

U.S. Department of Labor

Office of Inspector General—Office of Audit

OFFICE OF WORKERS' COMPENSATION PROGRAMS



SPECIAL REPORT RELATING TO THE FEDERAL EMPLOYEES' COMPENSATION ACT SPECIAL BENEFIT FUND

September 30, 2013

This report was prepared by KPMG LLP, under contract to the U.S. Department of Labor, Office of Inspector General, and by acceptance, it becomes a report of the Office of Inspector General.

A handwritten signature in blue ink that reads "Elliott P. Lewis".

Assistant Inspector General for Audit
U.S. Department of Labor

Date Issued: November 22, 2013
Report Number: 22-14-001-04-431

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U.S. Department of Labor

Office of Inspector General
Washington, DC. 20210



Assistant Inspector General for Audit's Memorandum

November 22, 2013

MEMORANDUM FOR: FEDERAL AGENCIES WITH RESPONSIBILITIES
FOR THE FEDERAL EMPLOYEES' COMPENSATION
ACT PROGRAM

Elliot P. Lewis

FROM: ELLIOT P. LEWIS
Assistant Inspector General
for Audit

SUBJECT: Special Report Relating to the Federal Employees'
Compensation Act Special Benefit Fund – FY 2013
Report No. 22-14-001-04-431

Attached is the special report on the Federal Employees' Compensation Act (FECA) Special Benefit Fund (Fund) that was prepared to assist in the audit of your agency's annual financial statements. The U.S. Department of Labor (DOL), Office of Workers' Compensation Programs (OWCP), administers the Fund and the DOL Office of Inspector General (OIG) is responsible for auditing the Fund.

The OIG contracted with the independent certified public accounting firm of KPMG LLP (KPMG) to prepare the report on the Fund as of, and for the year ended, September 30, 2013. This special report consists of two reports. The first report is an opinion on the Schedule of Actuarial Liability, Net Intra-Governmental Accounts Receivable, and Benefit Expense of the Fund as of, and for the year ended, September 30, 2013, for which KPMG issued an unqualified opinion. In connection with this audit, KPMG performed certain tests of controls and compliance with laws and regulations related to the Fund. Its testing of controls disclosed no instances of deficiencies in internal control over financial reporting that it consider to be significant deficiencies and/or material weaknesses. KPMG's testing of compliance disclosed no instances of noncompliance or other matters that are required to be reported under generally accepted government auditing standards (GAGAS).

The second report is an agreed-upon procedures (AUP) report on the Schedules of Actuarial Liability, Net Intra-Governmental Accounts Receivable, and Benefit Expense of the Fund by agency as of, and for the year ended, September 30, 2013. This report includes a description of the procedures performed and the results of those procedures.

The sufficiency of the procedures referred to in the AUP is solely the responsibility of the parties specified in this report. Consequently, neither the OIG nor KPMG made any representations regarding the sufficiency of the procedures. Because the AUPs performed did not constitute an audit, KPMG did not express an opinion on any elements, accounts, or items as they pertained to the AUP report. Furthermore, neither the OIG nor KPMG had any obligation to perform any procedures beyond those listed in the attached report.

KPMG is responsible for the attached reports dated November 22, 2013, and the conclusions expressed therein. We reviewed KPMG's reports and related documentation and inquired of its representatives. Our review, as differentiated from an audit in accordance with GAGAS, was not intended to enable us to express, and we did not express opinions on the schedule of actuarial liability, net intra-governmental accounts receivable, and benefit expense of the Fund as of, and for the year ended, September 30, 2013; or the AUP report on the schedules of actuarial liability, net intra-governmental accounts receivable and benefit expense of the Fund by agency as of, and for the year ended, September 30, 2013. Our review disclosed no instances where KPMG did not comply, in all material respects, with GAGAS.

If you have any questions or comments, please send your questions or comments via regular mail, facsimile, or e-mail to:

Joseph L. Donovan, Jr.
Audit Director, Financial Statement Audits
U.S. Department of Labor
Office of Inspector General
200 Constitution Ave., N.W., Room S-5512
Washington, D.C. 20210

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Attachment

Section 1

Financial Section

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KPMG LLP
Suite 12000
1801 K Street, NW
Washington, DC 20006

Section 1A

Independent Auditors' Report

Mr. Gary A. Steinberg, Acting Director
Office of Workers' Compensation Programs, U.S. Department of Labor

Report on the Schedules

We have audited the accompanying schedule of actuarial liability and net intra-governmental accounts receivable as of September 30, 2013, and of benefit expense for the year then ended, of the U.S. Department of Labor's Federal Employees' Compensation Act Special Benefit Fund (the Fund), and the related notes (hereinafter referred to as the schedule).

Management's Responsibility for the Schedule

Management is responsible for the preparation and fair presentation of the schedule in accordance with U.S. generally accepted accounting principles; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the schedule that is free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on the schedule based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the schedule is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the schedule. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the schedule, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the schedule in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's



internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the schedule.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion on the Schedule

In our opinion, the schedule referred to above presents fairly, in all material respects, the actuarial liability and net intra-governmental accounts receivable as of September 30, 2013, and benefit expense for the year then ended, in accordance with U.S. generally accepted accounting principles.

Emphasis of Matter

We draw attention to Note 1.b to the schedule, which describes the basis of presentation. The schedule was prepared by management for the purpose of providing this information to the Chief Financial Officers Act agencies and other specified agencies to support and prepare their respective financial statements. The schedule is not intended to be a complete presentation of the Fund's financial position, its net cost, changes in net position or budgetary resources. Our opinion is not modified with respect to this matter.

Other Reporting Required by Government Auditing Standards

Internal Control Over Financial Reporting

In planning and performing our audit of the schedule, we considered the Fund's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the schedule, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control. Accordingly, we do not express an opinion on the effectiveness of the Fund's internal control. We did not test all internal controls relevant to operating objectives as broadly defined by the *Federal Managers' Financial Integrity Act of 1982*.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.



Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Fund's schedule is free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, and contracts, noncompliance with which could have a direct and material effect on the determination of schedule amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests of compliance disclosed no instances of noncompliance or other matters that are required to be reported herein under *Government Auditing Standards*.

