

Defense Finance and Accounting Service

Civilian Pay

Concept of Operations

DFAS Enterprise Solutions and Standards
March 2012

TABLE OF CONTENTS

Sec. I:	EMPLOYING ACTIVITY RESPONSIBILITIES	3
	Approving Officials	3
	Timekeepers	3
	Customer Service Representatives	4
Sec. II:	ACCOUNTING ACTIVITY (AA) & DISBURSING RESPONSIBILITIES	7
	Accounting Activities	7
	Disbursing	8
Sec. III:	PROGRAM MANAGEMENT RESPONSIBILITIES	8
	Program Sponsor	8
	Functional Manager	9
	System Manager	9
	Project Officer	9
	Human Resources Line of Business Representative	10
Sec. IV:	DFAS CIVILIAN PAYROLL OFFICE OPERATIONAL RESPONSIBILITIES	10
Sec. V:	HUMAN RESOURCES	15

The process of paying federal civilian employees requires cooperation among the offices and individuals collecting information, entering that data accurately in the pay system, maintaining employee pay records, computing and issuing payrolls, and resolving problems employees encounter quickly and efficiently.

From the CSRs to the timekeepers to the HR professionals and DFAS pay offices; everyone that plays a part in the civilian pay team is essential in paying our customers accurately and on time. This document describes those team members and their responsibilities in an effort to insure all understand how their individual roles interact with others.

SECTION I: EMPLOYING ACTIVITY RESPONSIBILITIES

A. **APPROVING OFFICIAL'S RESPONSIBILITIES:** Approving officials are selected by each organization and are responsible for oversight of civilian pay processes and issues within their designation area.

1. Responsibilities:

- a. Ensures timely and accurate recording, certification and submission of T&A.
- b. Assigns timekeeping responsibilities.
- c. Advises CSR to add, update or remove a timekeeper's access to DCPS using the DCPS user security access forms (DD 2875 and DD 2929) and maintains a list of active timekeepers.

B. **TIMEKEEPERS:** Timekeepers are responsible for the recording of time and attendance (T&A) for their assigned organization. Time may be recorded using the DCPS On-Line T&A application, DCPS personal computer-based application, or an approved component-developed Source Data Automation (SDA) system.

1. RESPONSIBILITIES:

- a. Establishes and changes employees' work schedules in DCPS.
- b. Records daily time and attendance (T&A) data.
- c. Performs data entry of T&A data at the site or, when access is not available, at an alternate site. Timekeeper notifies the payroll office and the chain of command prior to the first pass (the processing of employees who have reported T&A) when emergency time must be applied through the Customer Service Representative (CSR).
- d. Monitors and corrects rejected T&A information shown in DCPS generated reports.
- e. Obtains T&A certification from supervisors or authorized certifiers.
- f. Provides data entry of T&A corrections (See Section I C.1.e.2 for SDA).
- g. Provides CSR with updated security access using DD 2875 and DD 2929 as changes occur.
- h. Submits corrections to T&A as required.
- i. Reviews "missing time" T&A reports and inputs corrections as required.
- j. Monitors the DFAS4DOD website (<https://dfas4dod.dfas.mil>) for the latest payroll guidance.

2. **TIMEKEEPERS AND SUPERVISORS FILES:** The following documents are to be maintained to support employee T&A:

