## Benefits Administration Letter

**Number:** 23-307                                                                **Date:** August 2023

## Subject: Instructions for Agencies' Payments to the Civil Service Retirement and Disability Fund for Voluntary Early Retirement Authority and Voluntary Separation Incentive Payments

The purpose of this Benefits Administration Letter (BAL) is to inform you that the processing cost payments to the Civil Service Retirement and Disability Fund (CSRDF) for Voluntary Early Retirement Authority (VERA) retirements and retirements with Voluntary Separation Incentive Payment (VSIP) are to continue under the Consolidated Appropriations Act, 2023.

The average unit cost of processing VERA retirements and retirements with a VSIP for Fiscal Year (FY) 2023 is **$694.19** per claim. This unit cost is used to determine the amount the employing agency must pay into the CSRDF.

Enclosed are instructions on the methods available for your agency to remit payment in FY 2023 to OPM for deposit into the CSRDF for VSIPs and VERAs processing costs.  For reconciliation purposes, the monies for prior years must NOT be commingled with FY 2023. You *must* report each year separately (i.e., FY 2022, FY 2023, etc.)

If you have questions about this letter, please send an email to FinancialBALs@opm.gov. We look forward to assisting you.

Enclosure

## Instructions

Instructions to remit payment to OPM for deposit into the CSRDF for VSIPs and VERAs processing costs. Remittance amount is **$694.19** per case.

To facilitate the reconciliation of payments, agencies must submit the remittances, *not* payroll providers. If it is not practical for an agency to submit the remittances, and a payroll provider submits payments, they must indicate the Agency Location Codes and Payroll Office of the agency or agencies for which they are submitting the remittance.

### Payment Methods

1. Intra-governmental Payment and Collection (IPAC)
2. FEDWIRE (non-IPAC users)
3. Automated Clearing House (ACH) Credit (non-IPAC users)

### Remittances via IPAC

Agencies that have access to Treasury's IPAC Systems must remit **$694.19** per Voluntary Early Retirement Authority (VERA) and Voluntary Separation Incentive Payment (VSIP) case to OPM using the following IPAC parameters:

- **Agency Location Code (ALC):** 24000002
- **Receiver's Treasury Account Symbol (TAS):** AID: 024 Main: 8135 A: X Sub: 002
- **Receiver's Business Event Type Code (BETC):** COLAVRCT
- **Receiver's Standard General Ledger:** Debit 1010 and Credit 5400
- **Description:** VERA/VSIP and total amounts applicable to CSRS and FERS respectively.
- **Point of Contact:** Include the name and email address of the person who is familiar with paying the VERA/VSIP costs.

In addition to the information above, agencies should email a scanned copy of the remittance, along with the appropriate Remittance Report, to the email addresses identified in the "Remittance Report" section (see **Attachment 1A, 1B, and 1C**).

### Remittances via FEDWIRE

Agencies that do not have access to IPAC should remit via FEDWIRE for the amount due. A scanned copy of the remittance, along with the appropriate Remittance Report, must be sent to the email addresses identified in the "Remittance Report" section. FEDWIRE instructions are included as **Appendix 1** of this instruction.

## Remittances via ACH Credit

Agencies that do not have access to IPAC or FEDWIRE should remit via ACH Credit.  To validate proof of payment, please also submit a scanned copy of the remittance, along with the appropriate Remittance Report, to the email addresses identified in the "Remittance Report" section below.  ACH Credit instructions are included in **Appendix 2**.

## Payment Timing

Payments, regardless of the method, should be sent no later than 45 calendar days after the end of the month in which the employee retires. Payments should be submitted monthly. For example, payments for retirements between December 1 and December 31, 2022, should be sent by February 15, 2023.

## Individual Retirement Records

Agencies must annotate the Individual Retirement Records (SF 2806 and SF 3100) in the remarks column under the "Service History" section with the legal authority for each VERA or VSIP when submitting retirement paperwork.

## Remittance Report

All agencies must submit certified Remittance Reports using the Attachments, which show the payroll office number(s) and Agency Location Code (ALC). Please note – the 3-page Enclosure has separate Remittance Report forms for FY 2023 VERAs, FY 2023 VSIPs, and FY 2023 VERAs with VSIPs. The totals on each Remittance Report must agree with the amount of the IPAC, Electronic Fund Transfer (EFT), FEDWIRE, or ACH Credit. OPM will use these reports for validation purposes to ensure agencies have remitted payments correctly.

All reports, along with a copy of the remittance, must be emailed to OPM within five (5) business  days from the date of the IPAC, EFT, FEDWIRE, or ACH Credit remittance using the following email addresses:  Kamini.Mathur@opm.gov and Rosetta.Goode@opm.gov, with a copy to FinancialBALs@opm.gov.

## Inquiries

If you have any questions about this requirement, please send an  email to FinancialBals@opm.gov.

## Appendix 1: FEDWIRE Instructions

United States Office of Personnel Management

| Fedwire Field Tag | Fedwire Field Name | Required Information |
|---|---|---|
| {1510} | Type/Subtype | **1000** |
| {2000} | Amount | *(Enter payment amount.)* |
| {3400} | Receiver ABA routing number *The financial institution address for Treasury's routing number is 33 Liberty Street, New York, NY 10045* | **021030004** |
| {3400} | Receiver ABA short name | **TREAS NYC** |
| {3600} | Business Function Code | **CTR** *(or CTP)* |
| {4200} | Beneficiary Identifier (account number) | (Enter 8-digit ALC or 12-digit Credit Gateway account #.  OPM2's 8-digit **ALC** is **24000002**.  OPM2's Credit Gateway 12-digit account # is **824000002001**.) |
| {4200} | Beneficiary Name | **OPM2** (Make sure to enter "OPM2" and not just "OPM," as there are several ALCs associated with OPM.) |
| {5000} | Originator | *(Enter the name of the payor/remitter.  If you are a federal agency with a Payroll Office Number, also enter your PON number.)* |
| {6000} | Originator to Beneficiary Information – Line 1 | *(Enter information to identify the purpose of the payment.)* |
| {6000} | Originator to Beneficiary Information – Line 2 | *(Enter information to identify the purpose of the payment.)* |
| {6000} | Originator to Beneficiary Information – Line 3 | *(Enter information to identify the purpose of the payment.)* |
| {6000} | Originator to Beneficiary Information – Line 4 | *(Enter information to identify the purpose of the payment.)* |