885

Summary of Budget Authority and Outlays

(in millions of dollars)

	2007 actual	2008 est.	2009 est.
Enacted/requested:			
Budget Authority	78,434	64,392	68,050
Outlays	78,146	64,121	66,725
Legislative proposal, subject to PAYGO:			
Budget Authority			2
Outlays			2
Total:			
Budget Authority	78,434	64,392	68,052
Outlays	78,146	64,121	66,727

The fund covers two Federal civilian retirement systems: the Civil Service Retirement System (CSRS) and the Federal Employees' Retirement System (FERS). CSRS is basically a defined benefit plan, covering Federal employees hired prior to 1984. CSRS participants do not participate in the Social Security system. FERS is a three-tiered pension program that

uses Social Security as a base, provides an additional basic benefit, and includes a thrift savings plan. FERS covers employees hired after 1983 and formerly CSRS-covered employees who elected to join FERS.

OPM will continue working with the Department of the Treasury to submit legislation to revise an existing exception to the Right to Financial Privacy Act to allow OPM to trace and recover retirement payments sent electronically to the wrong account. The Budget also includes a proposal that the United States Patent and Trademark Office (PTO) will fund the full cost for retirement benefits for PTO's employees covered under the Civil Service Retirement System.

	2007 actual	2008 est.	2009 est.
Active employees	2,668,000	2,668,000	2,668,000
Annuitants:			
Employees	1,846,964	1,870,507	1,894,273
Survivors	615,808	623,292	617,964
Total, annuitants	2,462,772	2,493,799	2,512,237

Status of Funds (in millions of dollars)

Identification code 24-8135-0-7-602	2007 actual	2008 est.	2009 est.
Unexpended balance, start of year:			
0100 Balance, start of year	689,954	701,667	733,491
0199 Total balance, start of year	689,954	701,667	733,491
Cash income during the year:			
Current law:			
Receipts:			
1200 Agency Contributions, Civil Service Retirement and Disability Fund	14,480	14,664	15,955
1202 Postal Service Agency Contributions, Civil Service Retirement and Disability Fund	2,883	3,600	3,865
1203 FFB, TVA, and USPS Interest, Civil Service Retirement and Disability Fund	651	653	651
1204 Treasury Interest, Civil Service Retirement and Disability Fund	36,606	42,139	43,902
1205 General Fund Payment to the Civil Service Retirement and Disability Fund	30,996	30,185	30,985
1206 Re-employed Annuitants Salary Offset, Civil Service Retirement and Disability Fund	38	40	41
Offsetting governmental receipts:			
1260 Employee Contributions, Civil Service Retirement and Disability Fund	3,589	4,069	4,117
1262 District of Columbia Contributions, Civil Service Retirement and Disability Fund	51	25	26
1263 Employee Deposits, Redeposits and Other Contributions, Civil Service Retirement and Disability Fund	565	570	576
1299 Income under present law	89,859	95,945	100,118
Proposed legislation:			
Receipts:			
2201 Agency Contributions, Civil Service Retirement and Disability Fund			2
Offsetting governmental receipts:			
2261 Employee Contributions, Civil Service Retirement and Disability Fund			1
2299 Income under proposed legislation			3
3299 Total cash income	89,859	95,945	100,121
Cash outgo during year:			
Current law:			
4500 Civil Service Retirement and Disability Fund	-78,146	-64,121	-66,725
4599 Outgo under current law (-)	-78,146	-64,121	-66,725
Proposed legislation:			
5500 Civil Service Retirement and Disability Fund			-2
5599 Outgo under proposed legislation (-)			-2
6599 Total cash outgo (-)	-78,146	-64,121	-66,727
Unexpended balance, end of year:			
8700 Uninvested balance (net), end of year	2	2	-2
8701 Civil Service Retirement and Disability Fund	701,665	733,489	766,885
8701 Civil Service Retirement and Disability Fund			2
8799 Total balance, end of year	701,667	733,491	766,885

Object Classification (in millions of dollars)