Purpose of the Other Reporting Required by Government Auditing Standards

The purpose of the communication described in the Other Reporting Required by *Government Auditing Standards* section is solely to describe the scope of our testing of internal control and compliance and the result of that testing, and not to provide an opinion on the effectiveness of the Department of Labor's internal control or compliance. Accordingly, this communication is not suitable for any other purpose.

KPMG LLP

November 22, 2013

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SECTION 1B

**U.S. Department of Labor
Office of Workers' Compensation Programs
Federal Employees' Compensation Act Special Benefit Fund**

**Schedule of Actuarial Liability and Net Intra-Governmental
Accounts Receivable as of September 30, 2013, and Benefit Expense
For the Year Ended September 30, 2013
(Dollars in Thousands)**

Actuarial Liability	<u>\$ 36,787,794</u>
Net Intra-Governmental Accounts Receivable	<u>\$ 5,347,259</u>
Benefit Expense	<u>\$ 5,475,377</u>

See accompanying notes to the Schedule.

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SECTION 1C

**Notes to the Schedule of Actuarial Liability and Net Intra-Governmental
Accounts Receivable as of September 30, 2013, and Benefit Expense
For the Year Ended September 30, 2013**

1. Significant Accounting Policies

a. Reporting Entity

The U.S. Department of Labor's (DOL) Federal Employees' Compensation Act (FECA) Special Benefit Fund (the Special Benefit Fund) was established by the FECA to provide income and medical cost protection to covered Federal civilian employees injured on the job, employees who have incurred a work-related occupational disease, and beneficiaries of employees whose death is attributable to a job-related injury or occupational disease. The fund is reimbursed by other Federal agencies for the FECA benefit payments made on behalf of their workers. The DOL, Office of Workers' Compensation Programs (OWCP) is charged with the responsibility of operating the Special Benefit Fund under the provisions of FECA.

b. Basis of Presentation

The Schedule of Actuarial Liability and Net Intra-Governmental Accounts Receivable as of September 30, 2013, and Benefit Expense for the year ended September 30, 2013, of the Special Benefit Fund (the schedule) has been prepared to report the actuarial liability, net intra-governmental accounts receivable, and benefit expense of the Special Benefit Fund. OWCP is responsible for providing this information to the Chief Financial Officers Act (CFO Act) agencies and other specified agencies to support and prepare their respective financial statements. The schedule has been prepared from the accounting records of the Special Benefit Fund. The actuarial liability, net intra-governmental accounts receivable, and benefit expense of the Special Benefit Fund are considered specified accounts for the purpose of this schedule. The schedule is not intended to be a complete presentation of the Fund's financial position, its net cost, changes in net position or budgetary resources.

c. Basis of Accounting

The schedule has been prepared on the accrual basis of accounting in conformity with U.S. generally accepted accounting principles.

d. Actuarial Liability (Future Workers' Compensation Benefits)

The actuarial liability for future workers' compensation benefits reported on the schedule includes the expected liability for death, disability, medical and miscellaneous costs for approved cases as well as an estimate for those cases incurred but not reported. The liability is determined using a method that utilizes historical benefit payment patterns related to a specific incurred period to predict the ultimate payments related to that period. The actuarial model uses a Paid Loss Development Method by agency, by defined agency groups, and in total, using inflation rate assumptions on both past and future indemnity and medical benefits to adjust past data and project forward.

As required under U.S. generally accepted accounting principles, these projected annual benefit payments have been discounted to present value. Consistent with past practice, OWCP used the Office of Management and Budget's (OMB) economic assumptions for Treasury notes. The interest rates were selected by interpolation for Treasury notes with maturities that match average FECA compensation and medical cash flow durations.

To provide more specifically for the effects of inflation on the liability for future workers' compensation benefits, a wage inflation factor (cost-of-living allowance) (COLA), and a medical inflation factor (consumer price index-medical) (CPI-Med) are applied to the calculation of projected future benefits. These factors are also used to adjust the historical payments to current-year constant dollars. The liability is determined assuming an annual payment at mid-year.

The medical inflation rates used in the actuarial model represent an average of published quarterly rates covering the benefit payment fiscal year. The compensation factors are the blended COLA factor rates used by the model. COLA rates for FECA are updated March 1st of each calendar year by the Office of Personnel Management and remain applicable until the end of February of the next year. As such, the actuarial model overlaps two COLA rate periods, therefore, the COLA factor rates are a blend of the rates for the two periods.

e. Net Intra-governmental Accounts Receivable

The net intra-governmental accounts receivable is the amount due from Federal agencies for benefit payments paid to or on behalf of employees of the employing agency as of September 30, 2013. Intra-governmental accounts receivable are considered fully collectible.

2. Actuarial Liability (Future Workers' Compensation Benefits)

The interest rates used to discount compensation benefits in fiscal year (FY) 2013 were 2.73% for year 1 and 3.13% for subsequent years. The interest rates used to discount medical benefits in FY 2013 were 2.33% for year 1 and 2.87% for subsequent years.

The compensation COLA and the CPI-Med used in the actuarial model calculation of estimates for FY 2013 were as follows:

<u>FY</u>	<u>COLA</u>	<u>CPI-Med</u>
2014	1.67%	3.46%
2015	1.80%	3.82%
2016	2.20%	3.83%
2017	2.20%	3.82%
2018	2.20%	3.82%

3. Net Intra-Governmental Accounts Receivable

Net intra-governmental accounts receivable for the year ended September 30, 2013, consisted of the following (dollars in thousands):

Billed, but not paid as of year end	\$ 4,574,322
Benefit payments not yet billed	796,088
Credits due from the Public	<u>(23,151)</u>
 Total net intra-governmental accounts receivable	 <u>\$ 5,347,259</u>

The FECA Special Benefit Fund also receives an appropriation for special cases and older cases where employing agencies are not charged for benefit payments.

Each Federal agency is required by FECA to include in its annual budget estimate a request for an appropriation in the amount equal to the agency cost. Agencies not receiving an appropriation are required to pay agency costs from funds directly under their control. In addition, certain corporations and instrumentalities are assessed under FECA for a fair share of the costs of administering disability claims filed by their employees. The fair share costs are included in the calculation to determine the net intra-governmental accounts receivable.

