



Title: Payroll/Personnel Manual

Chapter:

Bulletin: Title I, 12-16, Updated Guidelines for Submitting Federal Erroneous Retirement Coverage Correction Act (FERCCA) Actions

Date: July 3, 2012

To: Subscribers of Title I Publications (Payroll/Personnel)

This bulletin supersedes Title I, 07-3, Guidelines for Submitting Federal Erroneous Retirement Coverage Correction Act (FERCCA) Actions, dated January 26, 2007. This bulletin provides updated guidance for the submission of FERCCA cases to the National Finance Center (NFC).

Introduction

FERCCA provides relief for employees, former employees, annuitants, and their survivors with a retirement coverage error that existed for 3 or more years of service after December 31, 1986. FERCCA cases should be handled in a manner very similar to routine retirement coverage code changes.

Payroll Processing Branch/Federal Erroneous Retirement Coverage Correction Act (FERCCA) Group

The NFC Payroll Processing Branch (PaPB) is the starting point for processing all FERCCA cases, and the conduit through which other areas at NFC receive the necessary documentation and instructions. The requirements of all NFC areas involved in processing a FERCCA case must be included in the package submitted to PaPB. FERCCA cases will be logged into the Web-based Special Payroll Processing System (SPPS Web) within 3 business days of receipt. The PaPB/FERCCA Group will process the manual pay transaction and, upon completion, will forward the necessary documents to the respective areas of NFC as appropriate.

Each case will be reviewed by the PaPB/FERCCA Group for inclusion of all supporting documentation. Agency contacts on Form AD-343, Payroll Action Request, will be immediately called after it has been determined that additional information or clarification is needed. If a response is not received from the Agency contact within 30 business days, the entire package will be returned to the Agency, and will need to be re-submitted in its entirety along with the missing documentation.

Only FERCCA cases should be submitted to the PaPB/FERCCA Group. All FERCCA inquiries, regardless of the area of responsibility, should be sent via email to the *FERCCA.GROUP@nfc.usda.gov*. The FERCCA Group will coordinate all activities

N
F
C

B
U
L
L
E
T
I
N

related to FERCCA cases within NFC, as well as acknowledge receipt of all inquiries within 3 business days.

Agencies should continue submitting non-FERCCA related payroll requests through SPPS Web. These requests include settlement cases, retirement code corrections, within range increases (WRI), etc.

The NFC FERCCA Process Flow Chart (Attachment 1) is included displaying the process. A sample of the Retirement System Adjustment Worksheet for Prior-To-Conversion Deductions (Attachment 2) is also included.

History Corrections

Agencies will determine an employee's FERCCA eligibility, submit current tax/retirement year corrections to the database via *EmpowHR*; the Web-based Entry, Processing, Inquiry, and Correction System (EPIC Web); or the appropriate Agency Front-End Systems Interface (FESI), and submit the request package in duplicate to the PaPB/FERCCA Group for manual processing. Agencies must verify actions submitted through the History Correction System before forwarding FERCCA cases to NFC. Agencies are also responsible for following up on its cases and should respond to any requests for additional information. Agencies should not submit FERCCA documentation with an employee's retirement package. See Submission of the Hardcopy Federal Erroneous Retirement Coverage Correction Act (FERCCA) Package below for more information.

Submission of the Hardcopy Federal Erroneous Retirement Coverage Correction Act (FERCCA) Package

Although NFC prefers all adjustment requests to be submitted via SPPS Web, FERCCA cases may exceed the space limitations in SPPS Web. Therefore, Agencies should prepare, in duplicate, a manual AD-343 with the applicable documentation attached. A sample of the AD-343 (Attachment 3) is included. Although systemic corrections can extend, at most, to the prior 26 pay periods, History Corrections should be limited to the current tax year in order to minimize erroneous bills or refunds.

