



COMPTROLLER

OFFICE OF THE UNDER SECRETARY OF DEFENSE  
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WASHINGTON, DC 20301-1100

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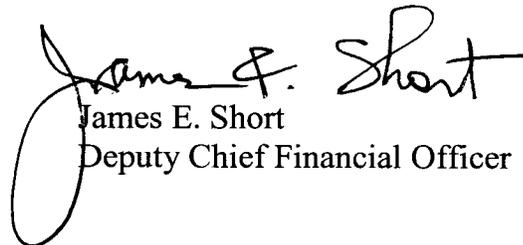
MEMORANDUM FOR ASSISTANT SECRETARY OF THE ARMY (FINANCIAL  
MANAGEMENT AND COMPTROLLER)  
ASSISTANT SECRETARY OF THE NAVY (FINANCIAL  
MANAGEMENT AND COMPTROLLER)  
ASSISTANT SECRETARY OF THE AIR FORCE  
(FINANCIAL MANAGEMENT AND COMPTROLLER)  
OFFICE OF THE UNDER SECRETARY OF DEFENSE  
(PERSONNEL AND READINESS) MILITARY  
COMPENSATION  
DIRECTOR, DEFENSE FINANCE AND ACCOUNTING  
SERVICE

SUBJECT: Automatic Refunds of Saving Deposit Program (SDP) Accounts

A military member may only contribute to an SDP account while assigned to a qualifying duty combat zone, or other eligible area. After the member leaves the combat zone or other eligible area, the member's SDP account becomes "dormant" and stops earning interest after a period of no longer than 90 days.

Effective April 30, 2008, and each month thereafter, the Defense Finance and Accounting Service will automatically transfer the balance of any dormant SDP, 120 days after the qualifying duty assignment terminates, to the military pay account of the SDP account owner.

This change in policy will be incorporated into the next update of the Department of Defense Financial Management Regulation, Volume 7A, Chapter 51. If you have any questions, please contact Mr. Dennis Eichner, (317) 510-3218 or by email at [dennis.eicher@dfas.mil](mailto:dennis.eicher@dfas.mil) or Ms. Jacqueline Jenkins, (703) 602-0126 or by email at [jacqueline.jenkins@osd.mil](mailto:jacqueline.jenkins@osd.mil).

  
James E. Short  
Deputy Chief Financial Officer