

Defense Civilian Pay System Receives Top 5 in Government Quality Award

April 29 at the 2003 Software Technology Conference in Salt Lake City, Utah, the Defense Civilian Pay System won “Crosstalk’s” Top 5 Quality Projects in the U.S. Government Award for 2002. DFAS representatives from the Civilian Pay Systems Management Office and Technology Services Organization in Pensacola, Fla., accepted the award. Sponsored by the Office of the Under



DFAS representatives accepting the award from the deputy director of Software Intensive Systems, Office of the Under Secretary of Defense, Acquisitions, Technology and Logistics

Secretary of Defense for Acquisition Resources and Analysis, the Top 5 award recognizes the best in government software capabilities and excellence in software development. More than 70 nominations were received this year. Notably, DFAS was the only government entity among this year’s winners; the other four winning systems were developed for government use by vendor teams at Raytheon, Boeing, Science Applications International Corporation and the Massachusetts Institute of Technology. April 30, all five award winners presented briefings on their respective systems. Based on audience and judges’ feedback, the DCPS briefing was well received, particularly DCPS’ quality methods and cost reduction/productivity achievements.

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Flexible Spending Accounts

The Office of Personnel Management established the Federal Flexible Benefits Plan (FedFlex) to enable eligible employees to pay for certain benefits with pretax dollars. The initial FedFlex Benefit, Health Benefits Premium Conversion, was implemented October 2000. In calendar year 2003, a new type of FedFlex benefit called Flexible Spending Accounts for Federal Employees will be offered.

Two types of FSA benefits have been added. Health Care FSA pays for the uncovered portions of qualified medical costs and a Dependent Care FSA allows you to pay eligible expenses for dependent care. All employee contributions to FSAs are made from pretax earnings. There are no government contributions to the program. By law, neither federal nor nonfederal retirees are eligible to maintain FSAs.

Health Care FSA

- Pretax reimbursement of eligible medical costs (e.g., copay, vision, dental)
- Tricare, Medicare and Long-Term Care premiums, are not eligible expenses.
- Annual maximum allotment of \$3,000 per year

Dependent Care FSA

- Pretax reimbursement for childcare or adult dependent care costs
- Annual maximum allotment of \$5,000 per year

Eligibility and how it works: Employees who are qualified for FEHB (even if not currently enrolled) will be able to elect a HCFA. Eligible employees may elect up to \$5,000 for a DCFSA and \$3,000 for a HCFA. All federal employees will be able to elect to participate in the dependent care FSA for eligible dependents. All FSA elections are 100 percent voluntary. Eligible employees will be able to sign up for the FSAs during an open enrollment period. Employees will elect to contribute any amount, up to the maximum, to their FSA(s). Employees can draw upon their FSA accounts for reimbursement as they incur eligible expenses. Benefit elections participation in an FSA is not automatic; employees must make an election each and every year. This year's enrollment period ended June 27, 2003, and 2003 deductions will begin in September 2003. The usual FSA plan will run from Jan. 1 to Dec. 31 and open season will be held in conjunction with the FEHB open season during the November/December timeframe.

Employees who wish to make an election to participate in FSA can do so online via the <http://www.FSAFEDS.com> Web site by clicking on the link for enrollment or calling the toll free number 1-877-FSAFEDS (372-3337).

Thrift Savings Plan Catch-up Contributions for Employees Over 50

Beginning in July, Thrift Savings Plan participants age 50 and older are eligible to make a new type of tax-deferred contribution to the TSP. These "catch-up" contributions are in addition to regular TSP contributions.

Who is eligible? Any federal employee is eligible who will be age 50 or older during 2003, and is already contributing the maximum amount of regular TSP contributions. The maximum amount of regular contributions for 2003 is 13 percent of basic pay for FERS employees and 8 percent of basic pay for CSRS employees. For highly paid employees, the IRS elective deferral limit for 2003 is \$12,000 by the end of the year.

Maximum Catch-Up Contributions

- 2003-\$2,000
- 2004-\$3,000
- 2005-\$4,000
- 2006-\$5,000

Subsequent years will be indexed to inflation.

When can an employee start making contributions? The election to make catch-up contributions may be submitted in or after July. There's no need to wait for a TSP open season. Elections made in July will be effective in September, thereafter, elections will be effective the first pay period after your agency or service receives your request.