- a. Hard copy time and attendance (T&A) reports, including corrected T&As, as applicable
 - b. Sign-in/sign-out sheets if utilized
 - c. Overtime/compensatory time authorizations
 - d. Request for Leave or Approved Absence (OPM Form 71)
 - e. Work schedule reports
 - f. Files of T&A documents for six years, through hard copy or electronic media as required by records retention guidelines.
- C. CUSTOMER SERVICE REPRESENTATIVE (CSR): The CSR provides “over-the-counter” liaison service for employees with pay problems. The CSR is responsible for performing debt, leave and pay audits for pay issues and should coordinate with the servicing Human Resources Office prior to referring an issue to the servicing payroll office. The CSR forwards thoroughly researched, yet unresolved pay and leave issues to the servicing payroll office via Remedy or Imaging.
1. RESPONSIBILITIES: (Asterisked (“*”) items pertain to the duties and responsibilities of the DFAS/Defense Agency CSRs as stated.)
- a. Receives and maintains documents from employees authorizing changes to their payroll accounts to include, but not limited to address changes; start, change or stop an allotment; tax exemption changes; court leave; military orders; and law enforcement certifications.
 - b. Updates the Master Employee Record (MER) including address changes; savings allotments; federal, state, and local tax authorizations; charity; employee organizations; net-pay distribution; National Guard Association of the U.S. (NGAUS) data; advanced/restored leave; adjustments to annual leave, sick leave, and miscellaneous leave such as compensatory time.
 - c. CSRs should review the following reports:
 - (1) myPay Invalid Report and advises the customer of invalid transactions and correction procedures.
 - (2) MER Report – New Hire to verify appointments are entered correctly.
 - (3) New Organization Report to correct the defaulted data on the organization record where applicable.
 - (4) * Employing Activity/Organization Change Report to update employee level accounting information.
 - (5) Multiple Appointments Reporting Excessive Hours Report - researches and corrects T&A when applicable.

- d. Maintains customer service support files of documents in accordance with the GSA General Records Schedule (GRS). This includes:
 - (1) Federal, state, and local tax authorizations
 - (2) Advanced earned income credit authorizations
 - (3) Authorizations for direct deposit of net pay
 - (4) Authorizations for allotments
 - (5) Employee organization authorization/cancellations
 - (6) Charitable contribution authorizations
 - (7) Employee mailing address changes
 - (8) Advance annual and sick leave authorizations
 - (9) Restored leave authorizations
 - (10) Leave and earnings statement (for leave balance prior to receipt of SF 1150)
 - (11) * Voyage days authorizations
 - (12) * Quarters deduction authorizations
 - (13) Continuation of pay (COP) authorizations (for data input to DCPS COP screen)
 - (14) Accounting Classification Record
 - (15) Military orders
 - (16) Court leave certifications
 - (17) * Law enforcement leave certifications
 - (18) Miscellaneous correspondence
 - (19) * Foreign telephone bill deductions
 - (20) * DoDEA extracurricular pay authorizations
- e. Provides support for T&A reporting.
 - (1) Inputs T&A data from timekeepers who do not have on-line access. CSRs will only input on an exception basis, which requires supervisor approval.

- (2) Makes on-line corrections to T&A from SDA files (i.e. ATAAPS, PC based, etc.).
 - (3) Inputs required corrections from the Invalid Transaction Report.
 - (4) Monitors Missing Time/Created Leave Report and the Conversion Hours Report to assure all time has been input.
- f. Serves as the consolidated civilian payroll office point of contact to resolve T&A issues that cannot be resolved by timekeepers.
 - g. Downloads activity level reports, including missing or erroneous T&A reports, management reports, and other ad hoc reports. Assists the customer in the remote printing of T&A and management reports.
 - h. Obtains and updates accounting classifications at the employee, organization, or activity level as appropriate. CSRs shall obtain the accounting information from their resource management office.
 - i. Requests replacement of Leave and Earnings Statement (LES). Advises employee that 26 pay periods of LES and 4 years of W-2 replacements are available through myPay.
 - j. Maintains local tables (refer to DCPS Users Manual for Customer Service Representatives, Appendix A5 - <https://dfas4dod.dfas.mil/systems/dcps/consolid/files/csruerm.htm>)
 - (1) Employing Activity Record (certain data elements, to include accounting classification defaults)
 - (2) Organization Record (certain data elements)
 - (3) Standard Leave Job Orders
 - (4) Work Schedule Default
 - (5) Local Holiday
 - (6) Employing Activity Addresses
 - (7) T&A Site Identification
 - (8) CSR Site Identification
 - k. Submits all required security forms to support the building of tables and/or gaining access to DCPS for CSRs and Timekeepers (Form DD 2875 and DD 2929).
 - l. Accepts and forwards payroll related collection fees, such as jury duty, to the DFAS Cleveland disbursing office.

