

**SUMMARY OF MAJOR CHANGES TO  
DoD 7000.14-R, VOLUME 8, CHAPTER 9  
“RECORDS, FILES, AND REPORTS”**

All changes are denoted by blue font

Substantive revisions are denoted by a \* preceding the section, paragraph, table, or figure that includes the revision

Hyperlinks are denoted by *underlined, bold, italic, blue font*

This updated chapter supersedes the previously published version dated February 2009.

| PARAGRAPH  | EXPLANATION OF CHANGE/REVISION   | PURPOSE |
|------------|--|---------|
| All        | Updated language throughout the chapter.   | Update  |
| 090101.A.1 | Added clarification that the SF 2812A is an automated form generated from the Civilian Payroll office (PRO) and used to report withholdings and contributions to Office of Personnel Management (OPM). | Add     |
| 090101.A.2 | Added legal references for withholding city/local income tax from payroll.   | Add     |
| 090101.B.3 | Requirement to maintain records on purchases and refunds of bonds has been eliminated September 30, 2010, deleted the reference to maintain records and renumbered the paragraphs.                     | Delete  |
| 090102.B.1 | Updated the address to the National Personnel Records Center (NPRC).   | Update  |
| 090205.C.1 | FEDTAX was decommissioned in 2009 and replaced by Electronic Federal Tax Payment System (EFTPS) December 31, 2010.   | Update  |
| 090205.E   | Updated information on fringe benefits and added the IRS Publication 15-B website.   | Add     |
| 090207.C   | Update information for PROs providing information to states who have entered agreements with the Treasury Department to withhold state taxes.  | Update  |

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## CHAPTER 9

**RECORDS, FILES, AND REPORTS****\*0901 RECORDS AND FILES**090101. Payroll Documentation

A. Disbursement Documentation. A voucher shall be prepared for each disbursement or group of disbursements authorized to be paid by any Department of Defense (DoD) Component. A voucher is the authority for payment and must be correctly prepared in accordance with all legal and regulatory guidance, supported with proper documentation and certified by an authorized certifying official prior to disbursement. DoD agencies shall not give any employee the authority to certify his or her own disbursements.

1. Disbursements to OPM. Deductions for the Civil Service Retirement System (CSRS) and the Federal Employees Retirement System (FERS), life insurance, and health benefit programs with employer contributions are routinely paid to the Office of Personnel Management (OPM) each pay period. The automated *Standard Form (SF) 2812A* (Report of Withholdings and Contributions for Health Benefits by Enrollment Code) is used to report these deductions to OPM. A consolidated SF 2812A shall be submitted biweekly to OPM by the Retirement Insurance Transfer System (RITS). For additional information on RITS, see subparagraph 090203.C of this chapter.

2. Disbursements to Taxing Authorities. Federal income, Social Security, and Medicare taxes withheld shall be paid to the Internal Revenue Service (IRS) as provided by the *Treasury Financial Manual (TFM), Volume I, Part 3, Chapter 4000*, and the *IRS Publication 15 (Circular E), Employer's Tax Guide*. State or city/local income taxes withheld shall be paid to the appropriate taxing authority in accordance with the *TFM, Volume I, Part 3, Chapter 5000* and *31 Code of Federal Regulations (C.F.R.) Part 215*.

3. Disbursements to TSP. Payroll deductions and employer contributions for the Thrift Savings Plan (TSP) and TSP loan repayments shall be paid to the TSP Record Keeping Service Provider. For additional information, see the *TSP website*.

4. Other Disbursements. All other amounts withheld shall be paid in accordance with applicable regulations, or instructions furnished by the employee.

B. Deduction Documentation. Payments to those for whom deductions are authorized to be paid shall be reconciled on a cyclical basis, at least annually, with the amounts withheld plus the related employer contributions, if any, as shown by the pay or other records. This procedure is necessary to determine whether the correct amounts are being reported to those authorized to receive deductions and contributions withheld from the employee's pay. Payroll records shall provide a clear audit trail from the gross pay calculation to the net pay received by the employee by pay period and by year-to-date totals.

1. [Tax Withholding](#). The amounts reported on the annual [IRS Form W-2](#) (Wage and Tax Statement) and furnished to each individual shall agree with the total amounts withheld during the year as shown by the civilian payroll office (PRO) records.

2. [Retirement Deductions](#). As an integral part of the Department of Defense (DoD) financial accounting systems, a related control account and a [SF 2806](#) (Individual Retirement Record CSRS) and a [SF 3100A](#) (Individual Retirement Record FERS) shall be maintained in accordance with OPM requirements for each civilian employee for whom retirement deductions are made.

3. [Federal Employees' Group Life Insurance \(FEGLI\) Deductions](#). Each DoD PRO shall keep a record of the total amounts withheld from employees' salaries and the total amount of the employer's contributions for FEGLI for each calendar year. These records shall be kept in a ledger or other appropriate form or shall be represented by file copies of vouchers from which such information has been reported to OPM.

