

Personnel Employee Bulletin

January 5, 2011

Service Credit Deposits and Redeposit Payments

The Office of Personnel Management (OPM) administers and maintains the process for service credit deposits and redeposits. The process allows employees to make payments into the Civil Service Retirement System (CSRS) and Federal Employee Retirement System (FERS). These payments are either for a Service Credit Deposit for non-deduction service (service for which no retirement contributions were withheld) or for Redeposit service (service for which retirement deductions were refunded).

The software was modernized and placed into production on April 3, 2006. In July 2008, it was discovered that the software that maintains the service credit account information, going back as far as December 2007, had been incorrectly calculating the amount of interest some employees had to pay as part of their service credit deposits. In some cases the erroneous calculation caused the interest to be understated and in other cases, the reverse happened, which caused interest to be overstated. There were also some instances where interest was not charged at all for the year which also caused an understatement of the amount due.

Consequently, the system was shut down so that it could be backed up and contingency efforts were launched, including providing manual calculations of deposit amounts upon request. Since the system was down for an extended period, it was necessary to reconcile all the affected accounts, in essence, turning back the clock by reapplying payments and recomputing the interest correctly, to bring the accounts current. OPM is finalizing this effort now.

Employees who were in the process of making payments to OPM should have received a letter from OPM explaining this situation along with instructions. The letter informed employees that they should begin receiving statements again. If you have not yet received a statement or would like a paid in full receipt, you may email OPM at screceipts@opm.gov. Please be sure to include your name, date of birth, and Credit Service Deposit (CSD) claim number. You may also contact the Service Credit office at 202-606-5240.

We are encouraging any employees who have not received a statement to please contact OPM to request a statement be sent to you. Employees who have previously paid a service credit deposit or redeposit are also encouraged to contact OPM to ensure they do not owe any additional interest or that they did not overpay on their accounts. If you receive a paid in full receipt from OPM please forward it to your servicing DLA Human Resources Center. For more information regarding service credit deposits and redeposits as well as the system issues please visit: <http://www.opm.gov/retire/pre/planning/servicecredit/QandA/index.asp>.

For additional information, please contact your servicing DLA Human Resources Services, <http://www.hr.dla.mil/cntctus.htm>. The Personnel Employee Bulletin is normally published the first Wednesday of each month.