

Employee Impact Notice – TSP Transactions Processed Incorrectly

DATE: September 24, 2012

SUBJECT: TSP Transactions Process In DCPS Incorrectly

HOT ** EMPLOYEE NOTIFICATION **** HOT**

As Published and Posted by the DFAS Payroll Office:

The purpose of this notification is to provide awareness of the Defense Civilian Payroll System (DCPS) Thrift Savings Plan (TSP) problem identified September 10, 2012 and to explain the recovery process and provide enough information to reduce inquiries.

During the period August 24th through September 13th, DCPS incorrectly stored the TSP Status Indicator on transactions received from Personnel to establish start/new TSP deductions. Regardless of the TSP Status Indicator value on the file, DCPS stored the TSP Status Indicator as 'I', ineligible. As a result, the TSP deduction was not withheld from the employee's pay. NOTE: This is only TSP and does not include Roth. Due to the system error, DFAS did not process the incoming Personnel files once the problem was identified until the system was corrected on September 17, 2012. All incoming files since September 17th have processed correctly.

DFAS has identified the employee TSP records that require correction and has been working with the HR community to ensure the transactions are submitted again. Once processed the TSP deductions will be retroactively process to the appropriate original effective date and the DFAS Payroll Offices will follow the process for TSP Missed Contributions as defined below.

DFAS Payroll will send a letter to the employee explaining the deduction(s) not withheld from his/her pay and provide the employee a choice for making up the missed contributions. If the employee elects to not make up the contributions, the employee selects this option and returns the form to the DFAS Payroll Offices. If the employee chooses to make up the missed TSP deductions, then he/she annotates the payment option desired and returns the form to the Payroll Office. Form will be provided along with instructions for those receiving letters of notification.

Communication and corrective action will take place by the DFAS Payroll Office. The HQ Payroll Center of Excellence (CoE) is providing notification only as we are unable to assist with TSP transactions.

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