4. [Federal Employees' Health Benefit \(FEHB\) Deductions](#). A record of employee deductions and the employer's contributions for health benefits shall be kept by each enrollment code number. The enrollee data included in this record shall be submitted by the PRO and by the health benefit carrier to the National Finance Center's (NFC) Federal Employees Health Benefits (FEHB) Centralized Enrollment Reconciliation Clearinghouse (CLER) System on a quarterly basis. The [Human Resources Office \(HRO\)](#) and the PRO shall review the error codes identified in the CLER system and resolve the discrepancies. The discrepancies are resolved by comparing the health benefits coverage reported by the PRO, the health benefits coverage reported by the carriers, the [SF 2809](#) (Health Benefits Election Form), and the [SF 2810](#) (Notice of Change in Health Benefits Enrollment) sent in support of the coverage.

5. [TSP Deductions](#). A record shall be kept for each employee for whom TSP deductions and agency contributions to TSP are made.

090102. Payroll Records Required or Retroactive Computations Involving Former PROs

A. [General](#). When retroactive payroll computations are required that involve one or more former PROs, the consolidated PRO [maintains](#) overall responsibility for the adjustment process. If it is determined that a former PRO is involved, then the consolidated PRO shall be responsible for contacting each former PRO to obtain the necessary information.

B. [Documentation Requests](#). If the consolidated PRO is unable to obtain the documentation necessary to perform the retroactive calculation, then the following steps [may](#) be taken:

1. [Request Archived Documents from the National Personnel Records Center \(NPRC\)](#). When copies of the [SF 135](#) (Records Transmittal and Receipt) are unavailable at either the former or consolidated offices, the consolidated PRO shall complete a National Archives and Records Administration (NARA) [Optional Form \(OF\) 11](#), (Reference Request - Federal

Records Centers) with all available information. Include in the description and remarks section the employee's name, Social Security number (SSN), known places of employment, names and payroll office numbers of applicable PROs, and year(s) for which the records are requested. Forward the form to [NPRC](#), Civilian Personnel Records, 111 Winnebago Street, St. Louis, Missouri 63118-4126.

2. Contact the Appropriate Human Resources Organization (HRO). If the NPRC cannot locate the records, then the PRO shall prepare a memorandum to the appropriate HRO requesting copies of the [SF 50](#) (Notification of Personnel Actions) or other related pay and/or leave information. Since there may have been consolidations of both the PRO and the appropriate HRO prior to the Defense Civilian Pay System consolidations, it is imperative that both offices work together to obtain information that will assist in the determination of pay and leave adjustments for the employee.

3. Contact the Employee. If the PRO cannot locate documentation from the NPRC or the appropriate HRO, [the PRO should](#) contact the employee for the necessary documentation. If the employee has copies of the SF 50 and/or the Leave and Earnings Statements (LES), then the PRO [may](#) accept this information and use it to reconstruct the pay and/or leave records.

4. Contact OPM. If the transmittal letters to OPM and/or copies of the retirement records cannot be located, then the PRO [may](#) submit a request to OPM in writing to procure the necessary copies of the records. The information on the retirement records [may](#) also be used for reconstruction of pay information for adjustments.

#### \*0902 REPORTS

090201. General. DoD civilian payroll systems must [conform to](#) various legal and regulatory requirements by generating reports at regular intervals on an as-needed basis or by producing reports to meet special requirements. They also shall support management by generating reports that provide the necessary information to ensure the system's integrity. Under the provisions of the Government Accountability Office (GAO) publication [Maintaining Effective Control Over Employee Time and Attendance Reporting, GAO-03-352G](#), reports shall be:

A. Prepared accurately and promptly, and distributed to the appropriate recipients to ensure receipt when the information will be of maximum benefit.

B. Based on, supported by, and periodically validated against appropriate detailed information in the payroll system.

C. Sent in a timely manner to officials who authorized, or were responsible for, processed payroll transactions, and reviewed by those officials for completeness and accuracy. Producers of these reports are responsible for correcting errors due to inaccurate reading or entering of data. Discrepancies in reporting, transmitting, or depositing funds will be resolved promptly.

D. Discussed periodically with users and modified or eliminated as appropriate to meet user needs.

E. Retained and disposed of in accordance with [General Records Schedule 2](#), with sensitive data as defined by [Title 5, Code of Federal Regulations \(C.F.R.\), part 2504](#), and handled in accordance with the provisions of the Privacy Act.

090202. As-Required Reports

A. Income and Employment Tax Reports. Submit these reports to cities/localities that have an agreement with the Secretary of the Treasury and to cities/localities where voluntary deductions have been taken from employees. Send the reports to the city/local taxing authorities based on the frequency prescribed by each municipality.

B. State Income Tax Reports. These reports are required by states that have reached an agreement with the Secretary of the Treasury. Submit these reports to the state taxing authorities based on the frequency prescribed by each state.

C. Report on Transfer of Employee

1. When an employee transfers within the Department to another PRO or to another Federal Agency, the losing PRO prepares an [SF 1150](#) (Record of Leave Data) at the time of separation. All blocks on the SF 1150 pertinent to the employee must be completed accurately. This form is used to report transferred leave balances and other pertinent information for the employee. This information is included under the Remarks section of the form. This includes, but is not limited to, information on the employee's year-to-date wages for Social Security and/or Medicare tax purposes, year-to-date TSP deductions, last deduction for FEHB and Federal Employees Government Life Insurance (FEGLI), date through which the insurance deductions were made, and overseas or territorial differential data. An automated SF 1150 shall include the information contained in the printed standard form.

a. After the losing PRO completes the SF 1150, it is forwarded to the losing HRO. The losing HRO includes it in the employee's Official Personnel Folder (OPF) and forwards it to the gaining HRO. After the SF 1150 is received by the gaining HRO, it is forwarded to the gaining PRO.

b. To expedite the forwarding of the SF 1150 within the Department, the losing PRO shall forward a copy of the SF 1150 to the gaining PRO, if known, at the time the original SF 1150 is forwarded to the losing HRO. Upon receipt of the original SF 1150, the gaining PRO must verify that the SF 1150 data has not previously been recorded in the payroll system. The losing PRO retains a duplicate copy of the SF 1150 for audit purposes.

c. The current PRO, not the losing PRO, is responsible for leave adjustments older than 3 years.