Form AD-343, Payroll Action Request

The AD-343 (and supporting documentation) should be sent to:

National Finance Center
Payroll Processing Branch
FERCCA GROUP
P.O. Box 60,000
New Orleans, Louisiana 70160

FERCCA cases sent by express carrier should be sent to:

National Finance Center
Payroll Processing Branch
FERCCA GROUP
13800 Old Gentilly Road
New Orleans, Louisiana 70129

N
F
C

B
U
L
L
E
T
I
N

To ensure accurate processing, Block 13 of the AD-343 must include the following:

- The statement “This is a FERCCA case.”
- Indicate employee status as active/separated/retired.
- The following adjustment information:
 - The inclusive dates of each adjustment period. If more than one retirement code change is involved, specify inclusive dates for each change.
 - The retirement plan information for each adjustment period. Include the employee’s previous/erroneous retirement plan and the employee’s corrected/elected retirement plan.

Block 15 must include the accounting code(s) to be charged. NFC is unable to provide estimates for the overall budgetary costs of a FERCCA case to Agencies. Please contact your internal budget section to discuss any accounting issues prior to submitting the request to NFC for manual adjustment. Failure to submit accounting information or provide the accounting information upon request from NFC renders the FERCCA package incomplete and could cause the case to be returned to the Agencies.

Block 19 must be signed by an authorized person as indicated on the Table Management System (TMGT) Table 063, Department/Agency/Bureau Contact, Type 07. The AD-343 must also include the current email address of the designated point of contact. All AD-343s signed by someone not authorized will be returned.

Thrift Savings Plan Information

For FERCCA cases involving a correction from the Federal Employees Retirement System (FERS) to the Civil Service Retirement System (CSRS), include the following:

- A statement indicating that the employee is CSRS and requesting removal of Agency contributions and residual earnings. (For example, the retirement code has been corrected from FERS to CSRS for Jane Doe 123-45-6789. Please remove Agency contributions and residual earnings from the employee’s Thrift Savings Plan (TSP) account.)
- A statement indicating whether the employee elects to leave the contributions in the TSP account or refund the employee.

Note: Money cannot be refunded if the correction is prior to January 1, 2000. Provide details (base pay per pay period and percentage) of what should be removed.

For FERCCA cases involving a correction from CSRS or CSRS Offset to FERS, include the following:

- The date that the employee converted to FERS.
- The date the employee would have been eligible to contribute to TSP and receive Agency contributions.
- If the employee was not paid by NFC at the time of the action, the base pay for each pay period.

- If the employee would like to make up employee contributions, the TSP percentages for each year the employee would like to contribute. Make-up contributions must be made through payroll deductions only.

For FERCCA cases involving a correction from CSRS or FERS to FICA, include the following:

- A statement indicating that the employee is FICA, and whether the employee elects to leave contributions in the TSP account or refund the employee.

Note: Money cannot be refunded if the correction is prior to January 1, 2000. Provide details (base pay per pay period and percentage) of what should be removed.

- A request for NFC to remove Agency contributions and residual earnings.

Note: If the required information does not fit on the AD-343, please use the attached blank Sample Supplement to Form AD-343 (Attachment 4) and follow the example of the completed Sample Supplement to Form AD-343 (Attachment 5).

Attachments

To complete the FERCCA package, the following documents must accompany the AD-343:

- The Office of Personnel Management (OPM) letter of the FERCCA eligibility.
- Pre-NFC conversion documentation (if applicable).
 - Standard Form (SF)-2806, Individual Retirement Record/SF-3100, Individual Retirement Record (Federal Employees' Retirement System). If the form cannot be located, attach a copy of the applicable SF-50, Notification of Personnel Action(s), or corrected SF-50.
 - Documentation of the employee's income (including all available prior-to-conversion salary information, including Wage and Tax Statement and spreadsheets, broken out by tax year, summarizing salary data.)

