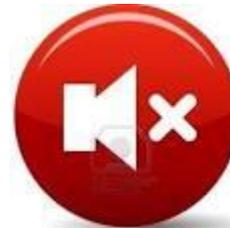
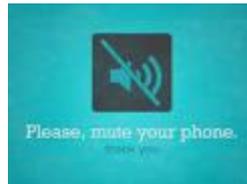
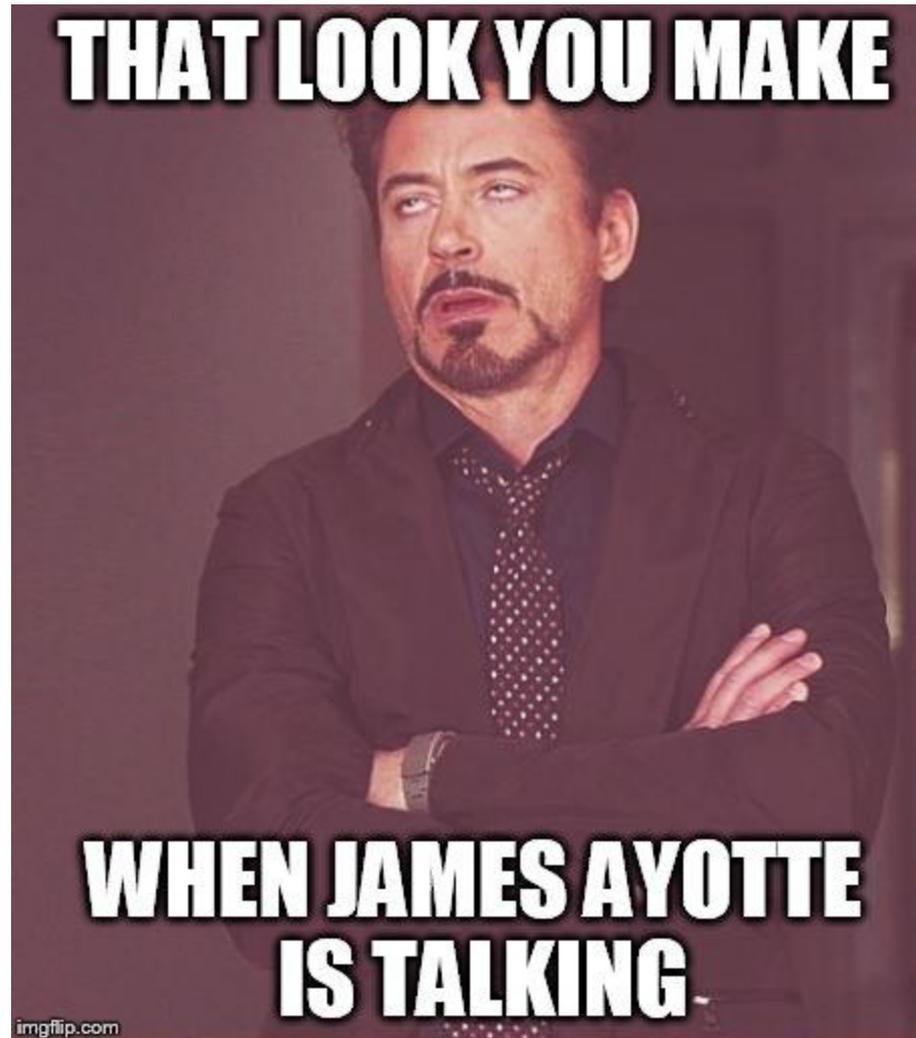


Please Mute Your Phones



Defense Finance and Accounting Service





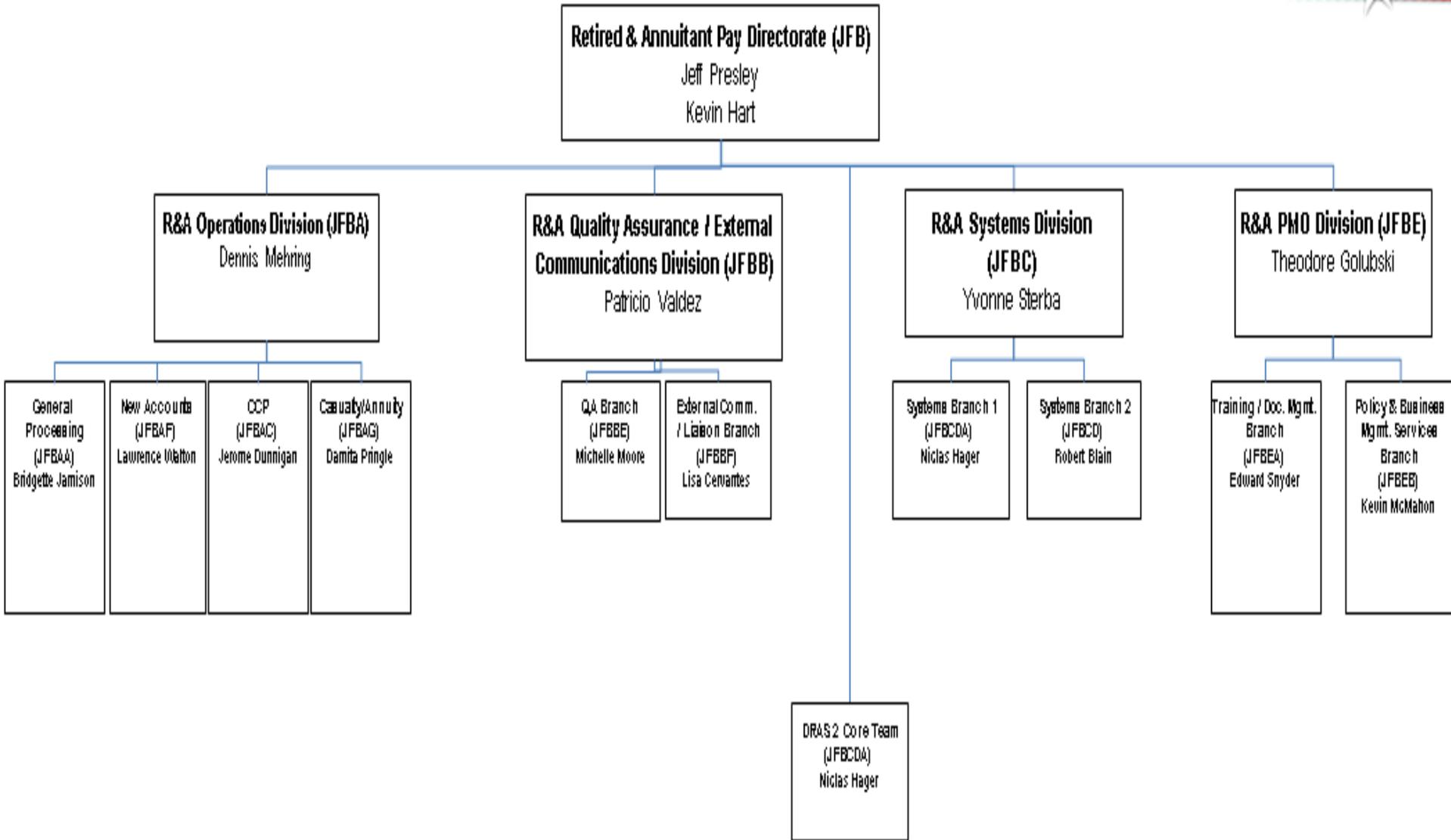


2015 Retired and Annuitant Pay Personnel Conference

Defense Finance and Accounting Service



Cleveland Retired & Annuitant Pay Org Chart



Agenda



	DAY ONE	
8:30 - 9:00	Conference Kick Off	Jeffrey Presley
	Opening Remarks	Kevin Hart
	Facilitator	James Ayotte
9:00 - 9:30	Marine Corps Retirement Process	Vince Tate
9:30 - 9:50	Air Force Retirement Process	TSgt Culley/ Tammy Hern/
9:50 - 10:15	RCSBP/ Air Force Reserve Retirements	MSgt Smashum /Debra Weule/ Forest Cupples
10:15 - 10:30	Break	



U.S. MARINE CORPS RETIREMENTS & TRANSITION VINCE TATE



Integrity - Service - Innovation





Transition Process



Requesting Retirement:

- Requests for retirement can be submitted 14 months prior – but recommend transition classes 18-24 months out
- Pre-retiree's get a Retirement Guide and Checklist with timeline

Classes/ Training:

- All separating Marines have mandatory classes, but retiring Marines have additional classes that are voluntary only
- Classes do not have to be taken in any specific order
- Members cannot transition without going through the transition process
- Course topics:
 - ✓ Federal employment
 - ✓ SBP
 - Counseling is done locally at individual installations
 - At the 18 year service mark, all Marines are required to take a SBP training course, and pass the accompanying exam
 - SBP Counselors not certified (they are career Marine or civilian administrators of the Installation Pers Admin Center (IPAC))
 - ✓ Legal assist
 - ✓ TRICARE
 - ✓ VA Benefits
 - ✓ DOL workshop & local admin issues
 - ✓ HHG/Tvl & pay entitlements



Transition Process



Communicating with DFAS:

- Automated data is sent via-Marine Corps Total Force System (MCTFS)
- Members are reported by- Retirement approval at HQMC which generates a 30 transaction. The “Auto-Drop” on the 4th of each month sends the 33 record.
- Transmits data directly to personnel headquarters
- Access to update/ view R&A systems
- Tracking through transition
 - ✓ After the first update after cutoff, we create “pay problems” list and send it to the Liaison.
- No Reject Feedback from R&A
 - ✓ We monitor the H0056 and H0058 reports daily and take corrective action, via MCTFS or NFPC for all rejects.



