



DEFENSE FINANCE AND ACCOUNTING SERVICE

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APR 29 2002

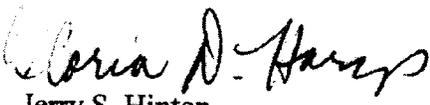
DFAS-DFM

MEMORANDUM FOR DIRECTOR, MILITARY PAY OPERATIONS, DEFENSE FINANCE  
AND ACCOUNTING SERVICE (DFAS-PM/CL)

SUBJECT Interim Change to the Department of Defense Financial Management Regulation (DoDFMR), 7A, Regarding Basic Pay for Reserve Commissioned Officers with Prior Service as an Enlisted Member or Warrant Officer (DFAS Item L-34)

The attached is Interim Change 25-02 to Chapter 1 of the DoDFMR, 7A. Public Law 107-107, Section 602, December 28, 2001, allows a commissioned officer of the Reserve Component in pay grades 01, 02, 03, who is paid from reserve personnel appropriation and has at least 1460 points creditable toward retirement as a warrant officer and/or enlisted member, to be paid using the special rate of basic pay for pay grade 0-1E, 0-2E, or 0-3E. This change is effective January 1, 2002.

We have evaluated your comments on the proposed change and included your comments where appropriate. Assignment of the interim change number is your authority to initiate procedure modifications to implement this change. Use the attached to initiate the formal change to the DoDFMR, Volume 7A.

  
Jerry S. Hinton  
Director for Finance

Attachments:  
As stated

cc: DASD (MMP)(Comp)  
OUSD(C)(ODCFO)(FP)  
Service Liaisons  
USCG/NOAA/PHS Liaisons  
DFAS-PMJE/DE  
DFAS-DDM/CL  
DFAS-PMA/CL

★ 5. Creditable Service for Certain Reserve Commissioned Officers. Effective January 1, 2002, commissioned officers in pay grades O-1, O-2, and O-3 who are paid from funds appropriated for Reserve personnel, and credited with 1,460 points for retirement computed under 10 U.S.C. 12732a(2) service as a warrant officer and/or enlisted member are entitled to the special rate of basic pay for pay grade O-1E, O-2E, or O-3E.

B. Service Not Counted. In computing active service, do not count:

1. Active service in a dual status (temporary officer-permanent enlisted) in the Navy or Marine Corps.

2. Service as a National Guard technician.

3. Except for periods of active duty service performed while a USUHS student, time served as a student at USUHS. See subparagraph 010102.8 and applicable notes to Tables 1-7 and 1-8.

010104 Computation of Creditable Service

A. Computing a Basic Pay Date

1. All basic pay date computations start from the date of the member's most recent entry on duty without a break in service. Use the following dates:

a. For enlisted members, the date of enlistment, but see subparagraphs 010101.D.13 and 010102.A.9 and 10, above, for service under a delayed entry program.

b. For officers, the date of acceptance of a commission. The date of acceptance for officers graduating from a Military Service academy is the date of graduation.

c. For officers entitled to count service as an acting assistant surgeon, intern, or hospital steward in the Public Health Service or the Public Health Marine Hospital Service, the date of acceptance of the appointment. Do not count service performed before that date.

2. After determining initial basic pay date, compute creditable service for all service prior to that date. Use the following to compute basic pay date. If the member had any periods of service during which there was lost time, do not use those periods here. Instead, compute according to subparagraph 010104.A.3, below.

a. List beginning dates of service for each separate period of service, without changing any of them, then add them together.

- a. Desertion.
  - b. Absence from organization, station, or duty for more than one day without proper authority, as determined by proper authority.
  - c. Confinement by military or civilian authorities for more than one day in connection with a trial, whether before, during, or after the trial.
  - d. The officer's inability for more than one day, as determined by competent authority, to perform assigned duties because of the officer's intemperate use of drugs or alcoholic liquor, or because of disease or injury resulting from the officer's misconduct.
- ★ 2. See Table 1-2 to determine the creditability for absence while in an enlisted status.

010103. Active Enlisted and/or Warrant Officer Service for Members in Basic Pay Grades O-1E, O-2E, OR O-3E

A. Service Counted

1. General. Commissioned officers with over 4 years of prior active service as an enlisted member, warrant officer, or combined service in both grades are entitled to count such service for purposes of computing basic pay for longevity purposes. Such prior service includes all active service, in either the Regular or Reserve Component or both (i.e., active duty for training in enlisted or warrant officer status, annual Reserve training duty, and full time National Guard duty). Service on active duty or active duty for training for at least 4 years and 1 day satisfies the over 4 years of service requirement under this section. See subparagraphs 010102.A.8 and applicable notes to Tables 1-7 and 1-8 for student entitlement to basic pay for longevity purposes while attending the USUHS.
2. Creditable Prior Enlisted Service. Effective May 20, 1958, commissioned officers in pay grades O-1, O-2, or O-3 who are credited with over 4 years (i.e., at least 4 years and 1 day) of prior active service as an enlisted member are entitled to the special rate of basic pay for pay grade O-1E, O-2E, or O-3E.
3. Creditable Prior Warrant Officer Service. Effective September 1, 1980, commissioned officers in pay grades O-1, O-2, or O-3 who are credited with over 4 years (i.e., at least 4 years and 1 day) of prior active service as a warrant officer are entitled to the special rate of basic pay for pay grade O-1E, O-2E, or O-3E.
4. Creditable Combined Prior Service. Effective October 1, 1993, commissioned officers in pay grades O-1, O-2, or O-3 who are credited with over 4 years (i.e., at least 4 years and 1 day) of combined prior active service as an enlisted member and warrant officer are entitled to the special rate of basic pay for pay grade O-1E, O-2E, or O-3E.