



United States Department of Agriculture  
Office of the Chief Financial Officer  
National Finance Center  
Government Employees Services Division

## Functional Requirements Document (FRD)

Project# 803310

Project Title: Add  
Two New Allowances

Date Prepared:  
6/5/14

Version 3.0

As of: 1/22/15

### Scope:

The scope is for the establishment of requesting the establishment of two allowances, "OTRAT - Overseas Tour Renewal Agreement Travel Allowance" and "Education Allowance - Taxable."

#### (OTRAT)

Overseas Tour Renewal Agreement Travel - there is currently no existing allowance

#### Law and Regulation:

5U.S.C. 5728(a); and Federal Travel Regulation 32-3.209.

#### Statute applies to:

Provides round-trip travel for employee and immediate family from post outside the US to place of actual residence at the time of appointment to the post of duty, after he has satisfactorily completed each 2 years of service outside the continental United States. The FTR permits employees to travel to locations other than their actual residence but reimbursement is limited to the cost of travel to actual residence.

**Taxation: taxable for all U. S. Citizens.** Available to both US citizens and non-US citizens (but no tax issues for non US Citizens.)

#### (EDUCATION - TAXABLE)

(NFC currently has a Federal tax exempt version) This is the allowance for the taxable portion.

#### Law and Regulation:

Overseas Differentials and Allowances Act: 5U.S.C. 5924(4); and Department of State Standardized Regulation,  
<http://aoprals.state.gov>

**Taxation:** Tax exempt for federal employees under Section 912 of the Internal Revenue Code; taxable to other employees.

### Assumptions:

Allowance Type 535 with TC 53, Suffix 05 and the Budget Object Class (BOC) Code of 1286 will be established as a valid accounting transaction for the "Overseas Tour Renewal Agreement Travel" in the NFC Accounting System and on the Table Management System.

Allowance Type 536, with TC 53, Suffix 06 and the Budget Object Class (BOC) Code of 1242 will be established as a valid accounting transaction for the "Education - Taxable" in the NFC Accounting System and on the Table Management System.

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	<p>The transaction will be designated on Tables 32 and 64.</p> <p>The following tables will be updated for both new Transaction Codes:</p> <p>Table 32 - Transaction Codes Table 56 - Manual Transaction Codes Table 64 - Subobject Class Conversion</p> <p>FESI is already set up to accept these types of allowances; however the PINE and PEPL processes will require modifications to edit these transactions.</p> <p>Agencies will not be required to cancel these payments in the subsequent pay period after they are paid. However, the payment must be submitted for the total amount to be paid in the current pay period, with the same amount in the ALLOWANCE-RATE and ALLOWANCE-AMOUNT fields. By submitting payments this way, the BEAR system will not be required to be changed, and will automatically cancel the allowance after the pay process executes. If the payment is rejected for any reason, it should be cancelled and resubmitted by the agency.</p> <p>These transactions will appear on the Earnings and Leave Statement as "Overseas Tour Renewal Agreement Travel" and "Education - Taxable."</p> <p>These transactions are taxable and will be included as taxable income on the annual W-2 statement.</p> <p><b>Note: This modification was originally requested by The Smithsonian Institution, but the change will be made for all agencies.</b></p>
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## Functional Requirements

### Payroll Systems Branch (PASB) Requirements

#### Modifications to the PAYE System:

Include the new "Overseas Tour Renewal Agreement Travel" Allowance Code 535 in Gross Pay. Include the new "Education - Taxable Allowance" Code 536 in Gross Pay. The frequency of submitting these payments will be administratively controlled by the agency. Ensure corrected T & A process supports these 2 new allowances.

Include amounts processed as Allowance Code 535 and 536 in the Aggregate Pay Cap but not in the Annual Pay Cap.

Include in the Payroll Listing Summary Report. The "paid listing" programs should include Pay Transaction Code 53, suffix 05 and Pay Transaction Code 53, suffix 06 in the gross pay computations.

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Include these allowances on the paid listing and payroll summary report as separate line items also included on the quarterly and annual reporting.

Include the "Overseas Tour Renewal Agreement Travel Allowance" and "Education - Taxable" Allowance as part of the control balances and recaps for PAYE. Report the allowance on the PAYE0512 report as a separate line item under the "Allowances" column.

Ensure ADJP is modified to correctly process corrected and revalidated T/A's, with these allowances.

### **Modifications to the PACS System:**

Modify the PACS Reconciliation Report to include the "Overseas Tour Renewal Agreement Travel" Allowance and "Education - Taxable" Allowance as a separate line item with the other allowances in the "Paid Totals" column of the PACS report and in the "Allowances" column of the Section titled "Pay Transaction Amounts" in the PACS Reconciliation Report.

Generate the Accounting Records using GLID Transaction Code 1286 44010 for Pay Transaction Code 53 and Suffix 05, and GLID Transaction Code 44010 for Pay Transaction Code 53 and Suffix 06.

Use TMGT Table 64 to retrieve the object class code "1286 for Overseas Tour Renewal Agreement Travel" and "1242 for Education - Taxable."

Prorate the amount on the transaction codes against the base pay transaction code. PACS should include the "Overseas Tour Renewal Agreement Travel" Allowance and "Education - Taxable" Allowance when totaling transaction codes to balance back to the gross pay in Pay History.