Transition Process



Retired Pay Preparation:

- Members are told to monitor their RAS and frequent the DFAS website
- Topics discussed:
 - ✓ Establishment of the retired account
 - ✓ myPay
 - ✓ RAS
 - ✓ Allotments
 - ✓ 1099R and 1-800 Customer Service number

Air Force Personnel Center



Retirements

The Air Force Process

**TSgt Winsome Culley
AFPC Retirements Branch
AFPC/DPSOR**



Retirements Team

- **AFPC Retirements - Tiered structure**
- **Transactions (Tier 1) 4 NCOs / 11 Airmen**
 - **Initial eligibility/Ret orders/E53 transactions amendments/Monthly-Weekly rosters**
- **Waivers (Tier 2) 4 NCOs**
 - **Ret waiver requests / SAF/PC processing**
 - **Monthly-Weekly QC rosters/ IHT with Tier 1**
- **Retirements Policy (Tier 3)**
 - **AFI/Policy Interpretation/publishing guides, Service Delivery guide / special programs**
 - **Responsible for overall execution of Program**



Retirements Processing

- **Eligibility review completed using Right Now Technology (RNT) / Military Personnel Data System (MILPDS)**
- **Completed for every case:**
 - **Service dates/commitments**
 - **Adverse actions/medical restrictions**
 - **Considers AF Programs/Force Initiatives**
- **Waivers – Delegated authority to AFPC**
 - **Service commitments require additional justification**
 - **Reviewed on a case-by-case basis**
 - **SECAF/PC review required for certain waiver requests**



RNT/MILPDS

- All retirement actions are automated
- RNT:
 - Pulls data from MILPDS/Current data
 - All retirement history/actions recorded in RNT
 - Customers apply via vMPF/translates to RNT for AFPC Retirements
- MILPDS:
 - All retirement updates completed using MILPDS
 - Waiver codes specific to programs/recoupment



DFAS Communication

- **E53 update is completed 120 days prior to retirement (MILPDS)**
- **DFAS can see update in DJMS once completed**
- **AFPC Analysts produce a monthly roster**
 - **Identifies approved retirements for following month**
 - **Verifies retirees pay accounts established/active**
 - **If information is missing and/or not updated:**
 - **Missing documentation is forwarded via fax**
 - **E53 transaction is re-accomplished/tracked**

Air Force Personnel Center



Survivor Benefit Plan (SBP)

The Air Force Process

**Tammy Hern
AF SBP / Retiree Services
Program Manager**



SBP Counselors

- **AF SBP Counselors**
 - **Two counselors per active duty AF base**
 - **Certification Course – on-line or in-class – and OJT**
 - **180 days to complete**
 - **Training required by AFI – IG inspection item**
 - **DRAS view access**
 - **Air Force Personnel Center SBP Office**
 - **Prepares/hosts training courses**
 - **Provides quarterly SBP newsletter**
 - **Coordinates DRAS training for counselors**
 - **Monitors trends and provides just-in-time training**
 - **Administrative corrections / AFBCMR advisories**
-



SBP Counseling

- Required for all active duty and medical retirements
- SBP introduction brief presented at all TAP sessions
- Upon a member's approval for retirement:
 - vMPF checklist built with SBP counseling as rqmt
 - Automated SBP RIP (10 pages) produced 210 days prior to rtmt date to assisting SBP counselor
- One-on-one briefing scheduled – spouse invited via formal letter, if applicable (SBP info attached)
 - Provide retired pay estimate
 - Provide estimated SBP cost amount / annuity amount
 - Provide SBP info – follow RIP – mbr/counselor signs
 - Complete DD Form 2656 – mbr makes election



SBP Counseling

- **Obtain spouse concurrence if applicable**
 - **Most SBP counselors have notary authority**
 - **Or utilize base legal office**
 - **If spouse is not in attendance, mail the DD Form 2656 with formal instructions Schedule follow-up appointment if no decision – involve CoC if necessary**
- **Fax/mailed DD form 2656 to DFAS for processing**
- **Mails SBP RIP to master personnel record for permanent filing**



Air Reserve Personnel Center

RESERVE COMPONENT SURVIVOR BENEFIT PLAN (RCSBP)

**MSgt David Smashum
ARPC Entitlements Branch
ARPC/DPTTB**

SERVING GENERATIONS OF AIRMEN



Overview

- What is RCSBP?
- Eligibility
- Notification
- Members responsibility
- Counseling

SERVING GENERATIONS OF AIRMEN



What is RCSBP?

The Reserve Component Survivor Benefit Plan (RCSBP) is designed to provide a retirement-qualified Reserve Component member, an opportunity to provide a guaranteed lifetime annuity for their survivor(s) in the event of their death

SERVING GENERATIONS OF AIRMEN



Eligibility

Must complete required satisfactory service in accordance with 10 USC 1273 I

– 20 years of satisfactory service

or

Must complete required satisfactory service in accordance with 10 USC 1273 I b

– 15 but less than 20 years of satisfactory service and medically disqualified

SERVING GENERATIONS OF AIRMEN



Notification

ARPC mails/emails a notification letter to eligible members

- Letter instructs members to go to vPC to download their 20 Year Letter and RCSBP Information Packet and view their automatic RCSBP election based on their dependents
- Members w/o dependents or divorced – Option A
- Members w/dependents – Option C

S E R V I N G G E N E R A T I O N S O F A I R M E N



Members Responsibility

Member must concur/non-concur in vPC with the automatic election based on eligible dependents in MilPDS

If member non-concurs, they must submit DD Form 2656-5 within 90 days of notification to change election

S E R V I N G G E N E R A T I O N S O F A I R M E N



RCSBP Counseling

Three RCSBP counselors are available at ARPC

Generally no face to face counseling unless member visits ARPC

SERVING GENERATIONS OF AIRMEN



QUESTIONS???

SERVING GENERATIONS OF AIRMEN



Air Reserve Personnel Center

RETIREMENTS

**Ms Debra Weule
Mr Forest Cupples
ARPC Retirements Branch
ARPC/DPTTR**

SERVING GENERATIONS OF AIRMEN



Overview

- Retirements Team
- Types of Retirement
- DFAS Interaction

SERVING GENERATIONS OF AIRMEN



Retirements Team

Technicians: 12 Civilians/8 Enlisted

- All facets of retirements processing

Lead Technicians: 2 Civilians

- Training, QC, Workload Distribution

Branch Chiefs: 2 Civilians

- AFI/Policy Interpretation, Briefings
- Supervise I I employees
- Responsible for overall execution of Program

SERVING GENERATIONS OF AIRMEN



Retirements Processing

Types of Retirement

- Transfers to the Retired Reserve (500/month)
- Active Duty Retirement (100/month)
- Reserve Retired Pay (500/month)
- Conversions from AD to Reserve Retired Pay

SERVING GENERATIONS OF AIRMEN



Transfers to Retired Reserve

Members apply through the vPC

Technicians

- Receive application through RNT
- Verify eligibility and Determine HGH
- Approve retirement through RNT/MiIPDS

SERVING GENERATIONS OF AIRMEN



Active Duty Retirement

Members apply through the vPC

Technicians

- Receive application through RNT
- Verify eligibility and Determine Service/HGH
- Approve retirement through RNT/MiIPDS
- Send Case to DFAS or input directly to DRAS

SERVING GENERATIONS OF AIRMEN



Reserve Retired Pay

Members are notified to apply via mail

Technicians

- Receive application via mail/e-mail/fax
- Verify eligibility, determine Service/HGH/RRPA
- Approve retirement through MilPDS
- Send Case to DFAS or input directly to DRAS