- m. Maintains updated security access forms (DD 2875 and DD 2929) to support the consolidated civilian payroll office in identifying authorized users.
- n. Assists employees and the consolidated civilian payroll office in the resolution of issues.
- o. Provides training for new CSRs, timekeepers and certifiers in addition to the DFAS provided Web Based Training (WBT). (Courses available at <https://dfas4dod.dfas.mil/systems/dcps/consolid/cbt/Cbttoc.htm>).
- p. Encourages employees to utilize <https://myPay.dfas.mil> for both input of pay data and retrieval of LES's and W-2's.
- q. Routinely visits <https://dfas4dod.dfas.mil/systems/dcps> for the latest DCPS guidance and CBT updates.
- r. First time users to DCPS must complete the DCPS Security Awareness WBT (<https://dfas4dod.dfas.mil/systems/dcps/consolid/cbt/Cbttoc.htm>) and include completion certificate when requesting DCPS access.

SECTION II: ACCOUNTING ACTIVITY (AA) DoD and DISBURSING

A. RESPONSIBILITIES: (AA shared between DFAS Centers)

1. **ACCOUNTING ACTIVITY:** The DoD accounting functions within Civilian Pay processes are accomplished by DFAS. As the AA, DFAS maintains the integrity of applicable records and ensures their accuracy.
 - a. Process accounting transactions received from the civilian payroll system and reconciles cross-disbursing and intra-governmental payment and collections (IPAC) transactions with the DFAS Central Sites responsible for departmental reporting.
 - b. Prepares and reconciles the Work Years and Personnel Costs Report, as appropriate.
 - c. Provides employee accounting data, including the job order and clear text appropriation data. Ensures the completeness and accuracy of accounting information in the employee's master record upon conversion to DCPS. Accession of new employees and periodic changes in the local financial management reporting requirements will also require review, coordination and data entry by the CSRs or AA accounting technicians.
 - d. Ensures that financial management reports reflecting civilian labor costs are properly prepared and distributed to customers.
 - e. Adjusts the accounting system as required to ensure costs are reported in the right appropriation or cost center. Communicates all information regarding adjustments made to military installations accounting personnel to avoid duplicate adjustments. In addition, AA Accounting Technicians provide base

CSRs with detailed information on invalid accounting classifications and request CSRs make corrections to employee's accounting records in DCPS.

2. DISBURSING: Supports all functions related to the processing, administration and distribution of checks, bonds, EFT payments, financial returns and other treasury/financial reporting.
 - a. The Cleveland Disbursing Office immediately notifies DFAS Information and Technology (I&T) of any file transfers of labor or gross pay data not received on schedule.
 - b. The Cleveland Disbursing Office ensures the Payroll Files in the Defense Cash Accountability System (DCAS) are in balance with Part I of the DD592. Certifies files in DCAS and resolves errors.
 - c. Maintains reconciled hard copy reports of the IRS Forms 941 and W-2 for the current year of conversion, the 3 years prior, and beyond.
 - d. Submits IRS Forms W-2, 941c, W-3, and W-3c for the consolidated civilian payroll office.
 - e. Processes requests for replacement checks received from CSRs.
 - f. Accepts and deposits collection fees such as jury duty, repayment of salary debts, etc.
 - g. Provides centralized tax reporting to federal, state and local taxing authorities.
 - h. Generates checks or EFT transmissions for special pays and replacement checks.
 - i. Transmits SF 2812 data to the Office of Personnel Management through RITS/OPAC transactions.
 - j. Provides check numbers and voucher numbers for payroll processing.
 - k. Provides various reports, including:
 - (1) Remittance Report (Union Dues)
 - (2) NAF Retirement Report
 - (3) 401 Savings Plan
 - (4) State and Local Tax Detail

SECTION III: PROGRAM MANAGEMENT RESPONSIBILITIES:

- A. Program Sponsor: The Director, DFAS Enterprise Solutions and Standards (ESS) is the program sponsor and exercises positive management control and coordination over development, operational and improvement efforts within DoD to ensure the civilian pay system complies with applicable statutes and regulations.

