



Benefits Administration Letter

Number: 07-301

Date: February 28, 2007

Subject: March 2007 Headcount

This is a reminder for you to submit your semiannual Headcount for the March 2007 reporting period. The Headcount is reported semiannually (March and September) by all payroll providers that withhold monies from salaries for participants in the Civil Service Retirement System, Federal Employees Retirement System, Federal Employees Health Benefits Program, and/or the Federal Employees Group Life Insurance Programs.

The March 2007 Headcount will be for the payroll paid during the first 15 days of March 2007. If you pay twice during the first 15 days of March, the Headcount will be for the first payroll paid during that period. For example, if you pay your employees on March 1st and March 15th, the first payroll paid will be used for your Headcount (March 1st). For monthly pay cycles, the reporting period will be February 1, through February 28, 2007.

The March 2007 Headcount must be submitted no later than March 19th. We ask that you notify us if you anticipate a delay or any difficulties in submitting it by that date. Under no circumstances, however, should you delay transmitting your normal RITS report because your Headcount is not ready to be submitted.

Please fax (using clear, legible originals) your OPM Forms 1523 and SF 2812-A to us at 202-606-0701 or you may email your forms to either Patricia Dickey at padickey@opm.gov or Yvonne Fields at yfields@opm.gov.

OMB Bulletin No. 06-03 -- *Audit Requirements for Federal Financial Statements* - requires payroll providers to have performed by their auditors agreed-upon procedures to assist OPM in assessing the reasonableness of withholdings and contributions and Headcount reporting. Due to the requirement that annual financial statements be published by November 15, your auditors will need to perform the agreed-upon procedures using the March 2007 Headcount. To provide for this, it is *critical* that you retain in a secure and easily accessible environment all automated and hard-copy files supporting the March 2007 Headcount. This is essential even if you will transfer the responsibility for payroll services to another provider during or soon after the end of FY 2007.

If you have any questions concerning the preparation of your Headcount report, please call our Funds Management Branch at 202-606-4118.

Robert Loring, Chief
Financial Reporting and Policy Group
Center for Financial Services