Conversions AD to Reserve

Members complete conversion memo to apply

Technicians

- Receive application via mail/e-mail/fax
- Verify eligibility, determine Service/HGH/RRPA
- Approve retirement
- Send Case to DFAS for conversion in DRAS

SERVING GENERATIONS OF AIRMEN



DFAS Interaction

Active Duty Retirements

- Nothing flows to DRAS
- Send Case to DFAS or input directly to DRAS
- Verify pay accounts established correctly

Reserve Retired Pay

- MilPDS flows data 6 months prior to age 60
- Retirement approval in MilPDS flows additional data to DRAS
- Send Case to DFAS or input directly to DRAS
- Verify pay accounts established correctly

S E R V I N G G E N E R A T I O N S O F A I R M E N

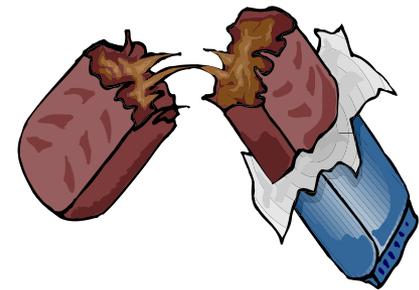
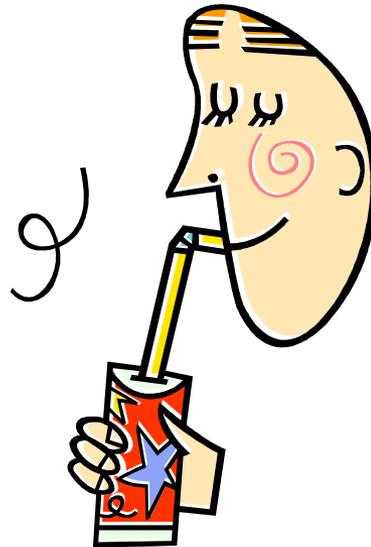


QUESTIONS???

SERVING GENERATIONS OF AIRMEN

Break Time

10:15- 10:30



Agenda



10:15 - 10:30	Break	
10:30 - 11:00	Army Reserve Component Retirement Process	Vance Crawley
11:00 - 11:30	Navy Retirement Process	Melissa Brach
11:30 - 12:00	Cleveland Customer Care Center	Kevin Bianchi
12:00 - 1:00	Lunch	



ARMY HUMAN RESOURCES COMMAND RESERVE COMPONENT RETIREMENTS





Transition Process



Requesting Retirement:

- Soldiers can mail, email, or FAX retirement application up to 1 year prior to their 60th birthday
- We provide a detailed instruction sheet on how to fill out:
 - ✓ The retirement application
 - ✓ DD 108
 - ✓ DD 2656
 - ✓ and SBP fact sheet is also included in the packet as well

Classes/ Training:

- Members can transition without going through the transition process
 - ✓ Currently Soldiers can mail their retirement applications directly to the Reserve Component Retirements Branch
- No Mandatory Classes
- Branch does not conduct transition counseling
 - ✓ USAR Pre-Retirement Briefings are conducted by Soldiers servicing Regional Support Commands Retirement Service Officers (RSO) . NGB have State RSO's. Program is in second year. Prior to none were conducted.
- SBP counseling
 - ✓ information sheets are mailed to the retiree and Soldiers are briefed in a group setting at all preretirement briefings
 - ✓ All Analyst and RSO's are certified every 3 years
 - * 3 day course and 80% or higher required to pass



Transition Process



Communicating with DFAS:

- Automated data is sent via- Soldier Management System/CERT PAY link
 - Members are reported by- Sending a complete retirement application via fax nation and manual input through Cert Pay (33 Screen). Currently no numbers are reported to DFAS
 - Transmits data directly to personnel headquarters
 - Access to review (only) R&A systems
 - Tracking through transition
 - ✓ From the receipt of application to receiving pay
 - No Reject Feedback from R&A
 - Suggestion- DD 2656 Form should be redesigned to make more user friendly
-



Transition Process



Retired Pay Preparation:

- We encourage members to make sure they keep their address up to date with Human Resources Command and DFAS
 - We recommend all Soldier's use our pay estimator on the HRC website
 - DFAS website not used during out processing
-

Navy Transition Process





Transition Process



Requesting Retirement:

- Enlisted Requests for retirement can be submitted 24 months prior to retirement date – message is released 12 months prior to requested retirement date. Officer Retirement requests can be submitted (9-12) months in advance of retirement date. Officer retirement requests submitted more than 12 months in advance of retirement date are not accepted.

- The NPPSC 1320/5 FLTRES Retirement Checklist. Additionally, Transition GPS requires the following Individual Transition Plan (ITP) Forms:
 - ✓ DD Form 2958 - service member's ITP checklist
 - ✓ ITP Block 1: needs, finances, training, certification
 - ✓ ITP Block 2: employment
 - ✓ ITP Block 3: higher education
 - ✓ ITP Block 4: technical training (optional)
 - ✓ ITP Block 5: entrepreneurship (optional)
 - ✓ ITP Block 6: transition timeline (optional)

- The ITP Checklist (DD Form 2958) is required to provide documentation, of meeting readiness standards, to a transition counselor and command representative prior to separation. These standards are designed to increase abilities to successfully overcome any challenges that may be faced in pursuit of choosing a career path.



Transition Process



Classes/ Training:

- All Sailors discharged after serving 180 days and or retiring must attend Transition GPS
- The goal of Transition GPS program is to provide professional career development resources throughout the career lifecycle. Per OPNAVINST 1900.2 (Series) and Veterans Opportunity to Work (VOW) to Hire Heroes Act of 2011, every service member is eligible for and will have full access to transition services and must meet Career Readiness Standards (CRS) prior to separation. Transition GPS topics Include:
 - ✓ Pre-sep counseling
 - ✓ ITP preparation
 - ✓ military to civilian crosswalk
 - ✓ VA benefits briefing
 - ✓ financial planning support and job search skills building workshop provided by DOL.
- These elements are presented in a 5-day period and work together to incorporate post military CRS, which will better equip service members for transition into civilian life.
- **Mandatory Classes:**
 - ✓ Department of Labor workshop
 - ✓ Veterans Administration benefits briefing
- **SBP counseling**
 - ✓ Not Certified- locally SBP counselors are Command Pass Coordinators and or Transition GPS representatives (answer not validated across all Navy)
 - ✓ SBP counseling is administered in group settings during Transition GPS course.



Transition Process



Communicating with DFAS:

- Automated data is sent via- Defense Joint Military System (DJMS) utilized after Member Master Pay Account (MMPA) has closed out (systematic at date of separation + 20 days when PSD/CSD strength loss E503 has posted)
- Members are reported by- DD 2656 and retirement/FLTRES authorization is sent to DFAS NLT 45 days prior to retirement/FLTRES date. Additionally, a strength loss transaction (E503) is sent via NSIPS after their terminal leave starts. For separating members strength loss transaction is also submitted via NSIPS
- Completed form DD 2656 is faxed to DFAS
- Transmits data directly to personnel headquarters-the strength loss is processed via NSIPS, which feeds into the pay system to stop active duty pay, and also feed to DEERS to convert member over to “retired”
- No view access for retired pay; RPHA screen in MMPA is utilized to view deposits that have been made to a member's bank account
- Retirees are tracked to ensure they are lost from an active status; we have no access beyond that once they are separated/retired
- No Reject Feedback from R&A- we do not have access



Transition Process



Retired Pay Preparation:

- The transitioning service member is informed that they will receive their final paycheck at the end of the active duty month and that the retirement check will then be paid after they have been retired for 30 days (ie FLTRES 7/31; final paycheck on 7/31 and first retirement check 9/1). Additionally, member has the ability to monitor their RAS and access their DFAS website
- During Transition GPS, members are counseled about establishment of the retired account, MyPay, RAS, Allotments, 1099R and are given the 1-800 Customer Service number. Additionally, members are shown Retirement Pay calculator on the DFAS website and advised on expected delivery time of their first retired paycheck
- DFAS website not used during out processing



Cleveland Customer Care Center



Cleveland Customer Care Center

Vision Statement

We are committed to becoming the premiere Customer Care Center in DFAS driven by our core values of Integrity, Service, and Innovation.

Mission Statement

To lead DFAS in customer satisfaction by consistently delivering first-class service while getting the customer service right the first time.

Motto

Our greatest satisfaction comes from ensuring our customer receives theirs.





