

## ***HOW TO MAKE A MILITARY SERVICE CREDIT DEPOSIT***

You have an option when making a military deposit of either one lump-sum payment or payment through payroll deduction. All Post 56 military service deposits are made payable directly to the Defense Finance and Accounting Service (DFAS) before separation from Federal employment.

Even if you do not plan to retire or leave Federal service soon, it is a very good idea to obtain the amount of your military earnings so that a deposit can be computed. To process a deposit, we can use a certified estimate of your military earnings from the appropriate branch of service.

Both CSRS & FERS provide a 2-year grace period on deposits. After the 2-year period, interest is accrued and compounded annually at a variable interest rate. Interest is applied on the anniversary date of the third year.

To receive your Estimate Earnings, you will need to complete form RI 20-97 – Estimated Earnings During Military Service; follow the instructions located on the following link: <http://www.dfas.mil/civilianemployees/militaryservice/militaryservicedeposits.html>

When you received your estimated earnings from your branch of service, send a copy along with your DD 214 to your DLA Benefits Center (<https://resources.hr.dla.mil/contactus/Default.asp>).

A calculation to determine the amount owed will be performed by the benefits office. If you do not have a DD214, you may request one from:

<https://www.archives.gov/veterans/military-service-records>

Once your military deposit is paid-in-full, the DFAS payroll office will send you a receipt that indicates your deposit was paid-in-full, the amount paid and the period of service the deposit covers. When you receive the receipt, please forward a copy to the DLA Benefits Center (<https://resources.hr.dla.mil/contactus/Default.asp>).

The form will be filed in your Official Personnel Folder as a permanent record. When an individual leaves Federal service or transfers to another payroll office's servicing area, their payroll records are closed out and sent to the Office of Personnel Management (OPM). OPM will maintain these records until the individual applies for retirement, requests a refund or passes away.

Information on Military deposits from OPM: <https://www.opm.gov/retirement-services/benefits-officers-center/webcast-presentations/military-deposits.pdf>