2. Delayed Receipt of SF 1150. If the OPF containing the SF 1150 is delayed in reaching the appropriate gaining HRO, and the employee is taking leave, then the gaining PRO is responsible for determining the employee's leave balance. If necessary, the leave balance may be requested electronically or by fax. This information is subject to the Privacy Act and handled accordingly. The gaining PRO may use the leave balance shown on the employee's last LES, subject to verification upon receipt of the SF 1150.

3. Office of Personnel Management Form 630 (OPM 630 - Application to Become a Leave Recipient Under the Voluntary Leave Transfer Program). Use version A, B, or C as appropriate for the Voluntary Leave Transfer Program action requested. This form records the transfer of leave for leave recipients covered by the Voluntary Leave Transfer Program. The OPM 630 is used when a current leave recipient transfers to another PRO or Federal agency without a break in service. It will be attached to the SF 1150.

D. Request for Wage and Separation Information. The PRO shall report wage data to the appropriate HRO in accordance with Volume 8, Chapter 6, section 0601. A file copy of all data furnished to the appropriate HRO is maintained for 2 years in accordance with the General Records Schedule 2, and then destroyed.

E. SF 2806 and SF 3100A. In accordance with Volume 8, Chapter 4, the PRO will prepare and maintain the SF 2806 and the SF 3100A.

F. IRS Form W-2c (Corrected Wage and Tax Statement) and IRS Form W-3 (Transmittal of Wage and Tax Statements).

1. Prepare an IRS Form W-2c in accordance with Circular E to correct prior year wages and tax withholdings as applicable. Send copies to the employee and copy A to the Social Security Administration (SSA). Send a separate IRS Form W-3 with the corrected IRS Form W-2c to the SSA upon completion of the correction procedures.

2. Retain the employer's copy of the Form W-2c in the PRO.

3. Prepare an IRS Form 941c (Supporting Statement to Correct Information Previously Reported on the Employer's Federal Tax Return) to adjust the gross wages subject to Social Security and/or Medicare taxes.

4. Attach an IRS Form 941c to the current quarterly IRS Form 941 (Employer's Quarterly Federal Tax Return) and enter the amount of the adjustment on the IRS Form 941. Copies of both forms will be maintained in the PRO.

5. Keep a copy of IRS Form W-2c and IRS Form 941c in the current year quarterly tax folder. (This is used to balance annual Federal tax deposits.)

090203. Biweekly Reports

A. Leave and Earning Statement (LES). The LES shall show gross pay, deductions, net pay, and employer contributions for the current pay period and cumulative totals for the current year. The LES will reflect the accrued and used leave balances for the pay period and year-to-date values. The LES shall be made available to employees through accessing [myPay](#) or mailed to the employee's non-work address every pay period.

B. SF 2812A (Report of Withholdings and Contributions for Health Benefits by Enrollment Code). The amount collected for employee retirement (CSRS and FERS), FEHB, and FEGLI deductions, military service deposits, reemployment offsets, and the agency's contributions for retirement (CSRS and FERS), FEHB, and FEGLI are transferred to OPM. Under procedures prescribed by OPM, the PRO uses a "no-check-issue" procedure as the means of payment to OPM. Funds are transferred to OPM using the [SF 2812A](#). The SF 2812A reports the total employee deductions and agency contributions for health benefits by health benefits plan enrollment code for the pay period (see [090101.A.1 of this chapter](#)).

C. Retirement Insurance Transfer System (RITS)

1. RITS is a subsystem for the Intragovernmental Payments and Collections (IPAC) System developed by OPM and the Department of the Treasury to report civilian retirement and insurance contributions. The automated RITS interface with the payroll system replaces the manual [reporting](#) to OPM of the SF 2812A.

2. To process the RITS transactions, the PRO shall provide the disbursing office with the payroll system-generated hard copy of the [DD Form 592](#) (Payroll for Personal Services-Certification and Summary), the SF 2812A, and, if applicable, any disbursement vouchers for cash payments.

a. Cash payments received from employees, such as military deposits and health benefits payments, are considered current transactions. The funds are collected and disbursed from the deposit fund account 97X6875 (Suspense). The total of the DD Form 592 and cash disbursement voucher should equal the total of the [SF 2812A](#). Cash collections for health benefit indebtedness received from pay accounts not carried forward from former payroll offices must be reported to OPM separately on a supplemental SF 2812A using the Off-Line Bulk Data Transfer RITS software.

b. The disbursing office shall ensure the voucher amounts agree and the vouchers contain proper certifying signatures before authorizing the transmission of the file to OPM. The delay between the payroll system file creation and transmission is a necessary step in the process to establish adequate internal controls for the disbursement of Government funds. If the file is transmitted before the payment date, then OPM shall warehouse the data until the settlement date.



c. The IPAC transaction is a direct payment to OPM. Report the transaction on the [SF 1219](#) (Statement of Accountability). The PRO no longer charges account 24X8135 to offset the [SF 2812A](#) payment.

d. The disbursing office generally can confirm the transactions in 1 to 2 workdays following the IPAC payment date by accessing the IPAC system and selecting number 6, Print Bills, charged to the payroll office Agency Locator Code. The system provides prompts to enter data that identifies the report to print. Cite the confirmed IPAC document reference number on the original vouchers to show payment via IPAC.