References

For more detailed information on FERCCA eligibility or other specific FERCCA related issues, refer to the following publications on the OPM Web site:

- BAL 02-103, Retirement Coverage Error Correction: Erroneous FERS coverage in Effect for Less Than 3 Years.
- BAL 03-104, Retirement Coverage Error Correction: Correction of Errors that do not Provide an Election.
- BAL 04-107, Required Agency Actions for Retirement Coverage Error Corrections.
- BAL 05-103, Retirement Coverage Error Correction: Correction of Errors that Provide an Election.
- BAL 06-106, Federal Erroneous Retirement Coverage Corrections to Standard Form 50.
- Processing FERCCA Correction - Guidelines for Agencies.
- Making FERCCA Eligibility Determinations – Guidelines for Agencies.

OPM's Coverage Determination Application. This guidance is designed to assist Agency human resources staff in determining correct retirement coverage. On the OPM Web site, click **Tools and Resources**, then click **Calculators**.

Inquiries

For questions regarding FERCCA, contact the FERCCA Group at *FERCCA.GROUP@nfc.usda.gov*.

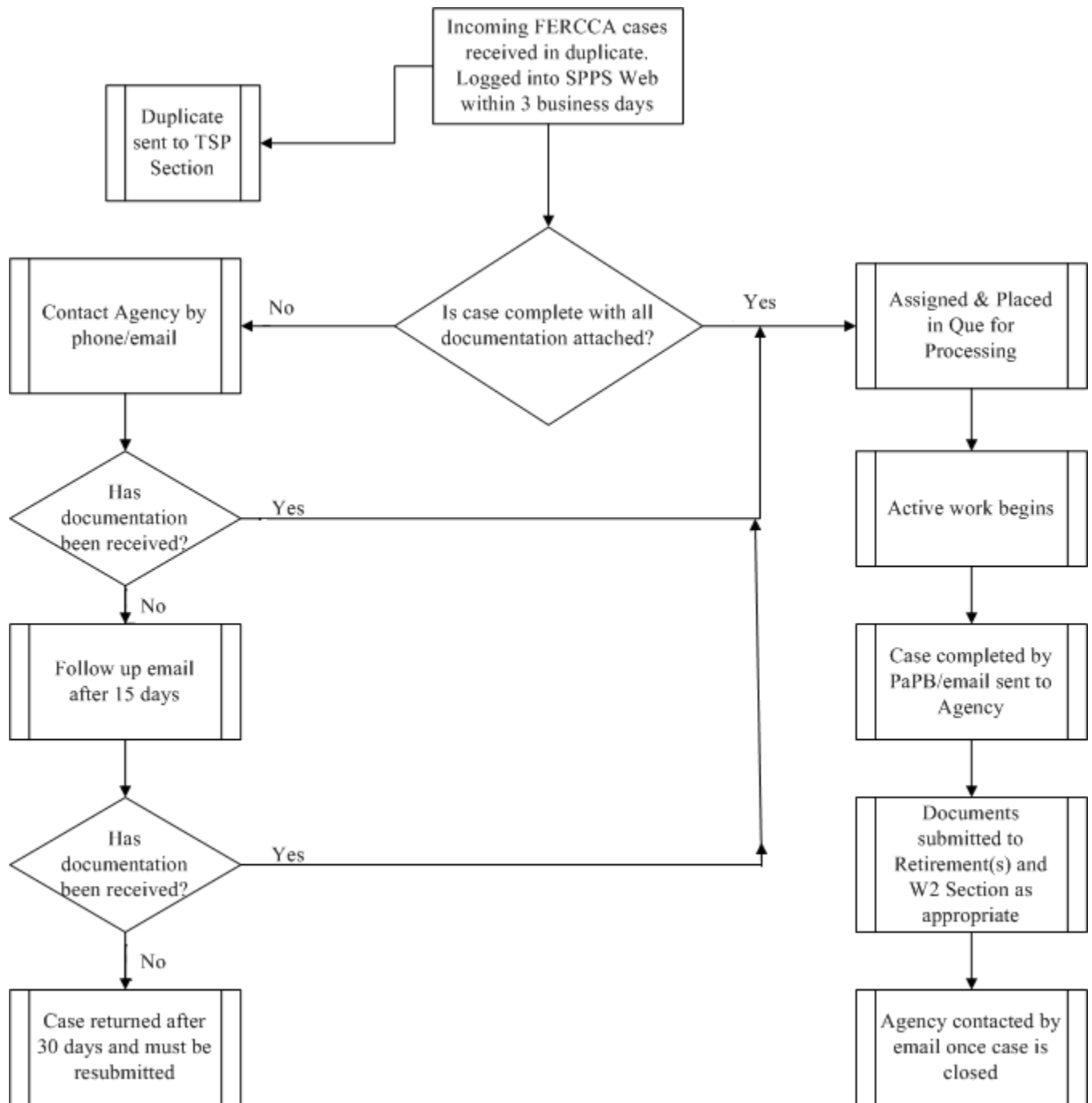


RANDY L. SPEED, Director
Government Employees Services Division

Attachments

N
F
C
B