What are the sign up procedures? Federal employees paid by DFAS need to complete the Form TSP-1-C, Catch-up Contribution Election, and submit it to their personnel office responsible for processing TSP elections. Check with your agency for sign-up procedures. A copy of the form may be obtained from the TSP Web site, <http://www.tsp.gov/forms/oc03-03.pdf>, or your agency.

What special circumstances would require my catch-up contribution to stop? If a federal employee is in a nonpay status or within the six-month period following a financial hardship in-service withdrawal, catch-up contributions may not be made. For more, go to: <http://www.tsp.gov>.

Annual Aggregate Limit Processing

The annual aggregate limit is the maximum amount of specific earnings that an employee can be paid in a pay year. The maximum amount is equal to the executive level I salary (\$171,900 for the 2003 pay year). Most earnings (i.e. regular pay) and differentials (i.e. night differential pay) are included in the calculation of an employee's total annual aggregate limit earnings, whereas, most allowances (such as living quarters allowance) are not included in the calculation of an employee's total annual aggregate limit earnings. Currently, the annual aggregate limit is applied to all employees paid by the Defense Civilian Pay System. Each pay period DCPS performs a series of calculations for each employee to identify those that are exceeding, or are expected to exceed, the annual aggregate limit.

For more information on aggregate limits, go to <https://dfas4dod.dfas.mil/systems/dcps/>.

Enhanced Customer Service Representative Computer-based Training

We are proud to announce the availability of our NEW customer service representative computer-based training course. Our customers spoke, and we listened. The first installment of this courseware was placed in publication January 2003, and our complete CBT will be published in September. Here is a sample of the topics:

- Course sign-on
- How to use this CBT course
- Module 1: DCPS user-type responsibilities
- Module 2: DCPS on the Web
- Module 3: Terminal operations
- Module 4: DCPS Sign-on/Sign-off, CSR menus and screen/report overview lessons
- Module 5: Maintain employee data
- Module 6: Maintain leave data
- Module 7: Maintain tables (complete by 9/30/03)
- Module 8: View online inquiries (complete by 9/30/03)
- Module 9: Print (complete by 9/30/03)
- Module 10: View broadcast messages
- Module 11: Research problems (job aids, glossary, values) (complete by 9/30/03)

With each new installation, we have 35 testers critiquing the new material and providing comment. We have received positive feedback. In fact, the most common comment is, "I wish I had had this when I started. It's such a good course I am giving it to my backup as a training tool." We encourage all of our CSRs and timekeepers to make this courseware a part of their job, and we welcome suggestions!

To obtain a copy, go to: <https://dfas4dod.dfas.mil/systems/dcps/consolid/cbt/cbtoc.htm>, select the CSR CBT and follow the download instructions. For more information, please contact your servicing payroll office.

2003 Customer Conference Update

The DFAS payroll offices just completed their 2003 customer conferences. In April four conferences were held for the Air Force, Navy and Defense Agency customers with more than 800 customer service representatives attending, and in May, the Army conference hosted more than 300 Army CSRs.

The theme throughout each of these conferences was to train CSRs on how to perform their jobs more efficiently; how to resolve employee pay and leave issues; review system security functions and gain a better understanding of payroll office functions. In addition, future enhancements being made to the payroll system were presented and discussed. Individual workshops and one-on-one training sessions were held throughout each of the conferences to ensure all users' needs were fulfilled.

"The benefits derived from these training conferences are well worth the time and effort required to host these events," the director of the Pensacola Payroll Office remarked.

Useful Links

myPay: <https://mypay.dfas.mil/mypay.asp>

Office of Personnel Management:
<http://www.opm.gov>

DFAS: <http://www.dfas.mil>

DCPS: <https://dfas4dod.dfas.mil/systems/dcps>

DOD 7000.14-R, Volume 8, Civilian Pay Polices and Procedures: <http://www.dod.mil/comptroller/fmr>

Civilian Payroll Represented at ASMC PDI

The Charleston, Denver and Pensacola payroll offices sent representatives to the American Society of Military Comptrollers Professional Development Institute held in New Orleans, La. The role of the representatives was to respond to civilian customer payroll inquiries. This is the first time that civilian payroll was represented at a PDI and comments from the customers deemed it a success.



The team of experts who represented the three payroll offices at the ASMC PDI this year.