3. RITS provides the capability to report on a regular biweekly basis, as well as to report adjustments in a supplemental off-cycle mode. Reporting during the regular biweekly cycle is the preferred method, and automated capabilities of the payroll system must be fully utilized in order to do so. Use of a supplemental reporting cycle should be limited to the greatest extent possible.

4. Consolidated PROs using RITS may have the occasion to report adjustments applicable to former PROs as well as adjustments applicable to the consolidated office. The following procedures for these situations have been developed:

a. Adjustments for Accounts That Have Not Been Transferred to the Consolidated PRO. These accounts were inactive on former payroll office records and did not convert to the consolidated office. Responsibility for these adjustments has been affixed with the consolidated payroll operation as a part of the [Defense Finance and Accounting Service \(DFAS\)](#) PRO concept of operations. These adjustments could involve correction of a retirement plan or cash collection for military deposits or health benefit indebtedness.

(1) Retirement Plan Correction. These adjustments shall be reported to the OPM via a hard-copy SF 2812A citing the PRO Number that originally reported the deductions and contributions. Corrected retirement records and registers citing the former PRO shall be prepared and forwarded to the OPM. Copies of the SF 2812A, registers, and records shall be forwarded to the departmental reporter for the former payroll office so that cumulative balances may be adjusted.

(2) Cash Collections for Military Deposits. Cash collections for military deposits must be reported via a hard-copy SF 2812A citing the PRO Number that originally reported the deductions and contributions. Corrected retirement records and registers citing the former PRO shall be prepared and forwarded to the OPM. Copies of the SF 2812A, registers, and records shall be forwarded to the departmental reporter for the former PRO so that cumulative balances may be adjusted.

(3) Cash Collections for Health Benefit Indebtedness. Cash collections for health benefit indebtedness should be reported via the RITS as a supplemental SF 2812A from the consolidated payroll office using the consolidated PRO Number.

b. Adjustments for Accounts Which Have Been Transferred to the Consolidated PRO. These accounts were active on former PRO records and converted to the consolidated office. Adjustments may be for accounts that have become inactive since consolidation or for those still in an active status. Responsibility for these adjustments has been affixed with the consolidated PRO as a part of the DFAS payroll concept of operations. Records for both the former and consolidated payroll offices may have to be corrected, depending on the effective date of the correction involved.

(1) Retirement Plan Correction. The adjustment may involve both hard-copy reporting via the [SF 2812A](#) and reporting via RITS. Adjustments that are effective prior to the transfer to the consolidated office shall be reported to OPM via the SF 2812A citing the former PRO number. Corrected retirement records and registers for that portion applicable to the former PRO must be prepared and forwarded to OPM. A copy of the SF 2812A, registers, and records also shall be forwarded to the departmental reporter for the former PRO so that cumulative balances may be adjusted. That portion of the adjustment applicable to the consolidated PRO shall be corrected through the payroll system and reported via the RITS regular biweekly cycle. Adjustments for accounts that have become inactive since consolidation shall be corrected through the payroll system by reactivating the account.

(2) Cash Collections for Military Deposits. Cash collections for military deposits shall be reported via RITS during the regular reporting cycle. Collections for accounts that have become inactive since consolidation must be corrected through the payroll system by reactivating the account. Correction through the payroll system is necessary in order to maintain the proper sequencing of system-assigned register numbers.

(3) Cash Collections for Health Benefit Indebtedness. Cash collections for health benefit indebtedness shall be reported via RITS during the regular biweekly reporting cycle.

D. Form TSP-2 (Certification of Transfer of Funds and Journal Voucher). A “no-check-issue” procedure is used to transfer the amount collected for employees TSP deductions as well as the agency contributions to the NFC. Funds are transferred to NFC using the [Form TSP-2](#).

E. DD Form 592 (Payroll for Personal Services-Certification and Summary). This payroll voucher is used to certify the accuracy of the payment. It also provides accounting data in connection with the civilian payroll. Clear text appropriation data is in Part II of the [DD Form 592](#) to permit departmental reporting to the Components. This data is in addition to the unique job order data.

F. Civilian Employment Expense Reports. In support of [DoD Instruction 7720.22](#) (Report of Work-Years and Personnel Costs for DoD Civilian Employment), the PRO shall gather information on the costs of civilian employment. This financial and statistical information serves as the basis for budget and apportionment estimates and

is used for reporting such estimates to the Office of Management and Budget (OMB) and the Office of the Secretary of Defense. The PRO provides this cost information biweekly as feeder data.

G. Reports of Salary Offsets for Non-DoD Federal Agencies

1. Report of Collections. The PRO shall forward a biweekly report to each creditor agency of the collections made for the pay period. This report shall include, at a minimum, the non-DoD agency to which the collections apply, the PRO name and address, the employee's name, the amount collected for each employee, the time frame for which the collection applies, and the total amount of collections remitted to the non-DoD agency.