Identification code 24-8135-0-7-602	2007 actual	2008 est.	2009 est.
Direct obligations:			

25.2	Other services	151	170	165
42.0	Insurance claims and indemnities	77,961	63,915	67,572
44.0	Refunds and death claims	322	307	313
99.9	Total new obligations	78,434	64,392	68,050

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

Program and Financing (in millions of dollars)

Identification code 24-8135-2-7-602	2007 actual	2008 est.	2009 est.
New budget authority (gross), detail:			
Mandatory:			
60.26	Appropriation (trust fund)		2
60.45	Portion precluded from obligation		-2
62.50	Appropriation (total mandatory)		
Change in obligated balances:			
Net budget authority and outlays:			
89.00	Budget authority		
90.00	Outlays		
Memorandum (non-add) entries:			
92.02	Total investments, end of year: Federal securities:		
	Par value		2

CIVIL SERVICE RETIREMENT AND DISABILITY FUND
(Legislative proposal, subject to PAYGO)

Program and Financing (in millions of dollars)

Identification code 24-8135-4-7-602	2007 actual	2008 est.	2009 est.
Obligations by program activity:			
00.01	Annuities		2
10.00	Total new obligations (object class 25.2)		2
Budgetary resources available for obligation:			
22.00	New budget authority (gross)		2
23.95	Total new obligations		-2
24.40	Unobligated balance carried forward, end of year		
New budget authority (gross), detail:			
Mandatory:			
60.26	Appropriation (trust fund)		2
Change in obligated balances:			
73.10	Total new obligations		2
73.20	Total outlays (gross)		-2
74.40	Obligated balance, end of year		
Outlays (gross), detail:			
86.97	Outlays from new mandatory authority		2
Net budget authority and outlays:			
89.00	Budget authority		2
90.00	Outlays		2

EMPLOYEES LIFE INSURANCE FUND

Program and Financing (in millions of dollars)

Identification code 24-8424-0-8-602	2007 actual	2008 est.	2009 est.	
Obligations by program activity:				
09.01	Basic life insurance payments	1,384	1,420	1,492
09.02	Optional life insurance payments	1,063	1,076	1,122
09.03	Shenandoah life insurance payments	4	4	4
09.04	Administration—OPM & OIG	1	1	1
09.05	Administration—long term care	1	1	1
10.00	Total new obligations (object class 25.2)	2,453	2,502	2,620

EMPLOYEES LIFE INSURANCE FUND—Continued

Program and Financing (in millions of dollars)—Continued

Identification code 24-8424-0-8-602	2007 actual	2008 est.	2009 est.
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	30,449	32,064	33,935
22.00 New budget authority (gross)	4,068	4,373	4,676
23.90 Total budgetary resources available for obligation	34,517	36,437	38,611
23.95 Total new obligations	-2,453	-2,502	-2,620
24.40 Unobligated balance carried forward, end of year	32,064	33,935	35,991
New budget authority (gross), detail:			
Discretionary:			
58.00 Spending authority from offsetting collections: Offsetting collections (cash)	2	1	1
Mandatory:			
Spending authority from offsetting collections:			
69.00 Offsetting collections (cash)	4,033	4,434	4,651
69.10 Change in uncollected customer payments from Federal sources (unexpired)	33	-62	24
69.90 Spending authority from offsetting collections (total mandatory)	4,066	4,372	4,675
70.00 Total new budget authority (gross)	4,068	4,373	4,676
Change in obligated balances:			
72.40 Obligated balance, start of year	336	359	159
73.10 Total new obligations	2,453	2,502	2,620
73.20 Total outlays (gross)	-2,397	-2,764	-2,885
74.00 Change in uncollected customer payments from Federal sources (unexpired)	-33	62	-24
74.40 Obligated balance, end of year	359	159	-130
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority	1	1	1
86.97 Outlays from new mandatory authority	2,395	2,501	2,619
86.98 Outlays from mandatory balances	1	262	265
87.00 Total outlays (gross)	2,397	2,764	2,885
Offsets:			
Against gross budget authority and outlays:			
Offsetting collections (cash) from:			
88.00 Agency contributions	-447	-514	-520
88.00 Government contributions for annuitants	-43	-45	-46
88.20 Interest on Federal securities	-1,341	-1,468	-1,641
88.40 Basic life insurance withholdings	-832	-876	-894
88.40 Optional life insurance withholdings & LTC reimbursement	-1,372	-1,532	-1,551
88.90 Total, offsetting collections (cash)	-4,035	-4,435	-4,652
Against gross budget authority only:			
88.95 Change in uncollected customer payments from Federal sources (unexpired)	-33	62	-24
Net budget authority and outlays:			
89.00 Budget authority			
90.00 Outlays	-1,638	-1,671	-1,767
Memorandum (non-add) entries:			
92.01 Total investments, start of year: Federal securities: Par value	31,282	32,965	34,049
92.02 Total investments, end of year: Federal securities: Par value	32,965	34,049	35,339