As of January 2015, C4 has answered:

- 47K Military Pay calls (Navy and Marine Corp)
- 90K myPay calls
- 112K Garnishment calls
- 446K Retired Pay calls (Levels 1 & 2 and Annuity)



Hours of Operation

- Monday through Friday
- 8:00 a.m. – 5:00 p.m. EST



130 Full Time & 85
Part Time CSR's

myPay Website

- 24 hours a day
- 7 day a week



PMO Team

7 Analysts
Report
Systems
Training

3 Branch Chiefs, 17
Supervisors, **34 Leads**





DFAS 411

- In 2014, we answered over 1.1 million phone calls

DFAS.mil

- Answer inquiries through the **askDFAS** module online



Measure By

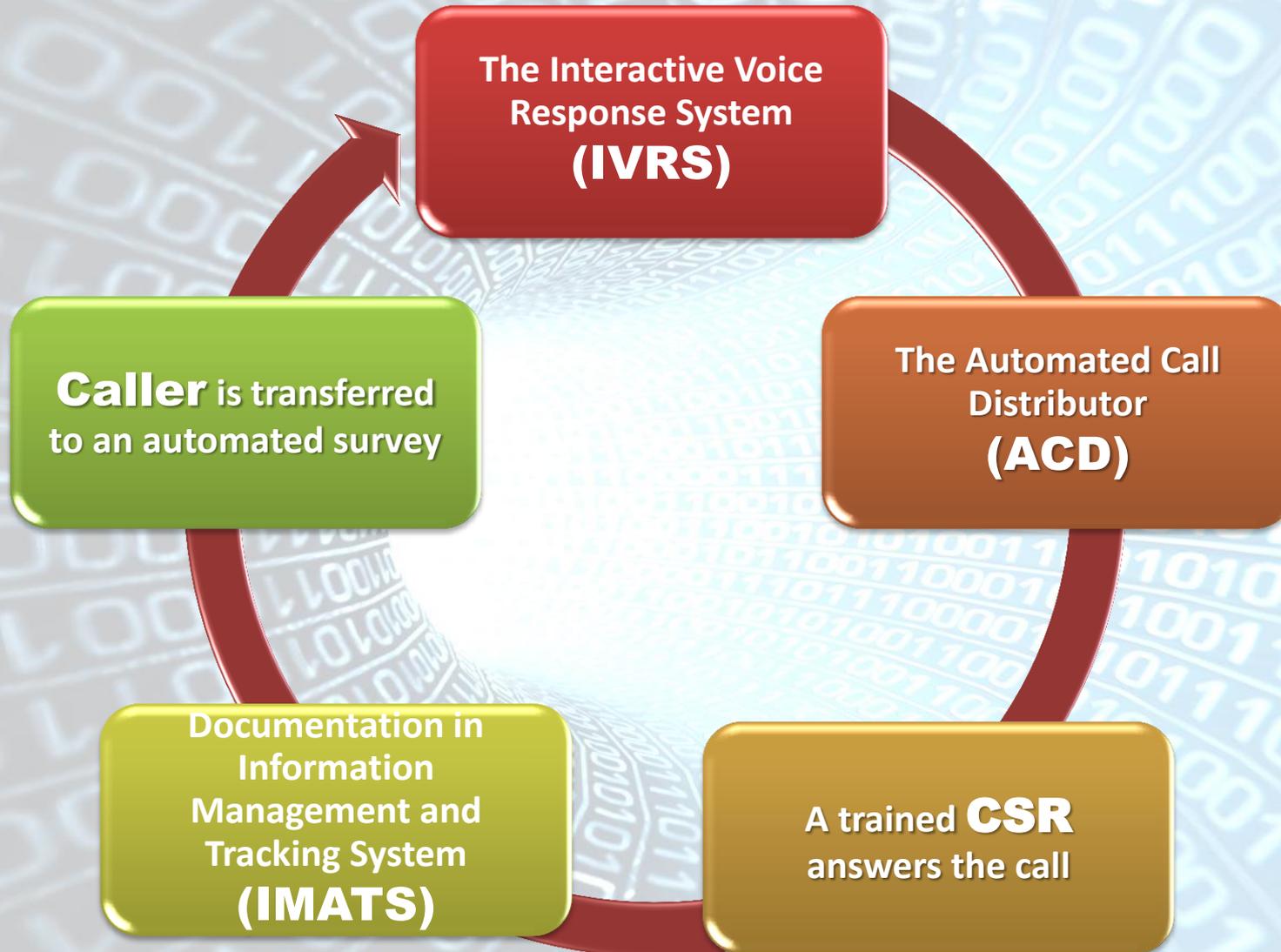
Average Speed of Answered

Abandonment Rate

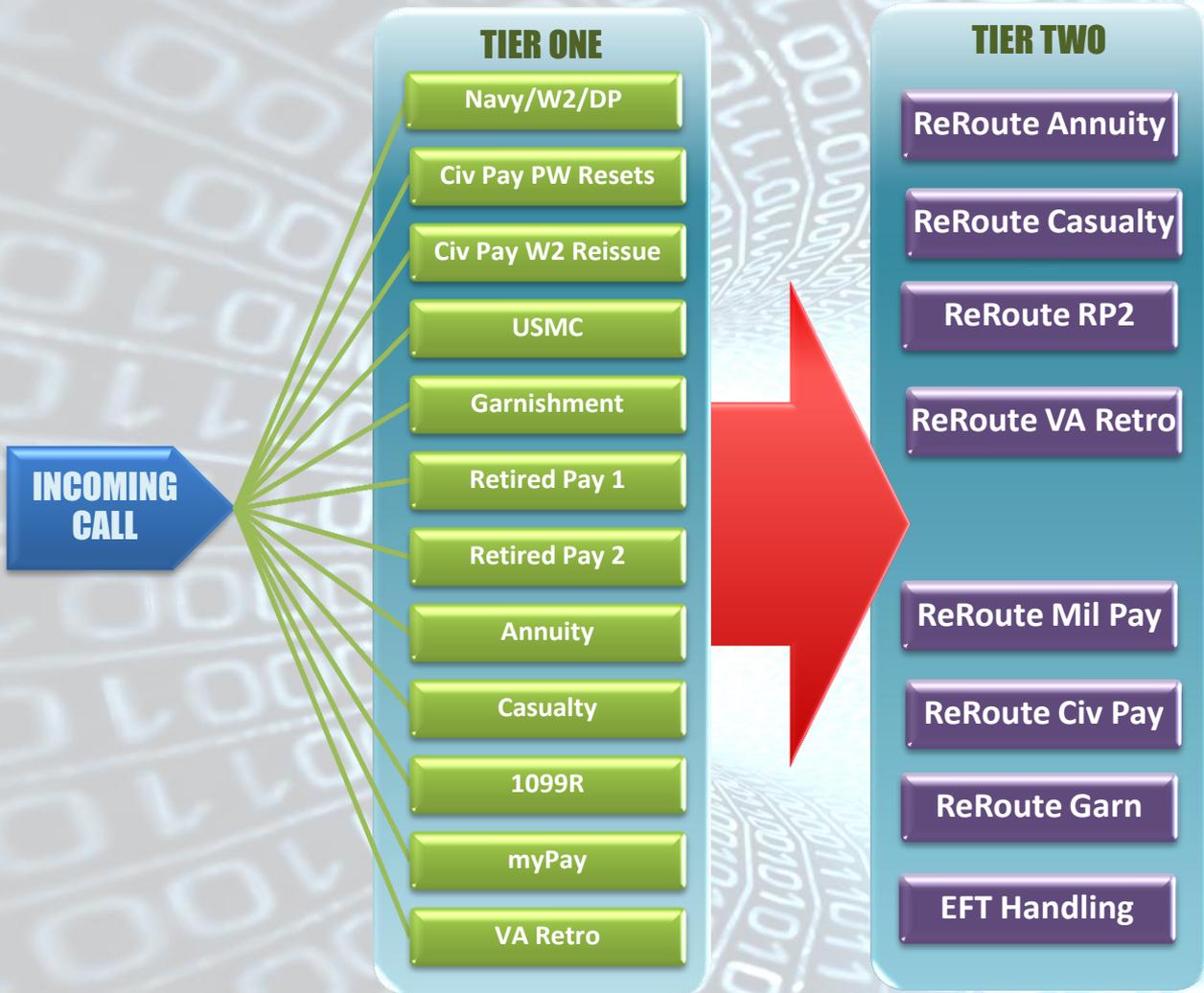
Email turn-around time

Customer Satisfaction





Improving Customer Response Time



- ❖ Customers will quickly make a first point of contact
- ❖ Allows CSRs to develop in all skillsets
- ❖ Less complex calls are handled within Tier One
- ❖ Ensures customers are connected with the proper personnel
- ❖ ASA was reduced from 15:53 during June 2014 to 0:43 during June of 2015



A new progressive Retired Pay Certificate Program was designed to provide detailed training to our CSRs regarding five Core Skillsets:



- ❖ **New Accounts**
- ❖ **General Processing**
- ❖ **CCP (VA Retro/CRDP/CRSC)**
- ❖ **Casualty**
- ❖ **Annuity**

This enhanced training will proactively position us for significant call volume days by ensuring the maximum amount of CSRs are trained in the higher level skillsets. Additionally, by increasing the knowledge of all CSRs we will increase the overall quality of service to our customers by providing timely and accurate information with first contact.