- B. Functional Manager: The Director, DFAS ESS Civilian Pay is the functional manager, responsible for ensuring that the pay system programs satisfy all legal, regulatory and policy requirements. The functional manager:
1. Ensures functional representation support for the DCPS program.
 2. Chairs the Configuration Control Board (CCB).
 3. Reviews and approves or disapproves all emergency change requests for DCPS. Such requests will be coordinated through the DCPS System Manager, who will review all requirements and provide a technical recommendation as to the benefits and/or need for such a change to assist the chairperson in making a decision.
 4. Certifies the functional adequacy of the system in acceptance tests.
 5. Reviews the program periodically for effectiveness, affordability, efficiency and manageability.
 6. Identifies information deficiencies, diagnoses problems and takes corrective action
- C. System Manager: The DCPS Systems Manager, DFAS I&T, is responsible for the planning, execution and monitoring of the program, system development and implementation of the pay system. The System Manager will initiate all official communication for issues relating to the program. The Systems Manager will:
1. Coordinate with functional and technical representatives to determine preliminary change feasibility.
 2. Provide support to the updates at each CCB on the status of releases.
 3. Advise the CCB on funding impacts and budget monitoring for system releases.
 4. Schedule and/or participate in the development of implementation of system change requests (SCRs).
 5. Obtain subsequent approval of change requests that are out-of-scope of CCB final determination (i.e., Investment Review Board), as necessary.
 6. Document and communicate emergency changes to the CCB via the DFAS Technical Change Coordinator (TCC).
 7. Ensure system changes contain sufficient information to allow for the technical services provider to make a sound technical assessment and respond with proposed solutions and work-effort estimates.
- D. Project Officer, Central Design Activity: The I&T Payroll Services Office at DFAS Indianapolis is the program Central Design Activity (CDA). The Project Officer is responsible for directing and controlling all IT related program efforts. The Project Officer has primary responsibility for software design, development and software implementation initiatives. Specific responsibilities are defined as follows:

1. Evaluates all approved system changes for technical implications, costs/system impacts and required technical support.
 2. Coordinates with the DFAS System Management Office on preliminary impact analysis and scheduling.
 3. Identifies any anticipated constraints to the implementation of the system change.
 4. Ensures that technical changes which cross platforms, applications or locations are reviewed by the appropriate technical office.
 5. Assists the CCB in prioritizing system changes by addressing workload considerations.
 6. Coordinates with the system's technical staff on the development and implementation of approved system changes.
 7. Designates a Project Change Coordinator (PCC) to provide administrative duties associated with the DCPS-CCB. This person maintains the Configuration Management Information System (CMIS) to track SCRs from receipt to final disposition.
- E. Human Resource Line of Business Representative: The Director, DFAS ESS Civilian Pay serves on the Shared Service Center Advisory Council (SSCAC) to support, assist and provide input on furthering the goal of achieving government-wide modern, cost effective, standardized and interoperable HR and payroll solutions through the Multi-Agency Executive Steering Committee (MAESC) to the Office of Personnel Management.

SECTION IV: DFAS CIVILIAN PAYROLL OFFICE: The Civilian Pay Offices at DFAS Indianapolis and DFAS Cleveland are responsible for processing pay, entitlements and leave for federal civilian employees at designated departments and agencies of the federal government.

A. OPERATIONAL RESPONSIBILITIES:

1. Maintains civilian payroll system tables (refer to DCPS Users Manual, Appendix A2):
 - a. Employing Activity Record
 - b. Accounting Classification
 - c. Employing Activity
 - d. Address Tables
 - e. Accounting Activity
 - f. Deduction Payee
 - g. Disbursing Office
 - h. Employing Activity Office
 - i. Federal Taxing Authority

- j. Payroll Office
 - k. USUHS Deductions
 - l. Organization Record
 - m. Work Schedule Default
 - n. Standard Leave Job Orders
 - o. Organization Accounting Classification
 - p. Financial Organization Address
 - q. Local Holiday
 - r. Pay Block Record
 - s. Payroll Office Master Record – Accounting Activity
 - t. Rotating Tour of Duty
 - u. SDA Interface
 - v. System Status
 - w. State and Local Taxing Authority
 - x. Customer Service Representative Identification
 - y. Leave Bank
 - z. Remote Disbursing Data
 - aa. W-2 Submitter Data
- B. Maintains a record identifying the location of historical employee pay records for each closing civilian payroll office, the corresponding point of contact and all SF 135s received from the closing payroll office for the payroll records submitted to the National Personnel Records Center.
- C. Maintains the following microfiche files for researching pre-conversion retroactive payroll adjustments as provided by the closing civilian payroll office:
- 1. Employee pay, leave and T&A data
 - 2. Individual retirement records and registers for employees converted to DCPS
- D. Maintains consolidated civilian payroll office employee files including the following documents:
- 1. Indebtedness to U. S. Government