4. Benefit Expense

Benefit expense for the year ended September 30, 2013, consisted of the following (dollars in thousands):

Benefits paid for compensation	\$ 2,057,871
Benefits paid for medical benefits	935,251
Change in accrued benefits	(45,417)
Change in actuarial liability	<u>2,527,672</u>
Total benefit expense	<u>\$ 5,475,377</u>

5. Material Concentration of Risk

The U.S. Postal Service (USPS) represents 43% of the actuarial liability and 32% of the net intra-governmental accounts receivable to the Special Benefit Fund as of September 30, 2013. The USPS's portion of the FECA actuarial liability and net intra-governmental accounts receivable as of September 30, 2013, together with the USPS's poor financial condition, represent a material concentration of risk for the Special Benefit Fund.

In October 2013, the USPS timely reimbursed the FECA Special Benefits Fund for costs incurred on its behalf during the 12 months ended June 30, 2013. In the USPS FY 2013 quarterly report for the nine months ended June 30, 2013, USPS disclosed in the notes to its unaudited interim financial statements its severe lack of liquidity.

Section 2

Agreed-Upon Procedures Section

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KPMG LLP
Suite 12000
1801 K Street, NW
Washington, DC 20006

Section 2A

Independent Accountants' Report on Applying Agreed-Upon Procedures

Mr. Gary A. Steinberg, Acting Director
Office of Workers' Compensation Programs, U.S. Department of Labor

Agencies Specified in Section 2B of this Report

We have performed the procedures enumerated in Section 2C, Agreed-Upon Procedures and Results, which were agreed to by the U.S. Department of Labor (DOL) Office of Workers' Compensation Programs (OWCP) and Federal agencies participating in the Federal Employees' Compensation Act (FECA) program specified in Section 2B (Federal agencies), solely to assist you and such Federal agencies in evaluating the accompanying Schedules of Actuarial Liability by Agency and Net Intra-Governmental Accounts Receivable by Agency as of September 30, 2013 and Schedule of Benefit Expense by Agency for the year ended, of the DOL FECA Special Benefit Fund (hereinafter referred to as the "Schedules").

Management is responsible for the Schedules (Section 2B). This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and the standards applicable to attestation engagements contained in the *Government Auditing Standards*, issued by the Comptroller General of the United States.

The sufficiency of these procedures is solely the responsibility of those parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures described in Section 2C either for the purpose for which this report has been requested or for any other purpose. The procedures we performed and the associated results are presented in Section 2C of this report.

We were not engaged to, and did not, conduct an examination, the objective of which would be the expression of an opinion on the Schedules. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.



This report is intended solely for the information and use of the DOL OWCP and the Federal agencies, and is not intended to be and should not be used by anyone other than these specified parties.

KPMG LLP

November 22, 2013

SECTION 2B

**U.S. Department of Labor
Office of Workers' Compensation Programs
Federal Employees' Compensation Act Special Benefit Fund**

**I. Schedule of Actuarial Liability by Agency
As of September 30, 2013
(Dollars in Thousands)**

AGENCY	Actuarial Liability
Agency for International Development	\$ 26,047
Environmental Protection Agency	51,818
General Services Administration	138,657
National Aeronautics and Space Administration	50,822
National Science Foundation	1,425
Nuclear Regulatory Commission	7,023
Office of Personnel Management	24,750
U.S. Postal Service	15,824,912
Small Business Administration	33,703
Social Security Administration	368,218
Tennessee Valley Authority	460,475
U. S. Department of Agriculture	986,318
U. S. Department of the Air Force	1,441,960
U. S. Department of the Army	1,927,282
U. S. Department of Commerce	242,691
U. S. Department of Defense – other	888,494
U. S. Department of Education	17,575
U. S. Department of Energy	101,333
U. S. Department of Health and Human Services	292,875
U. S. Department of Homeland Security	2,507,229
U. S. Department of Housing and Urban Development	76,903

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SECTION 2B

**U.S. Department of Labor
Office of Workers' Compensation Programs
Federal Employees' Compensation Act Special Benefit Fund**

**I. Schedule of Actuarial Liability by Agency
As of September 30, 2013
(Dollars in Thousands)**

AGENCY	Actuarial Liability
U. S. Department of the Interior	\$ 846,634
U. S. Department of Justice	1,632,706
U. S. Department of Labor	243,612
U. S. Department of the Navy	2,492,678
U. S. Department of State	88,426
U. S. Department of Transportation	1,047,454
U. S. Department of the Treasury	618,603
U. S. Department of Veterans Affairs	2,220,399
Other agencies and non-billable ¹	2,126,772
Total - all agencies	\$ 36,787,794

¹ This amount represents other agencies for which OWCP has not individually calculated an actuarial liability, as well as the actuarial amounts of non-billable payments.

SECTION 2B

**U.S. Department of Labor
Office of Workers' Compensation Programs
Federal Employees' Compensation Act Special Benefit Fund**

**II. Schedule of Net Intra-Governmental
Accounts Receivable by Agency
As of September 30, 2013
(Dollars in Thousands)**

AGENCY	Amounts Billed Not Yet Paid (1)	Amounts Expended Not Yet Billed (2)	Credits Due from Public (3)	Net Intra-Governmental Accounts Receivable (4)
Agency for International Development	\$ 7,304	\$ 897	(\$ 26)	\$ 8,175
Environmental Protection Agency	9,366	1,251	(36)	10,581
General Services Administration	27,696	3,643	(106)	31,233
National Aeronautics and Space Administration	10,552	1,238	(36)	11,754
National Science Foundation	332	45	(1)	376
Nuclear Regulatory Commission	1,493	181	(5)	1,669
Office of Personnel Management	4,601	667	(19)	5,249
United States Postal Service	1,372,104	356,779	(10,375)	1,718,508
Small Business Administration	5,131	745	(22)	5,854
Social Security Administration	52,538	7,135	(207)	59,466
Tennessee Valley Authority	56,104	12,611	(367)	68,348
U. S. Department of Agriculture	146,291	19,435	(565)	165,161
U. S. Department of the Air Force	260,599	33,438	(972)	293,065
U. S. Department of the Army	266,405	34,001	(989)	299,417
U. S. Department of Commerce	32,812	4,461	(130)	37,143
U. S. Department of Defense – other	188,252	28,577	(831)	215,998
U. S. Department of Education	3,657	380	(11)	4,026
U. S. Department of Energy	16,387	2,643	(77)	18,953