2. Report of Employees with Salary Offset. The PRO forwards a biweekly report of employees with salary offsets for non-DoD Federal agencies to the DFAS site that originally forwarded the salary offset request to the PRO. This report shall include, at a minimum, the employee's name, SSN, creditor agency, amount of the last biweekly collection amount, pay date of the last collection, and the debt balance amount. In the case of employees with more than one debt to a non-DoD Federal agency, the information required in this paragraph shall be provided for each debt.

H. Reporting Union Dues to Labor Organizations or Associations of Management Officials or Supervisors. Each pay period, the PRO shall prepare a listing for each recipient of withheld dues. At a minimum, the listing shall include the name and address of the PRO, the labor organization or association for which the listing pertains, employees' names and amount of dues deducted for each, total amount collected, and system-generated remarks that explain the lack of deductions.

I. Combined Federal Campaign (CFC) Report

1. The PRO shall provide a remittance report to each CFC organization to include:

- a. The employing agency, e.g., Army, Navy, Air Force.
- b. The number of employees with a deduction by employing agency.
- c. The total pay period amount deducted.
- d. The pay period date of the CFC data.

2. A summary report by CFC organization indicating the total number of employees with deductions, the amount deducted for all employing agencies, and the PRO will retain the pay period date. See [5 C.F.R. 950.901](#).

090204. Monthly Reports

A. Manpower and Funding Report. See subparagraph [090203.F](#) for additional information.

B. Full-Time Equivalent or Work-Year Reporting. The PRO shall provide feeder data to the Defense Manpower Data Center for reporting to OMB.

090205. Quarterly Reports

A. Continuation of Pay (COP) for Disabling, Job-Related Traumatic Injuries Sustained by Federal Employees. The Department of Labor requires a quarterly report on COP. The requirement was established by [20 C.F.R. 10.200](#) and applies to all PROs, including National Guard units.

B. Employment Statistics Program. Upon request, the PRO furnishes feeder data to the appropriate HRO on total wages paid to civilian employees for specific calendar quarters. The appropriate HRO shall prepare and submit the final report.

C. IRS Form 941 (Employer's Quarterly Federal Tax Return). Each PRO shall report tax payment information to the IRS on [IRS Form 941](#). The report shall be completed and filed by the due date established by the IRS. This is normally the end of the month following the close of the quarter. If all the taxes for the quarter are deposited when due, then file the IRS Form 941 by the 10th day of the second month following the close of the quarter. The tax payment information required under Schedule B (Record of Federal Tax Deposits) shall come from the payment records. The total amount of tax payments during a quarter shall agree with the total taxes due, with no further payment required to be made with IRS Form 941.

1. PROs with the capability shall utilize the [Electronic Federal Tax Payment System \(EFTPS\)](#) to report IRS Form 941 data to the IRS. [EFTPS](#) is a service offered by Treasury which allows an agency to electronically file and make payments for [IRS Form 941](#) taxes each quarter.

2. The PRO forwards the system generated IRS disbursement voucher "In Lieu of SF1049" (Public Voucher for Refunds) to the disbursing office at an agreed-upon time preceding the payment date for transmitting the voucher data through [EFTPS](#).

3. The disbursing office returns the IRS Form 941 printout to the PRO the day following each IRS disbursement. This printout reflects the cumulative totals for the quarter.

4. The PRO corrects any discrepancies as needed.

D. Health Benefits Reconciliation Data File. Each quarter, Federal Employees Health Benefit Enrollment Reconciliation Clearinghouse ([FEHB CLER](#)) data shall be reported to the National Finance Center (NFC), the contractor chosen by OPM for implementing a system to

reconcile health benefits data for government agencies. The quarterly report of enrollees shall include the enrollees' names, the total amount for employee deductions, and the total amount for employer contributions. The quarterly report shall include enrollment data for all health plans for the payroll paid during the 1st through the 15th of March, June, September, and December. If there are two payrolls paid during that period, then the PRO shall report only enrollment data for the last payroll paid. The data in this report shall first be sorted by FEHB enrollment code and then SSN. The report shall provide a subtotal for each enrollment code and a grand total for each plan.

E. Transportation Fringe Benefit Report. A fringe benefit is a form of pay for the performance of services that is in addition to the employee's regular salary or wages. Examples of transportation fringe benefits include the use of a business vehicle, transit passes, and the value of parking. Employers are required to report the value of fringe benefits as taxable income for amounts that exceed the established IRS threshold. The parking fringe benefit valuation shall be reported by the employing activity directly to the servicing PRO on a quarterly basis to ensure proper reporting of income and collection of taxable wages on the IRS Form W-2. The monthly value of the fringe benefit and the reportable taxable benefit shall be included in the report. Certain qualified transportation fringe benefit amounts may be excluded from an employee's wages each month. See paragraph 030505 of this volume for information on qualified transportation fringe benefits. For additional information, see IRS Pub. 15-B, Employer's Guide to Fringe Benefits.

F. Civilian Direct Deposit (DD) Participation Report. When directed, the PRO shall furnish data to the appropriate functional organization on civilian employees participating in DD/Electronic Funds Transfer (EFT). This feeder-type information is used by DoD managers to report payment volumes and the percentage of payments made by EFT to the Department of the Treasury Financial Management Service within 25 days after the end of each quarter.