J
M
H
N

NFC FERCCA Process Flow Chart



RETIREMENT SYSTEM ADJUSTMENT WORKSHEET
FOR PRIOR-TO-CONVERSION DEDUCTIONS

Agency: XX SON: XXXX
 Name: Pan, Peter Q. SSN: 123-45-6789
 Year: 1988 Retirement Plan: FERS

PPD	Retirement Base Pay	OASDI Wages	Medicare Wages	Retirement Deductions	OASDI Deductions	Medicare Deductions
25						
26						
1						
2						
3						
4	278.80	278.80	278.80	0.00	16.90	4.04
5	529.72	529.72	529.72	0.00	32.10	7.68
6	522.75	522.75	522.75	5.18	31.68	7.58
7	515.78	515.78	515.78	12.45	63.36	7.48
8	536.69	538.48	538.48	5.04	32.63	7.81
9	557.60	557.60	557.60	5.24	33.79	8.09
10	432.14	435.20	435.20	4.06	26.38	6.31
11	529.72	529.72	529.72	4.98	32.10	7.68
12	501.84	501.84	501.84	4.72	30.41	7.28
13	453.05	453.05	453.05	4.26	27.46	6.56
14	195.16	195.16	195.16	1.83	11.83	2.83
15	0.00	0.00	0.00	0.00	0.00	0.00
16	0.00	0.00	0.00	0.00	0.00	0.00
17	0.00	0.00	0.00	0.00	0.00	0.00
18	1,232.50	1,232.50	1,232.50	11.58	74.68	17.87
19	0.00	0.00	0.00	0.00	0.00	0.00
20	0.00	0.00	0.00	0.00	0.00	0.00
21	0.00	0.00	0.00	0.00	0.00	0.00
22	0.00	0.00	0.00	0.00	0.00	0.00
23	0.00	0.00	0.00	0.00	0.00	0.00
24	0.00	0.00	0.00	0.00	0.00	0.00
	<u>6,285.75</u>	<u>6,290.60</u>	<u>6,290.60</u>	<u>59.34</u>	<u>413.32</u>	<u>91.21</u>