- a. DoD/non-DoD voluntary
 - b. DoD/non-DoD involuntary
 - 2. Tax levy (voluntary and involuntary)
 - 3. Court ordered bankruptcy
 - 4. Thrift Savings Plan Retroactive Contribution Authorization
 - 5. Thrift Savings Plan Loan Application (TSP-20)
 - 6. Record of Leave Data (SF 1150) – may not be required at conversion
 - 7. Statement of annual annuity amount for reemployed annuitants
 - 8. Military Deposit Worksheet (Paid in Full Letter)
 - 9. Continuation of Pay, Workman’s Compensation, and buy back of leave documentation
 - 10. Public Voucher for Unpaid Compensation Due a Deceased Employee (SF 1154)
 - 11. Unprocessed documents that were received but not processed prior to the transfer of payroll accounts
- E. Maintains employee automated leave and pay records.
 - F. Provides centralized retirement record keeping and reporting.
 - G. Processes biweekly Register of Separations and Transfers (SF 2807 and SF 3103) for separating employees.
 - H. Ensures retirement accounts established under DCPS are reconciled.
 - I. Resolves and returns all outstanding OPM discrepancy letters.
 - J. Ensures reports are made available for downloading and printing by CSRs.
 - K. Calculates and processes special payments and ensures employee year-to-date data is adjusted. Cancelled payments are adjustments of employee’s year-to-date information.
 - L. Provides customer service and support. Resolves problems and answers questions from CSRs, local activities, major commands, etc.
 - M. Forwards requests to DFAS I&T for generating one-time/non-recurring ad-hoc reports as requested. Customers will submit recurring report requests directly to the ESS Civilian Pay Customer Service mailbox at ESSCivPayCustomerService@dfas.mil.
 - N. Forwards requests for replacement checks to DFAS Cleveland Disbursing Office.
 - O. Processes indebtedness actions and initiates due process for debts originating from payroll processing of current and closing payroll offices.

- P. Reconciles EFT submissions and processes Notices of Changes received from financial institutions.
- Q. Provides pre-conversion retroactive support. Pre-conversion data is not stored in DCPS; therefore, retroactive payments must be manually computed and processed by the consolidated civilian payroll office.
- R. Researches, computes and processes pre-conversion retroactive adjustments based on microfiche records forwarded from the closed civilian payroll office.
 - 1. Retroactive adjustments that require corrections to IRS Forms 941, 941c, W-3 and/or W-3c will be submitted by the consolidated civilian payroll office and the disbursing office using the Employer's Identification Number (EIN) of the losing payroll office.
 - 2. Retroactive adjustments that are forwarded to the Office of Personnel Management or the National Finance Center will be submitted by the consolidated civilian payroll office using the losing payroll office's payroll office number.
- S. Resolves discrepancies in health benefit enrollment data through coordination with the servicing personnel office.
- T. Issues corrected IRS Forms W-2, 941c, W-3, and W-3c for prior civilian payroll offices.
- U. Provides functional and technical training and requirements to customers. Such information and guidance will be provided as follows:
 - 1. Information will be promulgated through payroll advisories to all Remedy clients via:
 - a. Email to the DCPS Configuration Control Board (CCB)
 - b. Web updates.
 - c. Newsletters, etc.
 - d. Periodic informational based conferences designed for Customer Service Representatives (CSR)/Timekeepers, personnel representatives and their management. DFAS will fund the cost for facilities and training materials. **Agencies will fund all travel, per diem and conference fees, if applicable.**
 - e. On-site training based on a train-the-trainer concept will be used. Such training will be negotiated on an as-needed basis by the agency and the servicing payroll office. All costs associated with this training will be borne by the requesting agency.
 - f. Briefings at the agency or major command level will be funded by DFAS. Briefings requested below this level will be funded by the requesting agency.
- V. Reconciles and distributes biweekly certification reports:
 - 1. Report of Withholdings and Contributions for Health Benefits, Life Insurance and Retirement (SF 2812)