79 CSRs have received their certificate in New Accounts. By November 2015, all 79 CSRs will have completed the entire Retired Pay Certificate Program.





Lunch Time

12:00- 1:00



Agenda



12:00 - 1:00	Lunch	
1:00 - 3:00	New Accounts- Establishing New Accounts, System Rejects	Larry Walton
	General Processing- Common SBP Errors, TDRL	Bridgette Jamison
	Casualty - 1174, AOP, Legal Order of Precedence	Damita Pringle
	Annuity- APK, Child Annuitants	Damita Pringle
3:00 - 3:15	Break	





New Accounts

Defense Finance and Accounting Service

Lawrence (Larry) Walton, Manager
Delphine Smith, Analyst
Ginger Reed, Supervisor
Tonie Carmichael, Supervisor



New Accounts - Agenda



- ▶ Organization/Production
- ▶ Late Starts
- ▶ Types of Accounts
- ▶ Requirements
- ▶ Challenges
- ▶ Escalation
- ▶ Opportunities to Work Together



New Accounts – Organization/Production



▶ New Accounts

Manager, Larry Walton			
Analyst, Delphine Smith			
Supervisor, Tonie Carmichael		Supervisor, Ginger Reed	
Lead, James Campbell	Lead, Vacant	Lead, Rebecca Marquez	Lead, Charles Walker
9 Technicians		8 Technicians	9 Technicians

▶ Production-accounts established:

<u>Calendar Year</u>	<u>Total Accounts Established</u>	<u>Avg./Mo</u>
2013	71596	5966
2014	82336	6861
2015 ending June 30th	35555	5926





For the period of January 2015 to June 2015:

- ▶ 3 Main reasons for late establishments
 - ✓ Missing separation data
 - ✓ Missing or incomplete retirement orders
 - ✓ Missing High Average Information

- ▶ 86% of accounts were established on time

- ▶ 6% were DFAS lates
 - ✓ Managing our workload

- ▶ 8% were Branch of Service lates
 - ✓ Verification of separation - date posted to Reserve or Active duty system
 - ✓ Missing or late documents or automated data
 - ✓ Late notification of retirement from BOS



- ▶ Regular retirement, Reserve retirement, Disability retirement and Fleet Reserve transfer.
 - ✓ May be automated or entered manually

▶ Offline

Types of Offline Accounts

Incompetent/Death Imminent
Retired and Died
Former Spouse or Annuitant retirement
TDRL to Regular Retirement, Fleet Reserve,
Reserve Retirement
USUHS/ AFHPSP
Retirement law 1251 if less than 20 years of
active service

CADET Disability
Retro Reserve Accounts
Reserve Retirement with DIEMS after
9/7/1980 (High Average)
Reserve Retirement with VA disability
Regular retirement converting to Reserve at
age 60
Retired/Retained and Recall accounts



New Accounts - Requirements



- ▶ Orders (hard copy orders/33 transaction)
- ▶ DD2656
- ▶ Separation data
- ▶ High Average Base Amount (if required)



New Accounts - Challenges



- ▶ Verification of separation - date posted to Reserve or Active duty system

- ▶ Missing or late documents or automated data

- ▶ Without a DD2656 the account will not be established correctly
 - ✓ The account will default to S-0 for taxes
 - ✓ SBP defaults to Spouse only full coverage
 - ✓ Adjustments are made with the receipt of the DD2656

- ▶ Late notification of retirement from BOS

- ▶ High average base amount rejects
 - ✓ 800 per month average
 - ✓ Requires manual intervention by technician



New Accounts - Escalation Process



Contact the Branch of Service (BOS) liaisons in the External Communications department at **(216) 522-6393**.

Escalation requests can also be sent to the service liaison mailbox at dfas.cleveland-oh.jfb.mbx.service-liaison@mail.mil.

The liaisons have up to 72 hours to respond to requests sent to the service liaison mailbox.

NOTE: All non-urgent requests will be sent to the operations area to be processed through their regular channels.





Opportunities To Work Together





Pay and Personnel Conference 2015: General Processing Department

Defense Finance and Accounting Service

Mrs. Bridgette Jamison- Manager

Supervisory Support Staff

Charlene Morris, Mark Erkkila, Nathan Lynix, Rebecca Ware,
Rachel Yencha and Jennifer Philpot





General Processing

- ✓ 80 Pay Technicians
- ✓ 12 Lead Technicians
- ✓ 5 supervisors
- ✓ 1 analyst
- ✓ 1 Manager

Our work load

- ✓ We manage retirees account after 90 days of creation

Average monthly receipts

- ✓ 22K

Average monthly processed

- ✓ 22K





■ SBP

- ✓ Most common issues
 - Missing Documents
 - Missing Signatures/ Dates
- ✓ Helpful tips
 - Understanding Termination Rules
 - Timeliness
- ✓ DD2656 forms
 - Invalid
 - Incomplete

■ TDRL

- ✓ Incomplete/ missing information





Our process

- ✓ Account managed and SBP established
 - Pre/Post 90 days

Incomplete elections

- ✓ Automatic elections (Two scenarios in which AUTO SBP coverage will be started)
 - Invalid 2656 received
 - No 2656 received

Invalid SBP election on DD Form 2656

- ✓ No election or level of coverage checked (*Section IX, Box 26 and 27*)
- ✓ Member does not sign or date, spouse does not sign, or spouse signs **BEFORE** member, which makes spouse concurrence invalid (*for elections other than full coverage*)
- ✓ Notary Witness signature/date OR missing Notary Seal
- ✓ Member signs form after retirement, which invalidates SBP election
- ✓ Elects not to participate in SBP and checks "*Do Not Have Eligible Dependents*"
 - Section IX, Box 26, but at same time lists dependents on Section VIII, Box 22 and 25





MEMBER NAME (LAST, First, Middle Initial) _____ **SSN** _____

SECTION IX - SURVIVOR BENEFIT PLAN (SBP) ELECTION
(It is recommended that you see your Survivor Benefit Plan counselor before making an election.)

- 26. BENEFICIARY CATEGORY(IES)** (X only one item) (See instructions and Section XI.)
- a. I ELECT COVERAGE FOR SPOUSE ONLY. DO DO NOT HAVE DEPENDENT CHILD(REN).
 - b. I ELECT COVERAGE FOR SPOUSE AND CHILD(REN).
 - c. I ELECT COVERAGE FOR CHILD(REN) ONLY. DO DO NOT HAVE A SPOUSE.
 - d. I ELECT COVERAGE FOR THE PERSON NAMED IN ITEM 28 WHO HAS AN INSURABLE INTEREST IN ME. (See instructions).
 - e. I ELECT COVERAGE FOR MY FORMER SPOUSE (See instructions and complete DD 2656-1, "Survivor Benefit Plan (SBP) Election Statement for Former Spouse Coverage").
 - f. I ELECT COVERAGE FOR MY FORMER SPOUSE AND DEPENDENT CHILD(REN) OF THAT MARRIAGE (See instructions and complete DD 2656-1, "Survivor Benefit Plan (SBP) Election Statement for Former Spouse Coverage").
 - g. I ELECT NOT TO PARTICIPATE IN SBP. DO DO NOT HAVE ELIGIBLE DEPENDENTS UNDER THE PLAN.

- 27. LEVEL OF COVERAGE** (X one. Complete UNLESS 26.d. or 26.g. was selected above. See instructions.)
- a. I ELECT COVERAGE BASED ON FULL GROSS PAY. (If I elected the Career Status Bonus and REDUX, full gross pay is the amount of retired pay I would have received had I NOT elected the Career Status Bonus.)
 - b. I ELECT COVERAGE WITH A REDUCED BASE AMOUNT OF \$ _____ (See instructions).
 - c. REDUX MEMBERS ONLY: I ELECT COVERAGE BASED ON MY FULL GROSS PAY UNDER REDUX. I UNDERSTAND THAT THIS REPRESENTS A REDUCED BASE AMOUNT AND REQUIRES SPOUSE CONCURRENCE. (See instructions).
 - d. I ELECT COVERAGE BASED ON THE THRESHOLD AMOUNT IN EFFECT ON THE DATE OF RETIREMENT.

