



SEPTEMBER 2004

**QUARTERLY PAYROLL NEWSLETTER
FORT DETRICK, MARYLAND**

Welcome to the quarterly payroll newsletter provided to you by the Payroll Liaison. I hope that this newsletter helps keep everyone informed on new issues from payroll.

END OF PAY YEAR (2004)

For tax purposes, the end of the pay year is 11 December 2004. With the end of the pay year fast approaching, it is recommended that ALL employees verify their mailing address for accuracy. ANY address changes MUST BE INPUT by 10 December 2004 to ensure timely receipt of W-2 forms. If a W-2 form is not received, it can be printed from MyPay at <http://www.dfas.mil>.

END OF LEAVE YEAR (2004)

The end of the 2004 leave year is 8 January 2005. Each civilian employee has the personal responsibility to ensure they schedule their annual leave so as not to lose any of it at the end of the

current leave year. This year, the last pay period for leave begins 26 December 2004 and ends 8 January 2005. In order to consider restoration of the employee's leave, use of annual leave MUST have been scheduled in writing BEFORE the start of the third biweekly pay period (28 November 2004) to the end of the leave year, and the determination that an "exigency" is of major importance and that annual leave may not be used, must be made by the head of an activity.



POTENTIAL LEAVE DONORS NEEDED

Several employees have applied to the Leave Transfer Program. If you have use-or-lose leave and would like to make a difference, please donate your leave. Anyone wishing to donate leave may do so by completing OPM Form 630-A, "Request to Donate Annual Leave to Leave Recipient (Within Agency)". Completed forms should be mailed or faxed to the Civilian Personnel Advisory Center 810 Schreider Street, Suite 106 at 301-619-2465. Any questions, you can call 301-619-3235.

TSP OPEN SEASON

The next Thrift Savings Plan (TSP) Open Season will be 10/15/04 through 12/31/04. At that time, you will be able to increase the maximum amount you can contribute to your TSP account. The CSRS maximum will be 10% and the FERS maximum will be 15%. Any changes that you may have must be processed through

the ABC-C web site at <https://www.abc.army.mil> or call 1-877-276-9287. Employees MUST USE their ABC-C PIN, NOT their TSP PIN. If the employee processes this through IVRS, they should request a FAX-BACK confirmation sheet. Employees using the web site, should print out the screen stating YOUR TRANSACTION HAS BEEN SUCCESSFULLY COMPLETED. This will give them documentation that the change was made and the effective date of the change. Do not wait until the last minute to make your change.

TSP ALLOCATIONS

You've increased your contributions, now you want to change the funds in which the contributions are allocated to. To do this, you MUST USE the TSP Web site at <http://www.tsp.gov> and use your TSP PIN, NOT your ABC-C PIN.

FEHB OPEN SEASON

The next Federal Employees Health Benefits (FEHB) Open Season will be 11/08/04 through 12/13/04. Any changes that you may have must be processed through the ABC-C web site at <https://www.abc.army.mil>.

BASIC PAY FOR GENERAL SCHEDULE(GS) EMPLOYEES

Per the DOD Financial Management Regulation, Vol 8, Chapter 3, Paragraph 0302, Basic pay, for GS employees, is the rate of pay set by the law or an administrative action for the job held. Pay computations will be based on the rates contained in the OPM salary tables. The hourly basic rate is

derived by dividing the annual rate by 2087 with the result adjusted to the nearest cent, counting one-half cent and over as a whole cent. The biweekly rate is derived by multiplying the hourly rate by 80. A daily rate is derived by multiplying the hourly basic rate by the number of daily hours of service. YOU CANNOT COMPUTE YOUR ANNUAL SALARY BY MULTIPLYING YOUR GROSS PAY BY 26!



WHAT IS OASDI?

OASDI stands for OLD AGE SURVIVOR'S DISABILITY INSURANCE. Another name for this is Social Security. The deduction amount to be withheld from the salary of FERS and FICA employees is 6.2%. CSRS employees DO NOT have this deduction.

TSP CATCH-UP CONTRIBUTIONS

Catch-up contributions are not subject to the TSP Open Season rules and more than one election may be made in any given year, so long as the annual limit is not exceeded. Elections are effective beginning the first day of the pay period following the pay period during which the enrollment is made. Catch-

up contributions will automatically stop the end of the last pay period for the year (12/11/04 for 2004) or when the maximum dollar limit for the year is reached. Because the annual IRS elective deferral limit for catch-up contributions changes yearly, you must make a new election each year.

FEGLI Open Season Coming Up

A rare open season for enrolling in or changing coverage levels in the Federal Employees Group Life Insurance program will be held September 1-30, 2004, marking the 50th anniversary of the program. FEGLI typically holds open seasons only when benefit levels or premium rates change. Neither will change in the upcoming opportunity, which will be open only to active employees and certain rehired annuitants-and not to retirees otherwise. The elections and resulting premium changes won't be effective until the first pay period in September 2005. FEGLI enrollees can cancel or reduce coverage at any time, but outside an open season they generally may only increase coverage by proving insurability or after experiencing certain life events such as marriage or the birth of a child. No proof of insurability will be required for elections made in the upcoming open season. Employees who do not wish to change their coverage will not have to do anything in the open season.



SAVINGS BONDS

The current rates, for the U.S. Savings Bonds are as follows: EE Bonds 2.84% and I Bonds 3.39%. These rates are good through 31 October 2004. The

Bureau of Public Debt announced that Series HH Savings Bonds would no longer be offered to the public after 31 Aug 2004. HH bonds issued through Aug 2004 will continue to earn interest until they reach final maturity 20 years after issue.

2005 PAY RAISE

The Transportation-Treasury bill has not even seen subcommittee action yet, but an attempt is expected there to set the January 2005 federal pay raise at 3.5 percent-rather than the 1.5 percent the Bush administration recommended-in the name of maintaining parity with increases for military personnel.

USER'S MANUALS

All Customer Service Reps (CSRs) and Timekeepers must ensure that they are using the most current user's manuals. The most current date, for both the CSR User's Manual and the T&A User's Manual, is 5 September 2004. These manuals can be downloaded to your desktop.