(continued)

1 Amount billed through June 30, 2013 (including prior years) but not yet paid as of September 30, 2013.

2 Amounts paid and accrued but not yet billed for the period July 1, 2013 through September 30, 2013.

3 Allocation of credits due from the public through September 30, 2013.

4 Total amount due to the fund for each agency as of September 30, 2013.

SECTION 2B

**U.S. Department of Labor
Office of Workers' Compensation Programs
Federal Employees' Compensation Act Special Benefit Fund**

**II. Schedule of Net Intra-Governmental
Accounts Receivable by Agency
As of September 30, 2013
(Dollars in Thousands)**

AGENCY	Amounts Billed Not Yet Paid (1)	Amounts Expended Not Yet Billed (2)	Credits Due from Public (3)	Net Intra-Governmental Accounts Receivable (4)
U. S. Department of Health and Human Services	\$ 55,300	\$ 7,258	(\$ 211)	\$ 62,347
U. S. Department of Homeland Security	358,537	50,328	(1,464)	407,401
U. S. Department of Housing and Urban Development	15,168	1,774	(52)	16,890
U. S. Department of the Interior	120,486	15,321	(446)	135,361
U. S. Department of Justice	234,643	33,187	(965)	266,865
U. S. Department of Labor	43,284	6,832	(199)	49,917
U. S. Department of the Navy	462,618	59,860	(1,741)	520,737
U. S. Department of State	19,016	2,471	(72)	21,415
U. S. Department of Transportation	195,921	24,746	(720)	219,947
U. S. Department of the Treasury	110,042	14,542	(423)	124,161
U. S. Department of Veterans Affairs	398,533	56,079	(1,631)	452,981
Other agencies	99,150	15,563	(452)	114,261
Total - all agencies	\$ 4,574,322	\$ 796,088	(\$ 23,151)	\$ 5,347,259

1 Amount billed through June 30, 2013 (including prior years) but not yet paid as of September 30, 2013.

2 Amounts paid and accrued but not yet billed for the period July 1, 2013 through September 30, 2013.

3 Allocation of credits due from public through September 30, 2013.

4 Total amount due to the fund for each agency as of September 30, 2013.

SECTION 2B

**U.S. Department of Labor
Office of Workers' Compensation Programs
Federal Employees' Compensation Act Special Benefit Fund**

**III. Schedule of Benefit Expense by Agency
As of September 30, 2013
(Dollars in Thousands)**

AGENCY	Benefits Paid and Change in Accrued Benefits	Change in Actuarial Liability	Total Benefit Expense
Agency for International Development	\$ 3,444	\$ 2,465	\$ 5,909
Environmental Protection Agency	4,407	4,913	9,320
General Services Administration	12,966	5,855	18,821
National Aeronautics and Space Administration	4,714	433	5,147
National Science Foundation	160	59	219
Nuclear Regulatory Commission	651	(201)	450
Office of Personnel Management	2,318	1,460	3,778
United States Postal Service	1,276,364	1,420,881	2,697,245
Small Business Administration	2,544	2,112	4,656
Social Security Administration	25,146	17,889	43,035
Tennessee Valley Authority	45,721	3,567	49,288
U. S. Department of Agriculture	70,517	41,965	112,482
U. S. Department of the Air Force	121,760	57,997	179,757
U. S. Department of the Army	161,961	44,721	206,682
U. S. Department of Commerce	16,234	14,701	30,935
U. S. Department of Defense – other	65,519	41,413	106,932
U. S. Department of Education	1,605	934	2,539
U. S. Department of Energy	9,099	7,984	17,083
U. S. Department of Health and Human Services	26,744	19,503	46,247
U.S. Department of Homeland Security	182,063	277,726	459,789

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SECTION 2B

**U.S. Department of Labor
Office of Workers' Compensation Programs
Federal Employees' Compensation Act Special Benefit Fund**

**III. Schedule of Benefit Expense by Agency
As of September 30, 2013
(Dollars in Thousands)**

AGENCY	Benefits Paid and Change in Accrued Benefits	Change in Actuarial Liability	Total Benefit Expense
U. S. Department of Housing and Urban Development	\$ 6,782	\$ 1,326	\$ 8,108
U. S. Department of the Interior	56,414	44,079	100,493
U. S. Department of Justice	115,568	158,427	273,995
U. S. Department of Labor	18,310	11,617	29,927
U. S. Department of the Navy	216,610	64,981	281,591
U. S. Department of State	9,164	9,486	18,650
U. S. Department of Transportation	91,333	29,684	121,017
U. S. Department of the Treasury	53,583	42,294	95,877
U. S. Department of Veterans Affairs	197,252	206,291	403,543
Other agencies and non-billable ⁽¹⁾	148,752	(6,890)	141,862
Total - all agencies	\$ 2,947,705	\$ 2,527,672	\$ 5,475,377

1 This amount represents other agencies for which OWCP has not individually calculated an actuarial liability, as well as the amounts associated with non-billable payments.

SECTION 2C

Agreed-Upon Procedures and Results

I. Actuarial Liability

Agreed-Upon Procedures Performed	Results of Procedures
1) Compare the actuarial liability, by agency, as of September 30, 2013, as reported in the <i>Memorandum to the Chief Financial Officers (CFO) of Executive Departments</i> issued by DOL's Chief Financial Officer, to the liability calculated by the DOL loss development actuarial model ¹ (DOL model) as of September 30, 2013. Report any differences.	No differences were noted as a result of applying this procedure.
2) Calculate the actuarial liability as of September 30, 2013, using KPMG's loss development actuarial model ² (KPMG model) and compare it to the actuarial liability per the DOL model as of September 30, 2013. Report any differences.	The actuarial liability calculated using the KPMG model was less than the actuarial liability per the DOL model by \$831,680,100, or 2.26% of the actuarial liability per the DOL model as of September 30, 2013.

(continued)

¹ The DOL model used a Paid Loss Development Method by Agency, by defined Agency groups, and in total. The DOL model used inflation rate assumptions on both past and future indemnity and medical benefits to adjust past data and project forward.

² KPMG's model used actual data to evaluate trends and project future payments. KPMG's model also supplements its methodology with the number of workers related to each Agency in injury years 2007 through 2012.