Don't include on the SF-113 file. PACS should include BOC 1286 and BOC 1242 on the 1351 Report in the Other category.

### **Modifications to the EARN System:**

Modify EARN to move 05 to the suffix with Transaction Code 53 to call Table 32 to display the allowance as "Overseas Tour Renewal Agreement Travel" on the Earnings and Leave Statement.

Modify EARN to move 06 to the suffix with Transaction Code 53 to call Table 32 to display the allowance as "Education - Taxable" on the Earnings and Leave Statement.

### **Modifications to the WTWO System:**

Modify the W-2 process so that this allowance is reported as taxable income on the

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W-2 Statement.

### Personnel Systems Branch (PESB) Requirements

#### Modifications to the PINE/PEPL System:

Accept the new ALLOWANCE-TYPE 535 for processing and reporting an "Overseas Tour Renewal Agreement Travel" payment. Accept the new ALLOWANCE-TYPE 536 for processing and reporting an "Education - Taxable" payment.

The allowance amount submitted should be entered in both the ALLOWANCE-RATE and ALLOWANCE-TOTAL fields with the ALLOWANCE-CODE 3 - per pay period.

The funds will be taxable and administratively controlled by the agency.

The ALLOWANCE-TYPE "535 - Overseas Tour Renewal Agreement Travel" and "Education - Taxable - 536" - should be accepted and updated to the allowance record on the database. The breakdown of pertinent fields and values for the Overseas Tour Renewal Agreement Travel and Education - Taxable" are shown below:

<u>Data Element</u>	<u>Picture</u>	<u>Value</u>
ALLOWANCE-TYPE	PIC 9(03)	535
ALLOWANCE-TAXABLE	PIC X(01)	Y
ALLOWANCE-CODE	PIC 9(01)	3
ALLOWANCE-TOTAL	PIC 9(03)V9(02)	999.99
ALLOWANCE-RATE	PIC 9(03)V9(02)	999.99
ALLOWANCE-BALANCE	PIC 9(03)V9(02)	999.99

<u>Data Element</u>	<u>Picture</u>	<u>Value</u>
ALLOWANCE-TYPE	PIC 9(03)	536
ALLOWANCE-TAXABLE	PIC X(01)	Y
ALLOWANCE-CODE	PIC 9(01)	3
ALLOWANCE-TOTAL	PIC 9(03)V9(02)	999.99
ALLOWANCE-RATE	PIC 9(03)V9(02)	999.99
ALLOWANCE-BALANCE	PIC 9(03)V9(02)	999.99

Note: ALLOWANCE-TOTAL and ALLOWANCE-RATE should always be submitted by the agency with the same amount representing the quarterly payment, or whatever payment is being submitted at the time.

Modify the PINE edits to accept the new Allowance Type of 535 and 536 as a valid transaction.

#### Modifications to the IRIS System:

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The Inquiry Research Information System (IRIS) screen 109 will be modified to include the literal "Overseas Tour Renewal Agreement Travel" for ALLOWANCE-TYPE 535 on the Allowances/COLA/Post Diff screen in IRIS 109.

The Inquiry Research Information System (IRIS) screen 109 will be modified to include the literal "Education - Travel" for ALLOWANCE-TYPE 536 on the Allowances/COLA/Post diff screen in IRIS 109.

### **Administrative Applications Systems Branch (AASB) Requirements**

**Not Applicable**

### **Web Applications Systems Branch (WASB) Requirements**

#### **Modifications to the EPIC and SPFS Systems:**

The EPIC system will be modified to add Allowance Type 535, "Overseas Tour Renewal Agreement Travel" to the Document Type 127 under the Allowance Tab.

The EPIC system will be modified to add Allowance Type 536, "Education - Taxable" to the Document Type 127 under the Allowance Tab.

The allowance will be classified as taxable in the Taxable Option Block.

The Allowance Type field will be modified to include "535 - Overseas Tour Renewal Agreement Travel", and Allowance Type field "536 - Education - Taxable".

The same allowance amount should be entered in the ALLOWANCE-RATE and ALLOWANCE-TOTAL fields with the ALLOWANCE-CODE 3 - per pay period.

For the EPIC system:

The allowance amount submitted should be entered in both the ALLOWANCE-RATE and ALLOWANCE-TOTAL fields with the ALLOWANCE-CODE 3 per pay period.

### **Human Resources Applications Staff (HRAS) Requirements**

#### **EmpowHR modifications:**

The EmpowHR System Allowance Page Payroll Document will be modified to add Allowance Type 535 "Overseas Tour Renewal Agreement Travel" and Allowance Type 536 "Education - Taxable".

The Allowance Type field will be modified to include 535 - Overseas Tour Renewal Agreement Travel and 536 - Education - Taxable.

The Allowances will be classified as taxable in the Taxable Option Block.

The same allowance amount should be entered in the ALLOWANCE-RATE and ALLOWANCE-TOTAL fields with the ALLOWANCE-CODE of 3 - per pay period.

**Signature of SRB Chief:**

**/s/ Josie Stovall**

**Date:**

**1/22/15**