Civilian Payroll Customer Focus Groups

In partnership with DFAS, the Office of Personnel Management conducted three customer focus groups between November 2002 and January 2003 with 50 randomly selected customer service representatives from the Dayton, Ohio, Hampton Roads, Va. and Washington, D.C., areas. We would like to express our thanks to all who participated and provided valuable input.

The purpose of these focus-group meetings was to obtain feedback on how DFAS is providing civilian payroll support to your activity/agency. For the complete feedback document, log onto:

<https://dfas4dod.dfas.mil/systems/dcps/consolid/faqs/CsrFocGrp.htm>

Security Tips!



E-mail attachments: Do not open e-mail attachments from strangers, regardless of how enticing the subject line or attachment may be. Be suspicious of any unexpected e-mail

attachment from someone you do know, because it may have been sent without that person's knowledge from an infected machine.

Lock workstations: All workstations should be locked if you are stepping away from your desk, even momentarily. Workstations can be locked by hitting the Ctrl, Alt and Del keys at the same time and selecting the lock workstation button or hit the letter W on your keyboard. Hit the Ctrl-Alt-Del keys and enter the password in the block provided to unlock.

Protect your passwords and login information: The first step in safe, secure online transactions begins with the proper handling of passwords. DCPS uses a combination of eight alpha, numeric and special characters. Good examples include: Money\$10, A1#b2\$c3, Fit4li\$e, etc. Make the password memorable so you don't write it down! In addition, allowing your computer to "save" this information puts you at risk of having the confidential nature of such information compromised. When asked if you want the system to remember your login name, reply "no."

Critical Data: Make regular backups of critical data located on your workstation.

Before you leave for the day: At the end of each day, secure and turn the power off to all information resource equipment and store sensitive data in a secure manner.

myPay Wins Innovation, Value Engineering Awards



At the American Society of Military Comptrollers Professional Development Institute 2003 in New Orleans La., the myPay system received the Under Secretary of Defense (Comptroller) Financial Management Award. In winning the award, myPay has again been singled out for the innovative services it provides its Department of Defense civilian and military customers.

The Under Secretary of Defense (Comptroller) Financial Management Award for “innovative use of technology to improve financial management” recognizes achievements associated with the introduction or application of new technologies or application of existing technologies in new ways.

myPay also won the Department of Defense Value Engineering Achievement Award presented in a ceremony June 18, at the Pentagon. The department of Defense Value Engineering Achievement Award honors organizations whose efforts have made significant contributions to the Department through identification of value engineering-related changes resulting in cost savings or cost avoidance, quality improvements or elimination of inefficiencies.

myPay delivers powerful features

myPay lets active duty, National Guard and Reserve military members; civilian employees; and military retirees and annuitants take charge of their pay accounts online. With myPay, customers can:

- view, print and save leave and earning statements
- view and print tax statements
- change federal and state tax withholdings
- update bank account and electronic funds transfer information
- edit address information
- manage U.S. savings bonds
- control TSP enrollment (military only)
- view and print travel vouchers
- view and print retiree account statements
- view and print annuitant account statements

- provide report of existence
- update certificate of eligibility

(Features vary by customer population)

The most popular feature in myPay is the delivery of the pay account and tax statements. The myPay system provides your leave and earnings statement as early as two days prior to the actual pay day. The on-line tax statements are also considered “official” versions and are accepted by the Internal Revenue Service for filing your income tax.

You can help the department save money!

By turning off the hard copy LES you can save the Department money, which can be used in more essential areas and programs. Delivery of the electronic LES eliminates risks associated with receiving financial information in the mail.

myPay is simple and secure

Strong encryption and secure socket layer technologies combined with user-unique access make myPay safe to use and protects personal information from unauthorized access.

If you have not used myPay for features other than retrieving your leave and earnings statement, consider using myPay to make your pay changes. It is simple, easy and available nearly around the clock. Easy to use menus and clear confirmation messages will give you confidence that changes you have requested are made quickly and correctly.

Log on at <https://mypay.dfas.mil> or call toll free 1-877-363-3677.

Editor’s Notes...

Welcome to this first edition of the DFAS Civilian Pay newsletter, which we are calling “The Pay Check.” This newsletter is designed to pass along news of interest to federal civilian employees paid by DFAS and useful information to our customer service representatives. We hope you find these articles helpful. We plan to publish this newsletter periodically. We are also distributing an eNewsletter version to our CSRs. If you have questions about your pay, please contact your local CSR.