Form AD-343, Payroll Action Request

PAYROLL ACTION REQUEST		2. ADJUSTMENT PERIOD (Inclusive)			
		FROM		TO	
1.	XX-12-12345	PERSONNEL OFFICE SEQUENTIAL REQUEST NUMBER	12-15-2006	DATE	DATE
				PIP	PIP
				2/7/1988	6/24/2000
3.		4. FROM			
INSTRUCTIONS ON REVERSE OF AGENCY COPY PLEASE READ CAREFULLY		AGENCY CODE	PERSONNEL OFFICE IDENTIFIER	ACCT. STATION CODE	
		XX	XXXX	XXXX	
U.S. DEPARTMENT OF AGRICULTURE NATIONAL FINANCE CENTER PO BOX 60000 NEW ORLEANS LA 70160		AGENCY NAME AND MAILING ADDRESS			
		Sample Agency 1234 Main Street			
		CITY	STATE	ZIP CODE	
		Anywhere	ST	12345	
		5. EMPLOYEE'S T&A CONTACT POINT			
		6. FLSA			
		<input type="checkbox"/> EXEMPT		<input type="checkbox"/> NON-EXEMPT	
		7. RETIREMENT COVERAGE CODE			
		8. TYPE EMPLOYMENT			
		<input type="checkbox"/> FULL-TIME	<input type="checkbox"/> INTERMIT-TENT	<input type="checkbox"/> REEMPLOYED ANNUITANT	
		<input type="checkbox"/> PART-TIME	<input type="checkbox"/> ALTERNATE WORK SCHEDULE		
9. SOCIAL SECURITY NO.		10. EMPLOYEE'S NAME (Last, First, Middle Initial)			
123-45-6789		Pan, Peter Q.			
11. NATURE OF ACTION TO BE TAKEN		12. TERMINATED IF YES → DATE TERMINATED			
Pre- and Post-Conversion Retirement Coverage Code Correction TSP Adjustment IRR Correction		<input type="checkbox"/> NO		<input checked="" type="checkbox"/> YES	
		CHECK MAILING ADDRESS OR DESIGNATED AGENT NUMBER			
13. EXPLANATION OF CIRCUMSTANCES WHICH REQUIRE THIS ACTION		14. GROSS AMOUNT OF ADJUSTMENT			
THIS IS A FERCCA CASE. Correction to SF-2806 and SF-3100 and TSP adjustment needed. Employee was erroneously placed in FERS (K) effective 2/07/1988. Should have been CSRS (1). Employee was then incorrectly placed in FERS on 1/22/1995. Should have been FICA (2). Employee should have been CSRS-Offset effective 11/12/1995. See supplemental page for summary of corrections.		\$			
15. ACCOUNTING DATA TO BE CHARGED AND/OR CREDITED					
07XXXXXXXX9999999					
16. ATTACHMENTS SUPPORTING OR AUTHORIZING THIS ACTION					
OPM letter of FERCCA eligibility. Corrected SF50's. Pre-conversion retirement deduction worksheet. Copies of pre-conversion SF3100's and SF2806's					
17. PERSON TO BE CONTACTED FOR ADDITIONAL INFORMATION		TELEPHONE (Area Code and Number)			
Mary A. Poppins		123/456-7890			
18. EMPLOYEE'S SIGNATURE AND DATE SIGNED (If Required)					
19. APPROVAL					
AUTHORIZED OFFICIAL'S SIGNATURE AND TITLE				DATE APPROVED	

Sample Supplement to Form AD-343

**SUPPLEMENT TO BLOCK #13 OF AD343
EXPLANATION OF CIRCUMSTANCES THAT REQUIRE THIS ACTION**

SSN: _____
Employee's Name _____
Agency Contact _____ Phone: _____

Sample Supplement to Form AD-343**SUPPLEMENT TO BLOCK #13 OF AD343
EXPLANATION OF CIRCUMSTANCES THAT REQUIRE THIS ACTION**

SSN: 123-45-6789
Employee's Name Pan, Peter Q.
Agency Contact Mary Poppins Phone: 123/456-7890

1. Change retirement code from "K" to "1" from 2/7/1988 through 2/28/1989.
Please remove agency TSP contributions and residual earnings from employee's TSP account.
Employee TSP contributions will remain in TSP account (no refund allowed prior to 1/1/2000).
2. Change retirement code from "K" to "2" from 1/22/1995 through 11/11/1995.
Please remove agency TSP contributions and residual earnings from employee's TSP account.
Employee TSP contributions will remain in TSP account (no refund allowed prior to 1/1/2000).
3. Change retirement code from "K" to "C" from 11/12/1995 through 6/24/2000.