28. INSURABLE INTEREST BENEFICIARY

a. NAME (Last, First, Middle Initial)	b. SSN	c. RELATIONSHIP	d. DATE OF BIRTH (YYYYMMDD)
e. STREET ADDRESS (Include apartment number)		f. CITY	g. STATE
			h. ZIP CODE

SECTION X - REMARKS

29. Use this section to continue an item or make additional comments. Attach separate sheets if more space is needed.

SECTION XI - CERTIFICATION

30. MEMBER.
 Under penalties of perjury, I certify that the number of withholding exemptions claimed does not exceed the number to which I am entitled, and that all statements on this form are made with full knowledge of the penalties for making false statements (18 U.S. Code 287 and 1001 provide for a penalty of not more than \$10,000 fine, or 5 years in prison, or both).
 Also, I have been counseled that I can terminate SBP participation, with my spouse's written concurrence, within one year after the second anniversary of commencement of retired pay. However, if I exercise my option to terminate the SBP, future participation is barred.

a. SIGNATURE _____

b. DATE SIGNED (YYYYMMDD) 20140611

31. a. WITNESS NAME (Last, First, Middle Initial) _____

b. SIGNATURE [Signature]

c. DATE SIGNED (YYYYMMDD) 20140611

d. UNIT OR ORGANIZATION ADDRESS (include room number) _____

e. CITY/STATE OR POST Norfolk VA

f. STATE VA

g. ZIP CODE 23511

SECTION XII - SBP SPOUSE CONCURRENCE (Required when member is married and elects child(ren) only coverage, does not elect full spouse coverage, or declines coverage. The date of the spouse's signature in item 32.b. MUST NOT be before the date of the member's signature in item 30.b. above.) The spouse's signature MUST be notarized.

32. SPOUSE. I hereby concur with the Survivor Benefit Plan election made by my spouse. I have received information that explains the options available and the effects of those options. I know that retired pay stops on the day the retiree dies. I have signed this statement of my free will.

a. SIGNATURE _____

b. DATE SIGNED (YYYYMMDD) 20140523

33. NOTARY WITNESS.
 On this 23rd day of May, 2014, before me, the undersigned notary public, personally appeared (Name of spouse (block 32.a.) [Name] provided to me through satisfactory evidence of identification, which were [ID], to be the person whose name is signed in block 32.a. of this document in my presence.
 (Signature of Notary) _____ Notary Commission Expires: 04/19/2017

SBP Administrative Error Correction



DEPARTMENT OF THE NAVY
NAVY PERSONNEL COMMAND
5720 INTEGRITY DRIVE
MILLINGTON TN 38055-0000

15033001161

1750
PERS-1
17 Mar 15

From: Commander, Navy Personnel Command
To: Director, Defense Finance and Accounting Service, U.S.
Military Retirement Pay, P.O. Box 7130, London, KY
40742-7130

Subj: ADMINISTRATIVE ERROR CORRECTION ICO LCDR [REDACTED]
USN (RET), [REDACTED]

Ref: (a) Title 10, U.S. Code, Section 1454

Encl: (1) [REDACTED] Survivor Benefit Plan (SBP) Affidavit
of 4 Mar 15

1. Per reference (a) [REDACTED] requested that his Survivor Benefit Plan (SBP) election be reviewed for correction of an administrative error.

2. Request correction of [REDACTED]'s record to reflect that he declined participation in the SBP vice spouse coverage at his full gross retired pay amount. Additionally, please refund the premiums previously deducted from his retired pay for such coverage and retain enclosure (1) indefinitely in his retired pay record.

3. Because there was no valid election on file at the Defense Finance and Accounting Service-Cleveland, [REDACTED] was enrolled in the SBP spouse category at the full gross retired pay amount.

4. My point of contact is Mr [REDACTED];
extension 4297.





Termination of SBP (DODFMR Ch. 43 section 0701(B))

- ✓ Members are eligible to terminate SBP coverage Effective May 17, 1998 only during the 25-36th months of retirement.
- ✓ DD Form 2656-2 CANNOT be signed, witnessed, or received by DFAS before the 25 month of retirement
- ✓ Examples:
 - DD Form 2656-2 received by DFAS on April 29, 2006; SBP costs terminate May 1, 2006; and the pay adjustment will be in the payment received on June 1, 2006.
 - DD Form 2656-2 received by DFAS on Nov. 4, 2006; SBP costs terminate Dec. 1, 2006; and the pay adjustment will be in the payment received on Jan. 1, 2007.

Invalid SBP Termination on DD Form 2656-2

- ✓ Member or spouse do not sign or date form
- ✓ Witness (SBP Counselor or Notary Public) signature and date do not match date form was signed by spouse



Temporary Disability Retired List (TDRL)



- ▶ Members can only be on the TDRL for a maximum of five years. At the end of five years, a permanent decision must be made. At this point, a variety of decisions can be made.
 - A. The soldier is found fit for duty. Usually, if this happens, the soldier is given the option whether to reenlist or be discharged. There is no disability compensation for this
 - B. The soldier is given a 0%-20% disability rating. The member will be discharge with or without a severance pay package. You must meet all of the following requirements to be eligible: be found unfit for duty
 - I. have less than 20 years of service
 - II. and have a disability rating of less than 30%

Note* Prior to January 28, 2008 members were required to have at least 6 months of service to qualify for discharge with severance pay. This rule no longer applies.

- C. The soldier is given a rating of 30% or more and the condition is stable enough for a permanent rating. The soldier is placed on PDRL
- ▶ Errors found with Orders
 - ✓ PDRL date must be effective date member expired from the TDRL
 - ✓ BOS initiate PDRL
 - Non receipt of orders
 - Effective date of PDRL orders differ from effective date processed in RCPS
 - *Members account suspend for failure to report however, No reinstatement orders received*
 - ✓ Member original retirement orders state member is combat related but PDRL orders pay has member non-combat



Questions?





Casualty/Annuity Department

Defense Finance and Accounting Service

Damita Pringle, Manager

Lisa Evans/Adrienne Davic—Casualty Supervisors
Qiana Cloud/Mirela Yzeiraj—Annuity Supervisors

Rebecca Piorkowski, Casualty Analyst
Alana Stinson, Annuity Analyst





► Casualty/ Annuity

- ✓ 37 Pay Technicians
- ✓ 8 Lead Technicians
- ✓ 4 supervisors
- ✓ 2 analyst
- ✓ 1 Manager

► Casualty

Year	Incoming Work Items	Top 2 Work Types
2013	279,830	SF1174, CODs
2014	258,431	SF1174, CODs
2015*	156,551	SF1174, CODs





► Annuity

Year	Incoming Work Items	Top 3 Work Types
2013	411,482	APK, COD, PTIVA (VA documents)
2014	193,010	APK, COD, PTIVA (VA documents)
2015*	111,070	APK, COD, PTIVA (VA documents)





Part DFor executor or personal representative of the deceased member****

SF 1174 (Back)

Part D

1. If none of the above survives and an executor or administrator has been appointed, the following statement should be completed:

I/we have been duly appointed _____ of the estate of the deceased, as evidenced by certificate of appointment herewith, administration having been taken out in the interest of

(Name, address, and relationship of interested relative or creditor)

and such appointment is still in full force and effect.

NOTE. — If making claim as the executor or administrator of the estate of the deceased, no witnesses are required, but a court certificate evidencing your appointment must be submitted.

2. If no administrator or executor has been appointed, will one be appointed? _____

(Yes or No)

DESIGNATED BENEFICIARY, SURVIVING SPOUSE, CHILDREN, PARENTS, OR LEGAL REPRESENTATIVES DO NOT FILL IN PART E. ALL OTHER MUST.

Part E

Have the funeral expenses been paid? _____ (If paid, receipted bill of the undertaker must be attached hereto.)
(Yes or No)

Whose money was used to pay the funeral expenses? _____

FINES, PENALTIES, and FORFEITURES are imposed by law for the making of false or fraudulent claims against the United States or the making of false statements in connection therewith.

(Signature of claimant)

(Date)

(Signature of claimant)

(Date)

(Street address)

(Street address)

(City, State, and ZIP code)

(City, State, and ZIP code)

****The payment will be mailed to this address****

TWO WITNESSES ARE REQUIRED

We certify that we are well acquainted with the above _____ and that the signature(s) of the claimant(s) was (were) affixed in our presence. _____

(Name(s) of claimant(s))

(Signature of witness)

(Signature of witness)

(Street address)

(Street address)

(City, State, and ZIP code)

(City, State, and ZIP code)

****The witness signature cannot be the beneficiary's signature****

Reset

All Federal checks in possession of the claimant, drawn to the order of the claimant, must accompany this claim.





