



Farm and Foreign
Agricultural Services
Human Resources Division

FREQUENTLY ASKED QUESTIONS ABOUT SERVICE CREDITS

FYI: The following updated FAQs will be posted on the OPM web page soon.

Background

1. When was the interest problem discovered?

Errors in the computation of interest and consequently, incorrect balance amounts on receipts, were discovered in 2008, which led to the July 2008 shut down of parts of the system.

2. What is the issue that created problems in the calculation of interest?

Interest on pre-October 1, 1982, deposits and redeposits under the Civil Service Retirement System (CSRS) is fixed at an annual rate of 3 percent and accrues daily. Interest on post October 1, 1982, deposits and redeposits under both CSRS and the Federal Employees Retirement System (FERS) is variable and accrues annually. In some cases, interest was applied at the variable interest rates instead of the fixed 3 percent rate, which 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.

3. Why has it taken so long to resolve the problems with the Service Credit System?

It first appeared that the erroneous statements and other errors resulting from the system change could be quickly resolved; however, during the same time period we lost key programming staff which significantly slowed corrective efforts. In addition, a number of other posting issues surfaced during this period that needed to be analyzed, resolved and tested. This effort further contributed to the delay in restoring the system.

4. Is it possible that some account holders will have to pay additional interest and some will be getting a refund?

Yes. It is also possible that some account holders with a mix of pre-October 1, 1982 service and post-September 30, 1982 service, who have deposits and/or redeposits have overpaid interest on one type of service and underpaid interest on another type of service.

5. How will I know how much I owe or if I am due a refund?

OPM will prepare and deliver corrected statements to all active account holders showing whether you owe additional monies or if you are due a refund. We will post additional FAQs relating to the information on the corrected statements when they are sent.

Statements

6. How do I obtain an updated statement until the Service Credit System is fully functional and new statements are sent out?

Receipts cannot be provided until OPM has completed updating and has fully tested the Service Credit System, which is currently underway.

7. When will I receive my next statement?

You will receive a current statement as soon as we finalize the testing and conduct a reconciliation of all affected accounts.

8. How do I obtain a paid in full receipt?

Until the Service Credit System is fully functional, please send your request by e-mail to screceipts@opm.gov and a response will be returned by e-mail. Be sure to include your name, date of birth and CSD Claim Number.

9. How do I find out what my "balance due" is until the Service Credit System is fully functional and new statements are sent out?

Send your request by e-mail to screceipts@opm.gov and a response will be returned by e-mail. Be sure to include your name, date of birth and CSD Claim Number.

Payments

10. How do I find out if a payment I made has been received by OPM?

Until the Service Credit System is fully functional, please send your request by e-mail to screceipts@opm.gov and a response will be returned by e-mail. Be sure to include your name, date of birth and CSD Claim Number.

11. How do I make payments on my Service Credit Account?

You may make payments by sending a check made out to Office of Personnel Management and mailing it to U. S. Office of Personnel Management, P.O. Box 979035, St. Louis, MO 63197-9000. Be sure to include your name, date of birth and CSD Claim Number. You can also make payments online at www.pay.gov.

12. I would like to have payments taken out of my checking or savings account to pay my Service Credit Account, what do I need to do?

Download OPM form RI 16-28, Authorization for Direct Payments, at www.opm.gov. Enter RI 16-28 in the search box. Complete the form (make sure to mark the New Enrollment box) and mail it to U.S. Office of Personnel Management, Direct Payment Program, P. O. Box 979035, St Louis, MO 63197-9000.

13. How do I stop the payments being taken out of my checking or savings account to pay my Service Credit Account?

Download OPM form RI 16-28, Authorization for Direct Payments, at www.opm.gov. Enter RI 16-28 in the search box. Complete the form (make sure to mark the Discontinue Pre-Authorized Direct Payment Service box) and mail it to U.S. Office of Personnel Management, Direct Payment Program, P. O. Box 979035, St. Louis, MO 63197-9000.

14. I would like to change the order in which my payments are applied. Who do I contact?

You may make an e-mail request to screceipts@opm.gov, and a response will be returned to you by e-mail. Be sure to include your name, date of birth and CSD Claim Number.

15. Will I be able to use the money paid for Service Credit on my annual income tax return?

Please consult with the Internal Revenue Service concerning any tax implications. IRS Publication 721, Tax Guide to U.S. Civil Service Retirement Benefits, may also be of further assistance.

16. I do not see the money I paid back for my service credit account on my leave and earnings statement.

Non-military service credit payments are not shown on leave and earnings statements because these payments are made directly to OPM and not to the Federal agency that issued the leave and earnings statement.

OPM keeps a record of the money paid and this record, along with any other records sent in by your agency, are consolidated when you transfer to another agency, die, or retire.

New Applications

17. I filled out an application to make Deposit or Redeposit and mailed it to OPM, but I have not received a response.

OPM's Boyers, PA office processes applications for Service Credit. You can send an e-mail request to scbillings@opm.gov and a response will be returned by e-mail. Be sure to include your name and date of birth.

Military Service

18. How can I get a receipt for my Military Deposit or I would like to find out information on my Military Deposit.

OPM does not compute or collect deposits for military service performed after 1956.

If you are a current Federal employee, you need to contact your local servicing personnel office to obtain information about your military deposit or how to make a military deposit.

If you are a separated Federal employee, your former employing agency should have transferred your military deposit record to OPM. You can obtain a copy of the record by sending an e-mail to retire@opm.opm.gov. Be sure to include your name and date of birth.