090206. Semiannual Reports. OPM requires that a report of the withholdings and contributions for retirement, FEGLI, and FEHB be sent in the form of a semiannual headcount report. This report is required for the last pay period paid during the 1st through the 15th of March and September, in conjunction with the quarterly reporting of enrollment in all health benefits plans (see subparagraph 090205.D). The OPM Form 1523 must be attached to and submitted with the SF 2812A covering the same period.

090207. Annual Reports

A. Report of Work Years and Personnel Cost. This report provides information required by the OMB to estimate the cost of proposed Federal pay increases, evaluate the financial effects of proposed legislation on civilian personnel compensation and benefits, and prepare analysis of pay and personnel benefits of Federal employees. The consolidated PRO provides feeder-type data on the leave data for part C of this report.

B. Report of Personnel and Payroll Outlays by Operating Locations, Report Control Symbol (RCS): DD-DA&M(A) 1600. The PRO provides system-generated, feeder-type information in accordance with DoD Instruction 7710.3. (Reporting of Personnel and Payroll

Outlays by Operating Location). This report contains statistical information on civilian employment and DoD payroll outlays by location.

C. Wage and Tax Statements

1. Wage and Tax Statements to SSA. [IRS Form W-2](#) is used to report taxable income to the SSA and the IRS. The PRO shall issue a Form W-2 to employees no later than January 31 of the year following the applicable tax (calendar) year. This also applies to employees who died or separated during the year. Individuals may request the form at an earlier date by making their request in writing to the PRO. In such instances, the form is to be issued within 30 calendar days of receipt of the request or of the final payment, whichever is later. The DoD PROs are required to use the DFAS-approved standardized IRS Form W-2 each year.

2. Wage and Tax Statements to States

a. The PRO provides this information to states that have entered into the [Standard Agreement with Treasury](#) or as authorized pursuant to a published routine use statement. See [TFM Vol. 1, Pt. 3, Section 5070.10](#) and Ch. 5000, apps.1 and 2. The PRO will issue returns with respect to those employees who:

(1) are employed in the state and subject to mandatory withholding of state income tax; or

(2) have established voluntary allotments for the state's income tax.

b. The PRO provides annual information returns on IRS Form W-2. Other forms prescribed by states shall not be used.

c. The PRO includes in the returns only the information on IRS Form W-2. See [subparagraph 090207.C.4.a](#).

d. The PRO shall submit IRS Forms W-2 to the states in print or electronically. The PRO shall file all returns in accordance with instructions issued by the state taxing authorities. A list of state taxing authority contacts is available at the [IRS website](#).

e. The PRO may need to report information to more than one taxing authority for the same employee. If so, it shall supply a copy of IRS Form W-2 to the proper state, city, or local taxing authorities on request. Those authorities will decide if the employee is liable for any tax.

f. A state requirement to file information returns monthly does not affect existing arrangements to submit IRS Form W-2 only once a year.

3. Wage and Tax Statements to Cities or Other Localities

a. In the case of an agreement with the city or locality, the PRO will issue returns with respect to those employees who:

(1) are employed in the city or locality and subject to the tax (whether or not tax is withheld); or

(2) are residents of the city or locality and are subject to the tax (whether or not tax is withheld).

If the city or locality has not entered into the Standard Agreement, then, with the prior written consent of the employee, or if authorized pursuant to a published routine use statement, the PRO will issue returns to the taxing authority with respect to an employee who has voluntary deductions for the city or locality's income tax.

b. The PRO provides annual returns on IRS Form W-2. Other forms prescribed by cities or localities shall not be used.

c. The PRO shall include in the returns only the information on IRS Form W-2. See subparagraph 090207.C.4.a of this volume.

d. The PRO shall submit IRS Form W-2 in accordance with instructions issued by the city or locality taxing authorities.

e. A city or locality requirement to file information returns monthly does not affect existing arrangements to submit IRS Form W-2 only once a year.

4. Wage and Tax Statements to Employees

a. The PRO shall mail annual wage and tax information returns to each employee's non-work address by January 31 of the next year, unless the employee has consented to receive the IRS Form W-2 in an electronic format. The IRS Form W-2 shall include the:

(1) Employee's name, SSN, and address.

(2) Wages subject to Social Security/Medicare, Federal, state, city, or local withholding.

(3) Social Security and/or Medicare, Federal, state, or local tax withheld, if any.

(4) Name of state, city, or county.

(5) City-or-county assigned Employer Identification Number.

b. The PRO shall mail corrections to the annual wage and tax information returns to an employee's non-work address as soon as an error is discovered. Refer to subparagraph 090202.F of this chapter for information on the [IRS Form W-2c](#) and [IRS Form W-3](#).



