In Payroll Office Letter P-96-08, dated October 24, 1996, we described a change in the method by which the Office of Personnel Management will capture the supplemental contributions due the Civil Service Retirement and Disability Fund (CSRDF) when your agency makes a Voluntary Separation Incentive Payment (VSIP). Detailed instructions on reporting and remitting procedures were provided in Payroll Office Letter P-96-08.

Remittances

This letter is to remind you that, effective with separations occurring on or after October 1, 1996, employing agencies must calculate and remit to the CSRDF the supplemental VSIP contributions required by law. This new requirement is applicable to all supplemental contributions and all employing agencies paying VSIP’s (including the Department of Defense). These supplemental contributions must be remitted within 30 days after the end of each quarter. We are sending this letter because we have not received VSIP contributions from some agencies which have paid VSIP’s this fiscal year. If you have not forwarded all monies due to OPM under the VSIP program, please remit the funds by the end of this fiscal year. On the day you are making payment, please remember to fax the supporting schedule "Agency Contributions Due to Voluntary Retirement Incentive Payments" and use a separate schedule for separations on or after October 1, 1997.

CPDF Reports

In order to assist you in determining the number of VSIP’s which your agency paid during the first two quarters of FY 1997, we are enclosing reports which were developed using data submitted by your agency to the Central Personnel Data File (CPDF). The enclosed CPDF Summary Report includes only records with valid basic pay and valid VSIP legal authority codes. The accompanying CPDF Detailed Report may include more records than the Summary Report since it includes all records with a VSIP nature of action code and separation date falling within the specified quarter. These CPDF reports should only be used as a tool in accounting for employees separating with VSIP’s; they may not include all VSIP’s paid by the agency because of delayed agency submissions, submission errors, etc.
If you have any questions about this letter or the enclosed reports, please contact Harriet Horvitz on (202) 606-4843 or via email, finance@opm.gov.

William J. Washington, Chief
Financial Management Division
Retirement and Insurance Service