- ▶ Ensure the retiree understands that the arrears of pay (AOP) beneficiary and the SBP annuitant are not one in the same.

- ▶ **AOP-** is a one-time payment made to a beneficiary after the retiree's death. The arrears of pay payment to the beneficiary will include:
 - ✓ The pro-rated amount of the members final month's pay
 - ✓ Any other money owed to the member at the time of their death

- ▶ The AOP and SBP require separate elections and involve different pay benefits. Advise members to check their Retiree Account Statement (RAS) through myPay for current beneficiary and annuitant information.



RAS- Retiree Account Statement



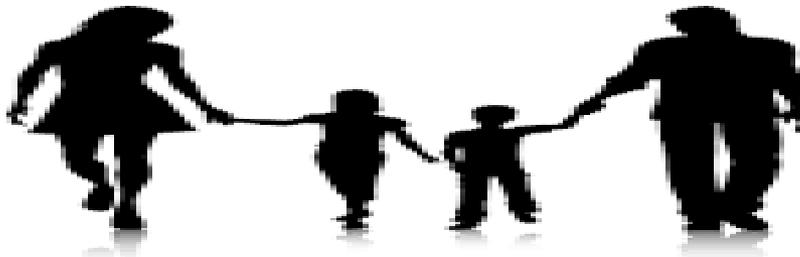
RETIREE ACCOUNT STATEMENT					
STATEMENT EFFECTIVE DATE		NEW PAY DUE AS OF		SSN	
PLEASE REMEMBER TO NOTIFY DFAS IF YOUR ADDRESS CHANGES				DFAS-CL POINTS OF CONTACT	
Your mailing address				DEFENSE FINANCE AND ACCOUNTING SERVICE US MILITARY RETIREMENT PAY PO BOX 7130 LONDON KY 40742-7130 COMMERCIAL (216) 522-5955 TOLL FREE 1-800-321-1080 TOLL FREE FAX 1-800-469-6559 myPay https://myPay.dfas.mil 1-877-363-3677	
PAY ITEM DESCRIPTION					
ITEM	OLD	NEW	ITEM	OLD	NEW
GROSS PAY	Total pay before taxes, deductions and credits		SITW	Amount withheld for state taxes	
TOTAL INCOME	Amount subject to federal taxes		ALLOTMENTS	Total you've allotted for other payments	
MISC. CREDIT	Special payment or refund		TAX LEVY	Payments to IRS for back taxes	
VA WAIVER	Amount of VA award deducted from your gross pay		GARNISHMENT	Court-ordered payments	
SBP COSTS	Amount deducted for SBP premium		FORMER SPOUSE	Court-ordered payments to former spouse	
FITW	Amount withheld for federal taxes		MISC. DEDUCTIONS	Interest and other special deductions	
ADDITIONAL FITW	Additional taxes you wanted withheld		NET PAY	Total pay	
PAYMENT ADDRESS		YEAR TO DATE SUMMARY (FOR INFORMATION ONLY)			
Shows where your monthly pay is sent. If you have direct deposit, this box will list the name and address of your bank or other financial institution.		TAXABLE INCOME: FEDERAL INCOME TAX WITHHELD: STATE TAX WITHHELD		Shows your total taxable income, as well as the federal and state income tax withholdings as of the statement date.	
TAXES					
FEDERAL WITHHOLDING STATUS:	Married or Single	STATE CODE:	State for which taxes are being withheld		
TOTAL EXEMPTIONS:	# exemptions you declared	STATE INCOME TAX WITHHELD:	Amount withheld this pay period		
FEDERAL INCOME TAX WITHHELD:	Amount withheld this pay period				
SURVIVOR BENEFIT PLAN (SBP) COVERAGE					
This area lists information about your decisions regarding SBP coverage:					
TYPE OF COVERAGE:	Describes whether you have declined SBP coverage, have no eligible beneficiary or have elected to include your spouse and/or children, former spouse and/or children, etc.				
COST:	Your monthly SBP premium. This will include the Reserve Component SBP cost if applicable.				
ANNUITY BASE AMOUNT:	The total amount to be used in calculating your SBP beneficiary's annuity.				
DATE OF BIRTH:	Birth date of your primary SBP beneficiary and/or the youngest child listed as an SBP beneficiary.				
NOTES:	Lists the number of months of SBP premiums you have paid towards the 360-month Paid-Up SBP total.				
RETIRED SERVICEMAN FAMILY PROTECTION PLAN (RSFPP) COVERAGE					
RSFPP COVERAGE TYPE	ANNUITY PAYABLE	RSFPP COST			
This area lists information about your decisions regarding RSFPP coverage including coverage type and your monthly premium amount.					



ALLOTMENTS AND BONDS					
ALLOTMENT TYPE	PAYEE	AMOUNT	BOND FACE VALUE	SERIES	DEDUCTION
This area lists all of your active allotments, including payee names and monthly allotment amounts. U.S. Savings Bond allotments are no longer available.					
TAX LEVY DEDUCTIONS					
DATE OF LEVY	MONTHLY AMOUNT	BALANCE			
If the IRS serves DFAS a levy because you owe taxes, you'll find the date of the levy, the monthly amount deducted from your retired pay, and the balance remaining in this area.					
GARNISHMENT DEDUCTIONS					
PAYEE	GARNISHMENT AMOUNT	COMPLETION DATE			
This box lists the recipient of any garnishment of your pay, the monthly amount being deducted, and the date the garnishment will no longer be deducted from your pay.					
FORMER SPOUSE PROTECTION ACT DEDUCTIONS					
PAYEE	AMOUNT				
This area lists the recipient of the funds, as well as the monthly amount being deducted from your pay.					
MISCELLANEOUS DEBTS					
DEBT TYPE	MONTHLY DEDUCTION	PRINCIPAL AMOUNT	INTEREST AMOUNT	ACCUMULATED INTEREST	DEBT BALANCE
Lists the debt type and monthly deduction amount of debts being collected from your retired pay by DFAS. Also includes the principle amount of the debt, accumulated interest and the remaining balance of the debt.					
ARREARS OF PAY BENEFICIARY INFORMATION					
YOU HAVE ELECTED ORDER OF PRECEDENCE					
NAME	SHARE	RELATIONSHIP			
Lists the person or persons you designated to receive your final retired pay entitlement.					
MESSAGE SECTION					
This area may contain a variety of updates and alerts. Examples include annual Cost of Living Adjustment (COLA) information, requests for information missing from your account, helpful hints, etc.					



- ▶ The AOP beneficiary is different from the SBP beneficiary, although the arrears beneficiary can also be an SBP beneficiary.
- ▶ In the cases where member's marry/divorce/remarry without notifying our office, failure to update your beneficiary information can result in the funds being paid to someone other than the current spouse or children.



Who Gets Paid??



Scenario 1: Member dies with a spouse and children. Listed on his HUNT,BENFY screen is the name Frank Jackson, with no designation of the relationship.

Scenario 2: Member dies with a spouse and one child. HUNT,BENFY screen shows the following”
SPOUSE 50%, CHILD 50%

Scenario 3: Member dies, has no spouse or children. The HUNT,BENFY screen shows “The Estate of Bob Jones”.

Scenario 4: Member has no spouse at the time of death. HUNT,BENFY shows a natural child and a step child, with each listed as receiving 50% of the arrears.

Scenario 5: Member dies, has no spouse but 3 children. Each child is listed on HUNT,BENFY and each shows at 100%

Scenario 6: Member dies, has a wife and 4 children. On HUNT,BENFY, he did not make an election.



Legal Order of Precedence



- ▶ If a retiree chooses not to designate a beneficiary for the arrears of pay, the designation will default to the Order of Precedence. Ensure that the retiree understands the Order of Precedence and the persons that may be entitled and who it may exclude.
 1. Beneficiary designated by the member in writing, if the designation is received by the Military Department concerned before the member's death.
 2. Surviving spouse
 3. Children and their descendants, by representation:
 - ✓ a. Legitimate Child
 - ✓ b. Adopted Child. An adopted child is a legal heir in every state and, therefore, is entitled to payment of unpaid pay and allowances, if otherwise proper. If the deceased retiree's child is adopted by others, then the child is a beneficiary only in those states where an adopted child inherits from its natural parent
 - ✓ c. Illegitimate Child. An illegitimate child may not be paid unpaid pay and allowances of a deceased retiree unless that child is recognized for inheritance purposes under the laws of the jurisdiction involved
 - ✓ d. Stepchild. A stepchild is not an eligible beneficiary unless adopted by the deceased retiree



Legal Order of Precedence



4. Father and mother in equal parts or, if either is dead, the survivor.
5. Legal representative.
6. Person entitled under the law of the domicile of the deceased retiree.
 - ✓ The retiree may change a beneficiary previously designated if the change is in writing and is received by the Military Department concerned before the retiree's death.