RECORD OF LEAVE DATA

|   |  |     |     |   |        |                       |  |   |              |       |     |   |                |      |     |          |      |
|---|--|-----|-----|---|--------|-----------------------|--|---|--------------|-------|-----|---|----------------|------|-----|----------|------|
| 1. Name (Last, First, Middle)   |  |     |     | 2. Social Security Number   |        |                       |  | 3. (For agency use)                                     |              |       |     |   |                |      |     |          |      |
| 4. Date and Nature of Separation  |  |     |     | 5. A. Subject to 5 U.S.C. 6304 (B) (45 day leave ceiling)                                     |        |                       |  | Yes   |              | No    |     | B. Last Date Subject to 5 U.S.C. 6304 (B) |                |      |     |          |      |
| 6. Total Service for Leave (as of Date of Separation)   |  |     |     | More Than 15 Years  |        |                       |  | C. Annual Leave Balance as of That Date (Hours)         |              |       |     |   |                |      |     |          |      |
| Less Than 15 Years (show)   |  |     |     | Years   |        |                       |  | Months  |              | Days  |     |   |                |      |     |          |      |
| SUMMARY OF ANNUAL AND SICK LEAVE  |  |     |     |   |        | SUMMARY OF HOME LEAVE |  |   |              |       |     |   |                |      |     |          |      |
| 7. Carryover Balance From Prior Leave   |  | MO. | DAY | YEAR  | HOURS  |                       | 18. Basic Service Period of Months of Continuous Service Abroad: |   | Date Started | MO.   | DAY | YEAR                                      | Date Completed | MO.  | DAY | YEAR     |      |
| Year Ending   |  |     |     |   | Annual | Sick                  | Restored   |   |              |       |     |   |                |      |     |          |      |
| 8. Current Leave  |  |     |     | Year Accrual Through Pay Period Ending (If 90 day restriction applicable, explain in remarks) |        |                       |  | 19. Current 12 Months Accrual Period Began on           |              |       |     | MO.                                       | DAY            | YEAR |     |          |      |
| 9. Total  |  |     |     |   |        |                       |  | Hours Absent Without Pay Since That Date                |              |       |     |   |                |      |     |          |      |
| 10. Reduction in Credits, If Any (current year)   |  |     |     |   |        |                       |  | 20. Current Balance (or accrual) as of                  |              |       |     | MO.                                       | DAY            | YEAR |     |          |      |
| 11. Total Leave Taken, Current Year Through Date of Separation  |  |     |     |   |        |                       |  | Number of Days  |              |       |     |   |                |      |     |          |      |
| 12. Balance   |  |     |     |   |        |                       |  | 21. Twelve Months Accrual Date as of Date of Separation |              |       |     | Number of Days                            |                |      |     |          |      |
| 13. Total Hours Paid In Lump Sum (includes hours for holidays)  |  |     |     |   |        |                       |  | 22. Dates Leave Used Prior 24 Months                    |              |       |     | FROM                                      |                | TO   |     |          |      |
| 14. Salary Rate(s) Per Hour:  |  |     |     | MO.   |        | DAY                   |  | YEAR  |              | HOURS |     | MO.                                       | DAY            | YEAR | MO. | DAY      | YEAR |
| 15. Lump Sum Leave Dates (if part-time tour, explain in Remarks)  |  |     |     | From  |        |                       |  |   |              |       |     |   |                |      |     |          |      |
| a. Restored   |  |     |     | Thru  |        |                       |  |   |              |       |     |   |                |      |     |          |      |
| b. Annual Leave Above Ceiling   |  |     |     | From  |        |                       |  |   |              |       |     |   |                |      |     |          |      |
| c. Annual Leave Within Ceiling  |  |     |     | Thru  |        |                       |  |   |              |       |     |   |                |      |     |          |      |
| ABSENCE WITHOUT PAY   |  |     |     |   |        |                       |  |   |              |       |     |   |                |      |     |          |      |
| 16. During Leave Year In Which Separated  |  |     |     | Hours   |        |                       |  | 23. During Current Calendar Year                        |              | FROM  |     | TO  |                |      |     |          |      |
| 17. A. Date of Last Equivalent Increase   |  |     |     | MO.   |        | DAY                   |  | YEAR  |              | MO.   |     | DAY                                       |                | YEAR |     |          |      |
| B. Total AWOP Hours Since Last Equivalent Increase (except during military service and while in receipt of OWCP payments) |  |     |     | Hours   |        |                       |  | A. Regular-Active Duty of Training                      |              |       |     |   |                |      |     |          |      |
|   |  |     |     |   |        |                       |  | B. Special-Civil Disturbance                            |              |       |     |   |                |      |     |          |      |
| 24. Remarks (include shore leave information, if applicable):   |  |     |     |   |        |                       |  |   |              |       |     |   |                |      |     |          |      |
| Last deduction for:   |  |     |     | FEHB _____ Amt  |        |                       |  | FICA WGS YTD:   |              |       |     |   |                |      |     |          |      |
|   |  |     |     | Code _____  |        |                       |  | FICA TX YTD:  |              |       |     |   |                |      |     |          |      |
|   |  |     |     | Standard FEGLI _____ Amt  |        |                       |  | BASE PAY YTD:   |              |       |     |   |                |      |     |          |      |
|   |  |     |     | Option A FEGLI _____ Amt  |        |                       |  |   |              |       |     |   |                |      |     |          |      |
|   |  |     |     | Option B FEGLI _____ Amt  |        |                       |  |   |              |       |     |   |                |      |     |          |      |
|   |  |     |     | Option C FEGLI _____ Amt  |        |                       |  |   |              |       |     |   |                |      |     |          |      |
| Deducted Through  |  |     |     |   |        |                       |  |   |              |       |     |   |                |      |     |          |      |
| 25. Certified Correct By: (Signature)   |  |     |     |   |        |                       |  | 26. Title, Agency, Address, Telephone Number            |              |       |     |   |                |      |     | 27. Date |      |

