

Office of Finance and Management

National Finance Center P.O. Box 61500 New Orleans Louisiana 70161-1500

Title: 5, United States Code

Chapter: 84, Federal Employees' Retirement System, Subchapter III, Thrift Savings Plan

Bulletin: 87-7, Second Conversion Process

Date: January 6, 1987

To: TSP Agency Payroll Office Representatives TSP Agency Personnel Office Representatives TSP Automated Data Processing Representatives

Pursuant to the Omnibus Budget Reconciliation Act of 1986, all employees covered under the Federal Employees' Retirement System who are on board as of January 1, 1987, are entitled to the 1 percent Government basic contribution. Unlike the initial payment for January 1984 through December 1986, the Government basic contribution for January 1987 through March 1987 is to be made from agency appropriations. This data should be submitted to the recordkeeper as soon as practicable during 1987.

The 1 percent contribution is to be computed on basic pay <u>paid</u> on or after January 1, 1987, through the full pay period which includes March 31, 1987. A <u>payment record</u> is required for each of these employees. The employee data record is optional if this record was established in the initial conversion process and no changes have occurred.

If an employee has been serviced by more than one payroll office during the period January 1 through March 31, 1987, an employee data record and a payment record are required from the current payroll office. A payment record is required from each payroll office servicing the employee during this period.

Employee data records, if present, should be generated as in a normal reporting period. The TSP-EFFDATE should be March 31, 1987, and the TSP-STATUS should indicate "E" for eligible. The payment record will be used to input the Government basic contribution. This amount should be contained in the TSP-GBADIST, G Fund field, positions 72 through 77, and in the TSP-GBAMT field, positions 90 through 95. The TSP-EFFDATE should be March 31, 1987.

For an employee who was hired on or before January 1, 1987, and separates on or before the end of the pay period which includes March 31, 1987, the agency must submit an employee data record containing "S" in TSP-SEPCODE, position 218, indicating separated, and the date of separation as the TSP-SEPDATE, positions 219 - 224. No payment record will be submit-



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ted for employees who separated on or before April 1, 1987, who were <u>not</u> vested. A payment record <u>will</u> be submitted for employees who separated after April 1, 1987, or who were vested at the time of separation.

S CLYDE G. Mc Director