SECTION 2C

Agreed-Upon Procedures and Results

I. Actuarial Liability

Agreed-Upon Procedures Performed	Results of Procedures
3) Recalculate the actuarial liability as of September 30, 2013, using the DOL model, and compare it to the liability calculated by DOL in their DOL model as of September 30, 2013. For any identified differences, determine if DOL corrected the differences in their final DOL model by agreeing (a) KPMG's recalculated actuarial liability as of September 30, 2013, using the final DOL model to (b) the actuarial liability reported in the <i>Special Report Relating to the Federal Employees' Compensation Act Special Benefit Fund</i> . Report any differences.	No differences were noted as a result of applying this procedure.

(continued)

SECTION 2C

Agreed-Upon Procedures and Results

I. Actuarial Liability

Agreed-Upon Procedures Performed	Results of Procedures															
<p>4) Compare the interest rate and inflation (Cost of living allowance (COLA), Consumer price index – medical (CPI-Med)) assumptions used in the DOL model as of September 30, 2013, to the interest rate and inflation (COLA, CPI-Med) assumptions used in KPMG's model as of September 30, 2013. Report any differences.</p>	<p>The DOL model calculated the duration of expected cash flow payments for compensation and medical separately in total, for all agencies combined. KPMG's model included separate interest rate by agency based on the average duration of cash flows for the particular agency. See below for the DOL and KPMG interest rates:</p> <table border="1" style="margin-left: auto; margin-right: auto; border-collapse: collapse;"> <thead> <tr> <th style="text-align: center;">Projection</th> <th style="text-align: center;">DOL Interest Rate</th> <th style="text-align: center;">KPMG Interest Rate</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">Compensation – Year 1</td> <td style="text-align: center;">2.73%</td> <td style="text-align: center;">3.05-3.50%</td> </tr> <tr> <td style="text-align: center;">Compensation – Year 2 and after</td> <td style="text-align: center;">3.13%</td> <td style="text-align: center;">3.05-3.50%</td> </tr> <tr> <td style="text-align: center;">Medical – Year 1</td> <td style="text-align: center;">2.33%</td> <td style="text-align: center;">3.07-3.61%</td> </tr> <tr> <td style="text-align: center;">Medical</td> <td style="text-align: center;">2.87%</td> <td style="text-align: center;">3.07-3.61%</td> </tr> </tbody> </table> <p>In addition, KPMG's model uses an implicit inflation rate included in the loss development patterns selected and therefore does not use an explicit inflation rate assumption.</p>	Projection	DOL Interest Rate	KPMG Interest Rate	Compensation – Year 1	2.73%	3.05-3.50%	Compensation – Year 2 and after	3.13%	3.05-3.50%	Medical – Year 1	2.33%	3.07-3.61%	Medical	2.87%	3.07-3.61%
Projection	DOL Interest Rate	KPMG Interest Rate														
Compensation – Year 1	2.73%	3.05-3.50%														
Compensation – Year 2 and after	3.13%	3.05-3.50%														
Medical – Year 1	2.33%	3.07-3.61%														
Medical	2.87%	3.07-3.61%														

(continued)

SECTION 2C

Agreed-Upon Procedures and Results

I. Actuarial Liability

Agreed-Upon Procedures Performed	Results of Procedures																	
5) Compare the average interest rate and average inflation rate (COLA and CPI-Med) assumptions used in the DOL model as of September 30, 2012, to the average interest rate and average inflation rate (COLA and CPI-Med) assumptions used in the DOL model as of September 30, 2013. Report any variances.	The average interest rate and inflations rate variances are as follows:																	
	<table border="1"> <thead> <tr> <th>Average Rate</th> <th>2012</th> <th>2013 Increase/ (Decrease)</th> </tr> </thead> <tbody> <tr> <td data-bbox="805 772 1062 846">Interest – compensation</td> <td data-bbox="1062 772 1224 846">3.11%</td> <td data-bbox="1224 772 1429 846">0.01%</td> </tr> <tr> <td data-bbox="805 846 1062 919">Interest – medical</td> <td data-bbox="1062 846 1224 919">3.14%</td> <td data-bbox="1224 846 1429 919">(0.27%)</td> </tr> <tr> <td data-bbox="805 919 1062 957">COLA</td> <td data-bbox="1062 919 1224 957">2.05%</td> <td data-bbox="1224 919 1429 957">0.12%</td> </tr> <tr> <td data-bbox="805 957 1062 995">CPI-Med</td> <td data-bbox="1062 957 1224 995">3.79%</td> <td data-bbox="1224 957 1429 995">0.02%</td> </tr> </tbody> </table>	Average Rate	2012	2013 Increase/ (Decrease)	Interest – compensation	3.11%	0.01%	Interest – medical	3.14%	(0.27%)	COLA	2.05%	0.12%	CPI-Med	3.79%	0.02%		
	Average Rate	2012	2013 Increase/ (Decrease)															
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CPI-Med	3.79%	0.02%																

(continued)