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 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:

	2007 actual	2008 est.	2009 est.
Life insurance in force (in billions of dollars):			
On active employees	663.6	681.8	700.0

On retired employees	72.9	76.8	80.7
Total	736.5	758.6	780.7
Number of participants (in thousands):			
Active employees	2,427	2,453	2,478
Annuitants	1,560	1,607	1,656
Total	3,987	4,060	4,134

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:

	2007 actual	2008 est.	2009 est.
<i>Status of Reserves</i>			
Held in reserve (in millions of dollars):			
Contingency reserve	100	100	100
Beneficial association program reserve	2	2	2
U.S. Treasury reserve	32,965	34,049	35,339
Total reserves	33,067	34,151	35,441

EMPLOYEES AND RETIRED EMPLOYEES HEALTH BENEFITS FUNDS

Program and Financing (in millions of dollars)

Identification code 24-9981-0-8-551	2007 actual	2008 est.	2009 est.
Obligations by program activity:			
09.01 Benefit payments	33,679	35,105	37,413
09.02 Payments from OPM contingency reserve	212	250	250
09.03 Government payment for annuitants (1960 Act)	1	1	1
09.04 Administration—operations	14	13	13
09.05 Administration—OIG	13	13	13
09.06 Administration—dental and vision program	3	3	3
10.00 Total new obligations (object class 25.6)	33,922	35,385	37,693
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	12,530	13,296	13,832
22.00 New budget authority (gross)	34,688	35,921	38,239
23.90 Total budgetary resources available for obligation	47,218	49,217	52,071
23.95 Total new obligations	-33,922	-35,385	-37,693
24.40 Unobligated balance carried forward, end of year	13,296	13,832	14,378
New budget authority (gross), detail:			
Discretionary:			
58.00 Spending authority from offsetting collections: Offsetting collections (cash)	27	26	26
Mandatory:			
Spending authority from offsetting collections:			
69.00 Offsetting collections (cash)	34,600	35,841	38,115
69.10 Change in uncollected customer payments from Federal sources (unexpired)	61	54	98
69.90 Spending authority from offsetting collections (total mandatory)	34,661	35,895	38,213
70.00 Total new budget authority (gross)	34,688	35,921	38,239
Change in obligated balances:			
72.40 Obligated balance, start of year	2,244	2,509	2,467
73.10 Total new obligations	33,922	35,385	37,693
73.20 Total outlays (gross)	-33,596	-35,373	-37,653
74.00 Change in uncollected customer payments from Federal sources (unexpired)	-61	-54	-98
74.40 Obligated balance, end of year	2,509	2,467	2,409
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority	27	26	26
86.97 Outlays from new mandatory authority	32,073	33,851	36,077
86.98 Outlays from mandatory balances	1,496	1,496	1,550
87.00 Total outlays (gross)	33,596	35,373	37,653
Offsets:			
Against gross budget authority and outlays:			
Offsetting collections (cash) from:			