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STANDARD FORM 1150 (REV. 12-77)  
Civil Service Commission

Figure 9-1. Record of Leave Data

**ITEM ENTRY:**

1. Enter name and middle initial of the employee exactly as used on the pay records.
2. Enter employee's SSN.
3. Either leave this blank or enter the data required by the respective payroll system being used, such as the payroll control number.
4. Enter date and nature of separation as shown on the SF 50 effecting separation or transfer.
5. Enter employee's status for leave purposes. Show in the proper block whether the employee is subject to overseas maximum annual leave accumulation. Show ending date of pay period when this stopped and annual leave balance.
6. Check the appropriate block to show employee's total creditable service for leave purposes as of the date of separation or transfer. Show years, months, and days if less than 15 years.
7. Enter ending date of prior leave year and balances of annual, sick, and restored leave brought forward to current leave year.
8. Enter date through which leave was credited and amount of annual and sick leave earned and credited since the beginning of the current year.
9. Enter sum of the prior balances and current accruals.
10. Enter reduction in annual and sick leave credits caused by absences in a nonpay status. If none, then enter "0".
11. Enter number of hours of annual and sick leave taken during the current year through date of separation or transfer as shown in item 4.
12. Enter figures derived by subtracting the total reduction in credits and leave taken from the total figures in item 9. Add "\*" in sick leave balance column and explain in item 24 when sick leave balance is reported to the OPM on SF 2806 for use as a credit in computing annuity.
13. Enter total hours representing lump-sum payment. This includes annual leave, excess annual leave (any amount over employee's ceiling normally 240 hours), and restored annual leave.
14. Enter salary rate at which lump-sum payment was computed. If more than one salary rate was involved, then state the number of hours computed at each rate. Also see item 13.

**Table 9-1. Instructions for Completing the SF 1150 (Continued)**

15. Enter inclusive dates and the number of hours included in the lump-sum annual leave period.
16. Enter number of hours of absence in a nonpay status during the leave year in which separated.
17. Enter beginning date of waiting period for next step increase and total number of hours of leave without pay (LWOP), furlough, suspension, and absence without leave (AWOL) since the waiting period began.
18. Enter date of arrival abroad for home leave purposes and date of completion of basic service period.
19. Enter date the current 12-month home leave accrual period began and number of hours in a nonpay status during the current period.
20. Enter date through which home leave was credited and current balance of days of leave earned.
21. Enter rate of accrual for each 12 months of service abroad.
22. Enter dates on which home leave was used during prior 24 months.
23. Enter inclusive dates of regular or special military leave taken during the current calendar year.
24. Enter amount of employee deductions for FEHB and FEGLI. Show date through which last deduction was made. Include FEHB carrier code and enter last day in a pay status.

**Miscellaneous data:**

- a. If nonforeign differential, nonforeign allowance, or foreign differential were paid as a part of the lump-sum payment for leave, then identify the rate(s) and kind of payment by number of hours and calendar dates.
- b. Show total number of days worked by an intermittent employee as-of date of separation.
- c. For 700-hour employee, enter “700-Hour Employee,” hours worked, and separation date.
- d. If employee retired and sick leave was reported to OPM for use as a credit in computing annuity, then enter “Sick leave used in computation of annuity and is not available for recredit.”

**Table 9-1. Instructions for Completing the SF 1150 (Continued)**

- e. Enter unused military leave.
- f. Enter the beginning and ending dates of an employee’s 12-month period under Family Medical Leave (FML). Also, enter the total number of hours of LWOP and paid time off under FML for the 12-month period.
- g. If an employee transfers restored annual leave, then indicate the balance of restored leave and the year it will be forfeited. For example:

| <u>Restored leave</u> | <u>Forfeit at end of leave year</u> |
|-----------------------|-------------------------------------|
| 24                    | 1998                                |
| 16                    | 1999                                |

- h. If an employee receives a lump-sum payment that includes restored leave, then project the lump-sum leave period in the following sequence; (1) Restored annual leave projected to expire at the end of the current leave year; (2) Excess annual leave;

**LUMP-SUM LEAVE DATA**

| TYPE OF ANNUAL LEAVE | TOTAL HOURS PAID | FROM<br>YR MO DA | TO<br>YR MO DA | FORFEIT AT<br>END OF<br>LEAVE<br>YEAR |
|----------------------|------------------|------------------|----------------|---------------------------------------|
| Restored             | 24               | 91 05 18         | 91 05 20       | 1991                                  |
| Excess               | 64               | 91 05 21         | 91 06 01       | 1991                                  |
| Restored             | 16               | 91 06 02         | 91 06 03       | 1992                                  |
| Regular              | 304              | 91 06 04         | 91 07 27       |                                       |

- i. Show the amount of the employee’s year-to-date wages for Social Security and/or Medicare tax and the as of date.
  - j. Show the amount of the employee’s year-to-date TSP deductions and the as-of date.
  - k. Show any other pertinent information on the employee (see subparagraph 090202.C.1).
25. Enter the signature of the certifying official.

**Table 9-1. Instructions for Completing the SF 1150 (Continued)**

26. Enter the title, address, and telephone number of the certifying official to whom inquiries regarding the form should be directed.
27. Enter the date the SF 1150 was prepared.

**Table 9-1. Instructions for Completing the SF 1150 (Continued)**