SECTION 2C

Agreed-Upon Procedures and Results

I. Actuarial Liability

Agreed-Upon Procedures Performed	Results of Procedures																					
<p>6) Calculate the percentage change in the actuarial liability for each Agency by subtracting their respective actuarial liability as of September 30, 2012, from the September 30, 2013 balance, based on the DOL model, and dividing this difference by the actuarial liability balance as of September 30, 2012. Identify agencies whose actuarial liability changed by more than 10 percent during fiscal year (FY) 2013, and for such agencies, calculate the percentage change in benefit payments by comparing the benefit payment amounts from the <i>Summary Chargeback Billing Report</i> for the year ended September 30, 2012, to September 30, 2013. Report the names of any agency identified and the percentage change in the benefit payment.</p>	<p>As a result of the procedure performed, we identified the following agencies that had a change in actuarial liability of greater than 10 percent during FY 2013. For these agencies, we noted the following changes in benefit expenses from September 30, 2012, to September 30, 2013.</p> <table border="1" style="width: 100%; border-collapse: collapse; margin-top: 10px;"> <thead> <tr> <th style="width: 30%;">Agency</th> <th style="width: 35%;">Percentage change in actuarial liability</th> <th style="width: 35%;">Percentage change in benefit payments</th> </tr> </thead> <tbody> <tr> <td>DOS</td> <td style="text-align: center;">12.02%</td> <td style="text-align: center;">10.70%</td> </tr> <tr> <td>USAID</td> <td style="text-align: center;">10.45%</td> <td style="text-align: center;">(0.98%)</td> </tr> <tr> <td>DOJ</td> <td style="text-align: center;">10.75%</td> <td style="text-align: center;">3.95%</td> </tr> <tr> <td>EPA</td> <td style="text-align: center;">10.47%</td> <td style="text-align: center;">(0.39%)</td> </tr> <tr> <td>VA</td> <td style="text-align: center;">10.24%</td> <td style="text-align: center;">3.13%</td> </tr> <tr> <td>DHS</td> <td style="text-align: center;">12.46%</td> <td style="text-align: center;">6.42%</td> </tr> </tbody> </table>	Agency	Percentage change in actuarial liability	Percentage change in benefit payments	DOS	12.02%	10.70%	USAID	10.45%	(0.98%)	DOJ	10.75%	3.95%	EPA	10.47%	(0.39%)	VA	10.24%	3.13%	DHS	12.46%	6.42%
Agency	Percentage change in actuarial liability	Percentage change in benefit payments																				
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DHS	12.46%	6.42%																				

(continued)

SECTION 2C

Agreed-Upon Procedures and Results

I. Actuarial Liability

Agreed-Upon Procedures Performed	Results of Procedures
<p>7) Compare the interest rate (used for discounting the future liability to the present value) and inflation rate (COLA and CPI-Med) assumptions used in the DOL model as of September 30, 2013, to the interest rate (used for discounting the future liability to the present value) and inflation rates (COLA and CPI-Med) published by the Office of Management and Budget in the FY 2013 Mid-Session Review. Report any differences.</p>	<p>No differences were noted as a result of applying this procedure.</p>
<p>8) Compare both the benefit payments by agency for the chargeback year ended June 30, 2013, and the aggregate benefit payments for the chargeback years ended June 30, 2008 - 2013 used in the DOL model, with the benefit payments by agency for the chargeback year ended June 30, 2013, and the aggregate benefit payments for the chargeback years ended June 30, 2008 - 2013, as reported in the <i>Summary Chargeback Billing Report</i>. Report any differences.</p>	<p>No differences were noted as a result of applying this procedure.</p>

(continued)

SECTION 2C

Agreed-Upon Procedures and Results

I. Actuarial Liability

Agreed-Upon Procedures Performed	Results of Procedures						
<p>9) Compare the estimated FY 2013 benefit payments calculated by the 2012 DOL model to the actual FY 2013 benefit payments from the DOL <i>Summary Chargeback Billing Report</i>. Identify and report the agencies where the 2012 DOL model estimated benefit payments varied by more than 20 percent and \$2 million from the actual benefit payments reported in the fiscal year 2013 DOL <i>Summary Chargeback Billing Report</i>.</p>	<p>As a result of applying this procedure, we identified the following agency that varied by more than 20 percent and \$2 million.</p> <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th style="text-align: center;">Agency</th> <th style="text-align: center;">Percent variance</th> <th style="text-align: center;">Dollar variance</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">DOS</td> <td style="text-align: center;">48.53%</td> <td style="text-align: center;">3,082,946</td> </tr> </tbody> </table>	Agency	Percent variance	Dollar variance	DOS	48.53%	3,082,946
Agency	Percent variance	Dollar variance					
DOS	48.53%	3,082,946					

(continued)

SECTION 2C

Agreed-Upon Procedures and Results

I. Actuarial Liability

Agreed-Upon Procedures Performed	Results of Procedures
<p>10) Compare the net effective rates (interest minus inflation rates) for compensation and medical used in the U.S. Postal Service (USPS), U.S. Office of Personnel Management (OPM), Social Security Administration (SSA), Energy Employees' Occupation Illness Compensation Program (EEOICP), and the Blank Lung Disability Trust Fund (BLDTF) loss development actuarial models as of September 30, 2013, to the net effective rates for compensation and medical used by the DOL model as of September 30, 2013. Report any differences.</p>	<p>The net effective rate (interest minus inflation rate³) for compensation of 0.95% used in the DOL model as of September 30, 2013 is greater than the net effective rate used for compensation in the USPS (-0.10%) development actuarial model and less than the net effective rate used for compensation in the OPM (2.00%), SSA (2.52%), EEOICP (2.83%), and BLDTF (4.08%) loss development models as of September 30, 2013.</p> <p>The net effective rate (interest rate minus inflation rate⁴) for medical of -0.94% used in the DOL model as of September 30, 2013, is greater than the net effective rate for medical used in the Postal Service (-6.10%) loss development actuarial model, and less than the net effective rate for medical used in EEOICP (1.25%) and BLDTF (1.31%) loss development actuarial models as of September 30, 2013.</p> <p>We did not complete this procedure for net effective rates for medical used by OPM and SSA because the rates were not provided.</p>