88.00	Agency contributions	-9,365	-9,801	-10,254
88.00	Postal Service for Active Employees	-4,826	-4,880	-5,095
88.00	Postal Service for Annuitants	-1,735	-1,826	-2,019
88.00	Government contributions for annuitants	-8,558	-8,826	-9,535
88.20	Interest on Federal securities	-695	-633	-621
88.40	D.C. Government contributions & Dental/Vision reimbursement	-73	-64	-62
88.40	Employee salary withholdings	-4,942	-5,234	-5,525
88.40	Annuity withholdings	-4,433	-4,603	-5,030
88.90	Total, offsetting collections (cash)	-34,627	-35,867	-38,141
Against gross budget authority only:				
88.95	Change in uncollected customer payments from Federal sources (unexpired)	-61	-54	-98
Net budget authority and outlays:				
89.00	Budget authority			
90.00	Outlays	-1,031	-494	-488
Memorandum (non-add) entries:				
92.01	Total investments, start of year: Federal securities: Par value	14,825	15,892	16,382
92.02	Total investments, end of year: Federal securities: Par value	15,892	16,382	16,788

Summary of Budget Authority and Outlays

(in millions of dollars)

	2007 actual	2008 est.	2009 est.
Enacted/requested:			
Budget Authority			
Outlays	-1,031	-494	-488
Legislative proposal, not subject to PAYGO:			
Budget Authority			
Outlays			43
Legislative proposal, subject to PAYGO:			
Budget Authority			
Outlays			-40
Total:			
Budget Authority			
Outlays	-1,031	-494	-485

This display combines the 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) the related expenses of OPM in administering the program.

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:

	2007 actual	2008 est.	2009 est.
Active employees	2,152,000	2,147,000	2,145,500
Annuitants	1,860,319	1,887,000	1,940,500
Total	4,012,319	4,034,000	4,086,000

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:

	2007 actual	2008 est.	2009 est.
Uniform plan	299	245	201
Private plans	773	634	520

Total	1,072	879	721
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Financing.—The funds are financed by: 1) withholdings from active employees and annuitants; 2) agency contributions for active employees; 3) Government contributions for annuitants appropriated to OPM; and 4) contributions made by the United States Postal Service in accordance with the provisions of Public Law 101-508 and Public Law 103-66.

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

The budget proposes that the Patent and Trademark Office continue to fund the accruing costs associated with post-retirement health benefits for its employees. The budget also reflects changes from a proposed technical change to the FEHB statute that will permit the program's Service Benefit Plan and Indemnity Benefit Plan to offer more than two coverage options.

Status of Funds (in millions of dollars)

Identification code 24-9981-0-8-551	2007 actual	2008 est.	2009 est.
Unexpended balance, start of year:			
0100 Balance, start of year	14,776	15,807	16,301
0199 Total balance, start of year	14,776	15,807	16,301
Cash income during the year:			
Current law:			
Offsetting collections:			
1280 Employees and Retired Employees Health Benefits Funds	4,433	4,603	5,030
1281 Employees and Retired Employees Health Benefits Funds	4,942	5,234	5,525
1282 Employees and Retired Employees Health Benefits Funds	73	64	62
1283 Employees and Retired Employees Health Benefits Funds	9,365	9,801	10,254
1284 Employees and Retired Employees Health Benefits Funds	4,826	4,880	5,095
1285 Employees and Retired Employees Health Benefits Funds	1,735	1,826	2,019
1286 Employees and Retired Employees Health Benefits Funds	8,558	8,826	9,535
1287 Employees and Retired Employees Health Benefits Funds	695	633	621
1299 Income under present law	34,627	35,867	38,141
Proposed legislation:			
Offsetting collections:			
2280 Employees and Retired Employees Health Benefits Funds			-15
2281 Employees and Retired Employees Health Benefits Funds			-7
2282 Employees and Retired Employees Health Benefits Funds			-6
2283 Employees and Retired Employees Health Benefits Funds			-15
2284 Employees and Retired Employees Health Benefits Funds			-19
2285 Employees and Retired Employees Health Benefits Funds			-20
2299 Income under proposed legislation			-82
3299 Total cash income	34,627	35,867	38,059
Cash outgo during year:			
Current law:			
4500 Employees and Retired Employees Health Benefits Funds	-33,596	-35,373	-37,653
4599 Outgo under current law (-)	-33,596	-35,373	-37,653
Proposed legislation:			
5500 Employees and Retired Employees Health Benefits Funds			79
5599 Outgo under proposed legislation (-)			79
6599 Total cash outgo (-)	-33,596	-35,373	-37,574

