

The Comptroller General of the United Styles

Washington, D.C. 20040

Decision

Clair L. Syndergaard - Deposit Into Civil Service Retirement Fund - Interest Refund

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B-232231

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February 23, 1989

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An employee is not entitled to reimbursement for interest he was assessed because, based on erroneous advice, he made a late deposit into the Civil Service Retirement System for credit for post-1956 military service. There is no statutory provision authorizing such reimbursement.

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DECISION

The Assistant Comptroller of the Army, Finance and Accounting, requests an advance decision concerning payment of an employee's claim for \$33.95 in interest charges. The employee was assessed the interest because, based on erroneous advice, he made a late deposit into the Civil Service Retirement System (CSRS) in order to obtain credit for post-1956 military service. The claim is denied since there is no statutory provision which authorizes such payment.

Mr. Clair L. Syldergaard, an employee of the Department of the Army, made application with his agency on September 30, 1986, to deposit money into the CSRS for his post-1956 military service.1/ However, he was advised by his agency that he could not make payment that day because of additional paperwork which had to be processed and which would not be completed until after October 6.
Mr. Syndergaard made the required payment on October 7, and

^{1/} Under the provisions of 5 U.S.C. § 8334(j) (Supp. IV 1986), a civilian employee with post-1956 military service may receive credit for this service under the CSRS by making a deposit to the credit of the fund.

was assessed interest of \$33.95 because the deposit was made after the interest accrual date of October 1, 1986.2/

Mr. Syndergaard says that he was ready, willing and able to make the deposit within the required time frame, and he does not believe he should be penalized for having acted in good faith on the basis of erroneous information.

Mr. Syndergaard's agency denied his claim on the basis that it could find no authority for reimbursement.

We agree with the agency's determination. Our Office is unaware of any statutory authority that would allow the Army to expend its appropriated funds on behalf of Mr. Syndergaard by paying the interest due on his retirement contribution. Cf. Chris Roggerson, B-226425, Jan. 4, 1988. The agency is obligated under 5 U.S.C. \$ 8334(a)(1) (1982) to contribute its share of the employee's basic pay to CSRS; however, there is no corresponding agency obligation under the provisions of 5 U.S.C. \$ 8334(j) regarding post-1956 military service. In fact, the employee is granted the option of whether or not to participate. However, once the employee decides to participate and make the required deposit into the CSRS fund in order to get credit for post-1956 military service, the specific terms of the statute regarding payment of interest must be complied with. David_A. Faurot, B-230854, Sept. 1, 1988.

Although it is unfortunate that Mr. Syndergaard incurred an interest charge, we note that he had the full 3-year period from October 1, 1983, to September 30, 1986, to make an interest-free deposit. In any event, Mr. Syndergaard's claim for reimbursement is denied.

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^{2/} The interest accrual date is the date each year that interest must be computed and added to the employee's account. FPM Letter 831-85, Aug. 26, 1985.