³ COLA

⁴ CPI-Med

SECTION 2C

Agreed-Upon Procedures and Results

II. Net Intra-governmental Accounts Receivable

Agreed-Upon Procedures Performed	Results of Procedures																																																						
<p>11) Obtain a list of appropriate representatives for all CFO Act agencies and the USPS from the DOL Office of Workers' Compensation Programs (OWCP), and send letters to confirm the gross accounts receivable balances due as of June 30, 2013. Compare the confirmed accounts receivable balances as of June 30, 2013, to the amounts posted on the DOL website. Report any differences.</p>	<p>As a result in applying this procedure, we identified the following agencies that had differences between accounts receivable balances confirmed as of June 30, 2013, to the amounts as of June 30, 2013 posted on the DOL website:</p> <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th style="text-align: center;">Agency</th> <th style="text-align: center;">Dollar difference</th> <th style="text-align: center;">Percent difference</th> </tr> </thead> <tbody> <tr><td>DHHS</td><td style="text-align: right;">(\$509)</td><td style="text-align: right;">(0.00%)</td></tr> <tr><td>DHS</td><td style="text-align: right;">\$203,519</td><td style="text-align: right;">0.05%</td></tr> <tr><td>DOC</td><td style="text-align: right;">\$147,426</td><td style="text-align: right;">0.39%</td></tr> <tr><td>DOD - Other</td><td style="text-align: right;">(\$5,574)</td><td style="text-align: right;">(0.00%)</td></tr> <tr><td>DOE</td><td style="text-align: right;">\$160,663</td><td style="text-align: right;">0.98%</td></tr> <tr><td>DOI</td><td style="text-align: right;">(\$5,136)</td><td style="text-align: right;">(0.00%)</td></tr> <tr><td>DOJ</td><td style="text-align: right;">\$1,906,013</td><td style="text-align: right;">0.81%</td></tr> <tr><td>DOL</td><td style="text-align: right;">(\$1,623)</td><td style="text-align: right;">(0.00%)</td></tr> <tr><td>DOS</td><td style="text-align: right;">(\$618)</td><td style="text-align: right;">(0.00%)</td></tr> <tr><td>DOT</td><td style="text-align: right;">\$15,169</td><td style="text-align: right;">0.01%</td></tr> <tr><td>GSA</td><td style="text-align: right;">(\$10,588)</td><td style="text-align: right;">(0.04%)</td></tr> <tr><td>SBA</td><td style="text-align: right;">\$131,146</td><td style="text-align: right;">2.49%</td></tr> <tr><td>SSA</td><td style="text-align: right;">(\$1,922)</td><td style="text-align: right;">(0.00%)</td></tr> <tr><td>TREAS</td><td style="text-align: right;">\$16,188</td><td style="text-align: right;">0.02%</td></tr> <tr><td>USDA</td><td style="text-align: right;">\$1,139</td><td style="text-align: right;">0.00%</td></tr> <tr><td>USPS</td><td style="text-align: right;">\$67,032,334</td><td style="text-align: right;">4.89%</td></tr> <tr><td>VA</td><td style="text-align: right;">\$60,901</td><td style="text-align: right;">0.02%</td></tr> </tbody> </table>	Agency	Dollar difference	Percent difference	DHHS	(\$509)	(0.00%)	DHS	\$203,519	0.05%	DOC	\$147,426	0.39%	DOD - Other	(\$5,574)	(0.00%)	DOE	\$160,663	0.98%	DOI	(\$5,136)	(0.00%)	DOJ	\$1,906,013	0.81%	DOL	(\$1,623)	(0.00%)	DOS	(\$618)	(0.00%)	DOT	\$15,169	0.01%	GSA	(\$10,588)	(0.04%)	SBA	\$131,146	2.49%	SSA	(\$1,922)	(0.00%)	TREAS	\$16,188	0.02%	USDA	\$1,139	0.00%	USPS	\$67,032,334	4.89%	VA	\$60,901	0.02%
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VA	\$60,901	0.02%																																																					

SECTION 2C

Agreed-Upon Procedures and Results

II. Net Intra-governmental Accounts Receivable

<p>12) Recalculate the September 30, 2013, net intra-governmental accounts receivable balances for each agency by a) adding the FY 2013 bills sent to Federal agencies to the prior-year ending balance from prior year's special report; b) subtracting the current year's cash collections as reported by the OCFO on the SF-224s; and c) adding the change in the fourth quarter unbilled accounts receivable from FY 2012.</p> <p>Compare the recalculated September 30, 2013 net intra-governmental accounts receivable balances to the FY 2013 amount reported in the detailed general ledger less the FY 2013 change in other credits due from the public reported in the detailed general ledger. Report any differences.</p>	<p>The recalculated September 30, 2013 net intra-governmental accounts receivable balance was more than the FY 2013 amount reported in the detailed general, less the FY 2013 change in other credits due from the public reported in the detailed general ledger, by \$1,950,158.</p>
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(continued)

SECTION 2C

Agreed-Upon Procedures and Results

II. Net Intra-governmental Accounts Receivable

Agreed-Upon Procedures Performed	Results of Procedures								
<p>13) Compare the recalculated September 30, 2013, net intra-governmental accounts receivable balance for each Agency to the balances reported by the OCFO in the <i>Liability for Current Federal Employee's Compensation Act Benefit</i> report as of September 30, 2013. Report any differences above 1 percent.</p>	<p>As a result of applying this procedure, we identified the following agencies that had differences above 1 percent:</p> <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th style="text-align: center;">Agency</th> <th style="text-align: center;">Percent Difference</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">SBA</td> <td style="text-align: center;">2.25%</td> </tr> <tr> <td style="text-align: center;">NAVY</td> <td style="text-align: center;">(1.10%)</td> </tr> <tr> <td style="text-align: center;">DOL</td> <td style="text-align: center;">11.99%</td> </tr> </tbody> </table>	Agency	Percent Difference	SBA	2.25%	NAVY	(1.10%)	DOL	11.99%
Agency	Percent Difference								
SBA	2.25%								
NAVY	(1.10%)								
DOL	11.99%								
<p>14) Compare the <i>Summary Chargeback Billing Report</i> for the period July 1, 2012, through June 30, 2013, to the bills sent to Federal entities dated July 31, 2013. Report any differences.</p>	<p>No differences were identified as a result of applying this procedure.</p>								
<p>15) Compare the Allocation of Accrued Benefits as of September 30, 2013, recorded on the OCFO <i>Liability for Current Federal Employees' Compensation Act Benefits</i> report as of September 30, 2013, to the accrual calculation worksheet prepared by DOL. Report any differences.</p>	<p>No differences were identified as a result of applying this procedure.</p>								

(continued)

SECTION 2C

Agreed-Upon Procedures and Results

II. Net Intra-governmental Accounts Receivable

Agreed-Upon Procedures Performed	Results of Procedures
16) Compare the FY 2013 fourth quarter accounts receivable reported on the fourth quarter <i>Liability for Current Federal Employees' Compensation Act Benefit</i> report to the FY 2013 fourth quarter benefit payments reported on the <i>Summary Chargeback Billing Report</i> . Report any differences.	The FY 2013 fourth quarter accounts receivable reported on the <i>Liability for Current Federal Employees' Compensation Act Benefits</i> was less than the FY 2013 fourth quarter benefit payments reported on the <i>Summary Chargeback Billing Report</i> by \$18,148.

