

PIT Buyback Update April 13, 2006

To all PIT buyback applicants:

We have started to forward applications to the Retirement Accounts Division, an important step forward in implementation of the PIT buyback program. *We will advise you individually when your application goes forward.* We have assigned priority to applicants who are already retired, or who are separated with no annuity, and to those applicants who are about to retire. Once those are forwarded we will continue processing according to the date your application was submitted. However, I estimate it may take several more weeks to complete processing of your applications.

The Retirement Accounts Division will verify the estimates of your deposit and the employing agency deposit prepared by the Office of Retirement. They will send you payment instructions, and you will have six months from that point to make payment. If you do not complete payment before the end of 2006, you will incur additional interest charges. Once you make payment, the Retirement Accounts Division (RAD) will allocate funds to pay the employing agency deposit before sending your application to the Office of Personnel Management (OPM).

If you were employed by another Federal agency, the Office of Retirement will provide that agency with your completed application (including Part B of the SF 3108), an estimate of the deposit you owe as the employee and the corresponding deposit owed by the employing agency, and a checklist indicating that you have met the requirements of this program. You will receive payment instructions from the employing agency and make payment to that agency, not to the Department of State. This affects a very small number of applicants.

Once you complete payment of your deposit, and both payment of your deposit and the employing agency deposit have been reported to OPM, the Office of Retirement will send you a copy of the letter which will be filed in your official personnel folder verifying that you have met all requirements to obtain credit for your service as a PIT employee. If you are, or were, a civil service employee, OPM will calculate the effect of your payment on your pension. It normally takes 4 to 6 months for OPM to process prior service cases since they have a substantial backlog.

If you have converted to the Foreign Service and are now covered by the Foreign Service Pension System (FSPS) you should have completed DS 5001, Application to Purchase Service Credit, for Foreign Service employees. Rather than sending your application file to the Office of

Personnel Management, the Retirement Accounts Division can credit your additional service toward a Foreign Service pension.

We would like to make one last plea for your indulgence. Some of you have adopted the habit of repeatedly sending queries asking if there have been any developments in your case. Since we have more than 200 applicants, answering all these queries absorbs considerable time that could be used more productively to process your applications. If we have confirmed that you have submitted all the required documentation and informed you that we will notify you when your application is forwarded to the Retirement Accounts Division, please give us time to do so. All correspondence on the PIT buyback program should be addressed to our mailbox, RETServices@state.gov .

In conclusion, we are very pleased to be making progress toward full implementation of this program which will allow you to purchase the credit toward retirement you have earned for your service to US missions abroad.