2. Report of Withholding and Contributions for Health Benefits by Enrollment Code (SF 2812A)
3. Payroll for Personal Services Payroll Certification and Summary (DD Form 592)
4. Statement of Unpaid Wages
5. Employees Exceeding Limitations
6. Specified Deductions Exception
7. Payroll Gross to Net Verification
8. Indebtedness to the Government
9. Collection of Delinquent Debts
10. FEHB Indebtedness
11. Payroll Crossfoot Error Notification
12. Adjustments to be Taken Report
13. NGAUS Insurance
14. Notification of Current Pay Period Stopped Debts
15. Debt Collection Deductions Scheduled for Pay Period Ending MM/DD/YY
16. Journal Voucher and Report of Withholding and Contributions for Foreign Service Retirement (In Lieu of DS 1834)
17. Remittance Report
18. Payroll Gross to Net Verification Part II – Gross Earnings by Federal Tax Category
19. Employees Exceeding Aggregate Limitations Listing
20. Student Loan Entitlements/Deductions Listing
21. Thrift Savings Plan Adjustments
22. Pre-Pay Audit Report (Random Selection)
23. Pre-Pay Audit Gross % Difference Summary (Random Selection)
24. Pre-Pay Audit Net % Difference Summary (Random Selection)
25. Pre-Pay Audit Report (All ES & EX Employees)
26. Pre-Pay Audit Gross % Difference Summary Report (All ES & EX Employees)

27. Pre-Pay Audit Net % Difference Summary Report (All ES & EX Employees)
 28. Pre-Pay Audit Report (Selected Employees)
 29. Pre-Pay Audit Gross % Difference Summary Report (Selected Employees)
 30. Pre-Pay Audit Net % Difference Summary Report (Selected Employees)
 31. Adjustment Hours and Amount
 32. Cancel Check/YTD Adjustments
 33. Lump Sum Payments for Multiple Appointment Employees
 34. Non Duty/Non Pay Status
 35. Completed and/or Deleted Deductions
 36. Debt Worksheet
 37. Prior Year Versus Current Year Debt
 38. Foreign Entitlements Detail
 39. Year-to-Date Totals – Part I Earnings/Deductions
 40. Year-to-Date Totals – Part II Retirement/Tax Crossfoot/Misc Info
 41. Year-to-Date Detail – Part II Retirement/Tax Crossfoot/Misc Info
 42. Collections
- W. Prepares Certification of Transfer of Funds and Journal Voucher (TSP-2) and Certification of Transfer of Funds and Journal Voucher for Loan Repayments for submission to Thrift Savings Plan.
- X. Makes collections into Deposit Fund Accounts for state taxes, local taxes and unpaid compensation due beneficiaries of deceased employees.
- Y. Prepares Public Voucher for Refunds (SF 1049) to disburse funds from Deposit Fund Accounts.
- Z. Generates checks or EFT transmissions for special pays and replacement checks.
- AA. Makes year-to-date adjustments when required.
- BB. Ensure completion of the DCPS Security Awareness Training and the CBT located at <https://dfas4dod.dfas.mil/systems/dcps/consolid/cbt/Cbttoc.htm>.

SECTION V: HUMAN RESOURCES: Supports the customers by providing services and products to support human capital needs and strategic business goals for improved mission performance.

A. Responsibilities for DoD:

1. Maintains all official Civilian Personnel Folders.
2. Processes all personnel actions such as appointments, reassignments, promotions, awards, separations, corrections and cancellations, and ensures these actions properly interface with DCPS.
3. Submits payroll Remedy tickets as necessary.
4. On a daily basis, reviews the 'Returns to Personnel' and takes the appropriate corrective action.
5. Coordinates as necessary with the payroll office to resolve transactions that have rejected.
6. Performs a reconciliation of the Defense Civilian Personnel Data System (DCPDS) and DCPS on a quarterly basis and takes appropriate action to correct the DCPDS record or coordinates correction of the DCPS record with the payroll office.
7. Establishes new activity codes and organization codes in DCPDS.
8. Responds to employee employment and pay inquiries.
9. Processes overseas allowance and entitlements.
10. Represents DFAS Human Resources on the quarterly DoD Human Resources/Civilian Pay Interface meeting, for DoD customers only.