SECTION 2C

Agreed-Upon Procedures and Results

III. Benefit Expense

Agreed-Upon Procedures Performed	Results of Procedures
17) Compare the FY 2013 benefit payments recorded in the Integrated Federal Employees Compensation System (iFECS) and Central Bill Processing System (CBP) databases as of March 31, 2013, and September 30, 2013 to the FY 2013 benefit payments reported in the U.S. Department of the Treasury's SF-224 as of March 31, 2013, and September 30, 2013. Report any differences.	No differences were identified as a result of applying this procedure.
18) Perform the following procedures over the reconciliation prepared by the OWCP between the benefit payments reported in the <i>Chargeback Billings Reports</i> and the benefit payments reported in the iFECS and CBP databases for the fiscal year ended September 30, 2013: a) Compare the benefit payments in the <i>Chargeback Billings Reports</i> reported in the reconciliation to the actual <i>Chargeback Billings Reports</i> . b) Compare the benefit payments from iFECS and CBP databases reported in the reconciliation to the actual iFECS and CBP databases. c) Identify and report any differences above 1 percent.	No differences above 1 percent were identified as a result of applying this procedure.

(continued)

SECTION 2C

Agreed-Upon Procedures & Results

III. Benefit Expense

Agreed-Upon Procedures Performed	Results of Procedures								
<p>19) For all agencies, compare compensation and medical bill payments by Agency for the fiscal year ending September 30, 2013, from the <i>Summary Chargeback Billing Report</i> prepared by DOL, to the compensation and medical bill payments by agency reported for the fiscal years ended September 30, 2012, in the <i>Summary Chargeback Billing Report</i> prepared by DOL. Report any variances over 10 percent.</p>	<p>As a result of applying this procedure, we identified the following agencies that had variances over 10 percent:</p> <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th style="text-align: center;">Agency</th> <th style="text-align: center;">Variance</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">DOS</td> <td style="text-align: center;">10.70%</td> </tr> <tr> <td style="text-align: center;">NRC</td> <td style="text-align: center;">(11.84%)</td> </tr> <tr> <td style="text-align: center;">HUD</td> <td style="text-align: center;">(11.13%)</td> </tr> </tbody> </table>	Agency	Variance	DOS	10.70%	NRC	(11.84%)	HUD	(11.13%)
Agency	Variance								
DOS	10.70%								
NRC	(11.84%)								
HUD	(11.13%)								
<p>20) For a selection of 113 compensation payments for initially eligible claimants, compare beneficiary name, beneficiary social security number (SSN), date of birth, benefit amount, payment date, and other unique identifiers from the applicable Forms CA-1, <i>Federal Notice of Traumatic Injury and Claim for Continuation of Pay/Compensation</i>, and CA-2, <i>Notice of Occupational Disease and Claim for Compensation</i> to the beneficiary name, beneficiary SSN, date of birth, benefit amount, payment date, and other unique identifiers in iFECS database. Report any differences.</p>	<p>One difference was identified as a result of applying this procedure. Specifically, a claimant's weekly pay rate reported in iFECS was overstated by \$1,103.</p>								

(continued)

SECTION 2C

Agreed-Upon Procedures and Results

III. Benefit Expense

Agreed-Upon Procedures Performed	Results of Procedures
<p>21) For a selection of 140 compensation payments for continuing eligibility and file maintenance, compare the related beneficiaries' name, SSN, date of birth, benefit amount, and payment date from applicable Forms CA-7, <i>Claim for Compensation</i>, and CA-1032, <i>Request for Information on Earnings, Dual Benefits, Dependents, and Third Party Settlements</i> to the beneficiaries' name, SSN, date of birth, benefit amount, and payment date in the iFECS database. Report any differences.</p>	<p>Three differences were identified as a result of applying this procedure. Specifically,</p> <ul style="list-style-type: none"> • For two sample items, the pay rate was incorrect in iFECS; and • For one sample item, we were unable to compare the pay rate because the hard copy file, which included the applicable supporting information, was misplaced.
<p>22) For a selection of 17 medical payments, compare the vendor name and date, from the medical bill, and payment amount on the summary sheet of the Achieve system to the vendor name, payment amount, and date in the CBP database. Report any differences.</p>	<p>No differences were noted as a result of applying this procedure.</p>
<p>23) Compare the FY 2013 fourth quarter benefit expense estimate as reported on the <i>Liability for Current Federal Employees' Compensation Act Benefits</i> report to the sum of the actual FY 2013 fourth quarter benefit expenses recorded in the iFECS and CBP databases. Report any difference.</p>	<p>The FY 2013 fourth quarter benefit expense estimate as reported on the <i>Liability for Current Federal Employees' Compensation Act Benefits</i> was less than the FY 2013 benefit expenses recorded in the iFECS and CBP databases by \$18,148.</p>

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Appendix

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ACRONYMS and ABBREVIATIONS

BLDTF	Black Lung Disability Trust Fund
CBP	Central Bill Processing System
CFO	Chief Financial Officers
COLA	Cost of Living Allowance
CPI-Med	Consumer Price Index for Medical
DHS	U.S. Department of Homeland Security
DHHS	U.S. Department of Health and Human Services
DOD	U.S. Department of Defense
DOC	U.S. Department of Commerce
DOE	U.S. Department of Energy
DOI	U.S. Department of the Interior
DOJ	U.S. Department of Justice
DOL	U.S. Department of Labor
DOS	U.S. Department of State
DOT	U.S. Department of Transportation
EEOICP	Energy Employees' Occupation Illness Compensation Program
EPA	Environmental Protection Agency
FECA	Federal Employees' Compensation Act
FY	Fiscal Year
GSA	General Services Administration
HUD	U.S. Department of Housing and Urban Development
iFECS	Integrated Federal Employees' Compensation System
NAVY	U.S. Department of Navy
NRC	Nuclear Regulatory Commission
OCFO	Office of the Chief Financial Officer
OMB	Office of Management and Budget
OPM	Office of Personnel Management
OWCP	Office of Workers' Compensation Programs
SBA	Small Business Administration
SSA	Social Security Administration
SSN	Social Security Number
TREAS	U.S. Department of the Treasury
VA	U.S. Department of Veterans Affairs

USAID	U.S. Agency for International Development
USDA	U.S. Department of Agriculture
USPS	U.S. Postal Service

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Fax: 202-693-7020

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U.S. Department of Labor
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