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

Status of Funds (in millions of dollars)—Continued

Identification code 24-9981-0-8-551	2007 actual	2008 est.	2009 est.
Unexpended balance, end of year:			
8700 Uninvested balance (net), end of year	- 85	- 81	2
8701 Employees and Retired Employees Health Benefits Funds	15,892	16,382	16,788
8701 Employees and Retired Employees Health Benefits Funds			- 4
8799 Total balance, end of year	15,807	16,301	16,786

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

Program and Financing (in millions of dollars)

Identification code 24-9981-2-8-551	2007 actual	2008 est.	2009 est.
Budgetary resources available for obligation:			
22.00 New budget authority (gross)			- 47
24.40 Unobligated balance carried forward, end of year			- 47
New budget authority (gross), detail:			
Mandatory:			
Spending authority from offsetting collections:			
69.00 Offsetting collections (cash)			- 43
69.10 Change in uncollected customer payments from Federal sources (unexpired)			- 4
69.90 Spending authority from offsetting collections (total mandatory)			- 47
Change in obligated balances:			
74.00 Change in uncollected customer payments from Federal sources (unexpired)			4
74.40 Obligated balance, end of year			4
Offsets:			
Against gross budget authority and outlays:			
Offsetting collections (cash) from:			
88.00 Agency contributions			15
88.00 Postal Service for Active Employees			7
88.00 Postal Service for Annuitants			6
88.00 Government contributions for annuitants			15
88.90 Total, offsetting collections (cash)			43
Against gross budget authority only:			
88.95 Change in uncollected customer payments from Federal sources (unexpired)			4
Net budget authority and outlays:			
89.00 Budget authority			
90.00 Outlays			43

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

Program and Financing (in millions of dollars)

Identification code 24-9981-4-8-551	2007 actual	2008 est.	2009 est.
Obligations by program activity:			
09.01 Benefit payments			- 86
10.00 Total new obligations (object class 25.6)			- 86
Budgetary resources available for obligation:			
22.00 New budget authority (gross)			- 39
23.95 Total new obligations			86
24.40 Unobligated balance carried forward, end of year			47
New budget authority (gross), detail:			
Mandatory:			
69.00 Spending authority from offsetting collections: Offsetting collections (cash)			- 39
Change in obligated balances:			
73.10 Total new obligations			- 86
73.20 Total outlays (gross)			79
74.40 Obligated balance, end of year			- 7
Outlays (gross), detail:			
86.97 Outlays from new mandatory authority			- 79
Offsets:			
Against gross budget authority and outlays:			
Offsetting collections (cash) from:			
88.40 D.C. Government contributions & Dental/Vision			
88.40 Employee salary withholdings			19
88.40 Annuity withholdings			20
88.90 Total, offsetting collections (cash)			39
Net budget authority and outlays:			
89.00 Budget authority			
90.00 Outlays			- 40
Memorandum (non-add) entries:			
92.01 Total investments, start of year: Federal securities: Par value			
92.02 Total investments, end of year: Federal securities: Par value			- 4

GENERAL FUND RECEIPT ACCOUNT

(in millions of dollars)

	2007 actual	2008 est.	2009 est.
Offsetting receipts from the public:			
24-322000 All Other General Fund Proprietary Receipts Including Budget Clearing Accounts: Enacted/requested	11	2	2
General Fund Offsetting receipts from the public	11	2	2