Arrears of Pay Beneficiary Checklist



Arrears of Pay Beneficiary Checklist

Below are some of the most common items that can greatly delay payment, if not present when SF 1174 is submitted.

SF 1174

- Did you complete Part A, ensuring your name, SSN, relationship, retiree's name, retiree's SSN, and date of death is present?
- If you are not a designated beneficiary or spouse, did you complete Part C with all Next-of-Kin information? If claiming as a child or sibling of the member, please include all children or siblings, living and deceased.
- If you are claiming as an executor or personal representative of the deceased's estate, did you complete Part D?
- Did you sign and include your address in Part F? The address in Part F should be the address that you desire the payment to be mailed to.
- Did you have TWO witness signatures in Part G? The signatures in Part G cannot be your own and should be two people that personally witnessed you completing the claim form. Witness signatures cannot be signed prior to your signature in Part F.

COD

- Is the date of death provided? If a date range is listed, instead of a single date, please provide autopsy report. If autopsy was not performed, please provide a statement from at least one disinterested person attesting to the last time they personally saw the retiree alive.
- Has the manner of death been determined and stated? If manner of death is pending, payment cannot be issued until manner of death is established. If manner of death is undetermined, please provide copy of autopsy and/or police report along with claim.

Minor Claimants

- If the beneficiary for AOP is a minor, Form DD 2790 Custodianship Certificate of Minor Child must be completed by parent/guardian of minor and submitted with SF 1174. The SF 1174 also must be signed by the parent/guardian, in support of the minor. Refer to <http://www.dfas.mil/retiredmilitary/forms.html> for DFAS-Retired and Annuitant Pay related forms.

Foreign Citizen

- If you are a foreign citizen with a social security number, you will need to complete IRS Form W-7 to obtain a taxpayer identification number. AOP cannot be issued without a SSN, TIN or EIN. Form should be submitted to IRS for TIN assignment. Once TIN is assigned by the IRS, SF 1174 can be submitted for payment, using the TIN issued by the IRS. Please DO NOT send the application for a TIN to DFAS. IRS Forms are available on <http://apps.irs.gov/app/picklist/list/formsPublications.html>
- If you have a foreign address, please complete the IRS Form W-8BEN to declare your citizenship status for taxability purposes.

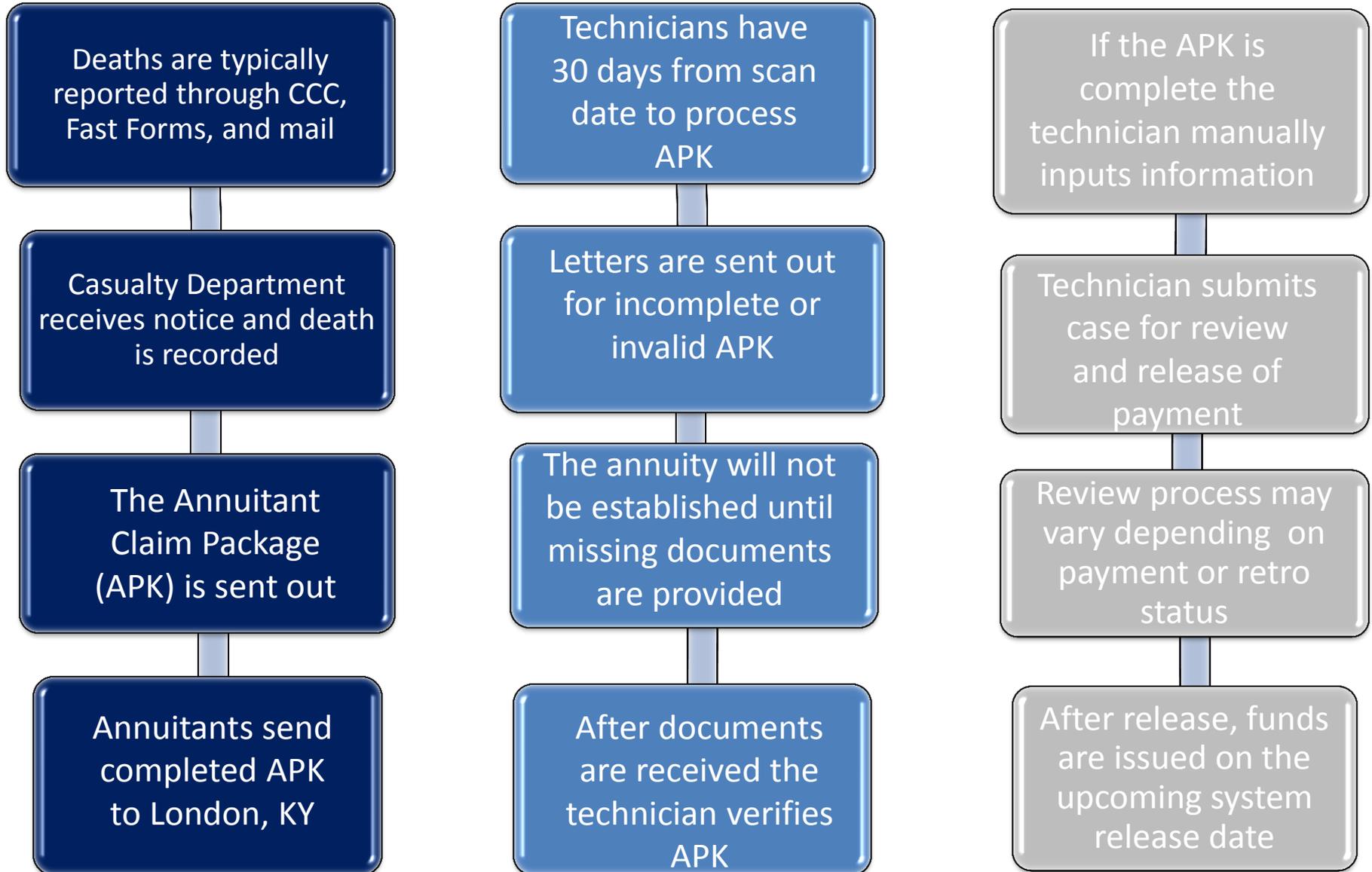




- ▶ You may use the FastForm, located on <https://cust-support.dfas.mil/raplti/nod/> to collect the pertinent data and forward the form to our office for processing.
- ▶ As soon as possible, report the member's death via contacting the customer care center at 800-321-1080. You may also forward a copy of the final death certificate (including cause of death) to our office via fax—800-469-6559 or you may mail it to our London KY mail facility.
- ▶ If you are assisting family members with reporting the death, please ensure each beneficiary fills out a separate SF1174 to claim their portion of the arrears. We only require one copy of the member's death certificate. Please ensure the document contains the cause of death.



Establishing an Annuity Account



APK packet includes:

- ▶ DD 2656-7 (back page verifies receipt of VA funds)
- ▶ W4P
- ▶ Direct deposit form
- ▶ Custodian form for minor children





How To Decrease Incomplete APKs

- ▶ Ensure Annuity Application Packets (APKs) are complete
- ▶ Make sure application is signed and dated
 - ✓ Can not be signed prior to retiree's DOD

- ▶ Ensure Personal information is correct
 - ✓ Marriage/Divorce Date
 - ✓ Birthdate
 - ✓ Correspondence Address
 - ✓ Citizenship

- ▶ Ensure Proper documentation has been included with APK
 - ✓ Marriage certificate/Divorce decree/Former Spouse documentation
 - ✓ Legal Representative documentation
 - ✓ Direct Deposit form
 - ✓ W4-P

****If an Annuity is established in the field submit the APK to DFAS****





- ▶ A COE (Certificate of Eligibility) is required yearly for all annuitants under age 55, incapacitated recipients and all annuitants residing outside of the United States.

- ▶ Video (RCOE segments 4&5)

- ▶ If pay is suspended for 6 months, a CEI (Certificate to Establish Identity) form is required. This form must be signed by a certifying officer.
 - ✓ Examples of a certifying officer are: RSO, personnel at most government agencies, Veterans Administration staff, staff at your local police department. Overseas examples of certifying officer are: US embassy staffers and RSO. A notary public is **NOT** a valid certifying officer. A CEI form signed by a notary will be returned.





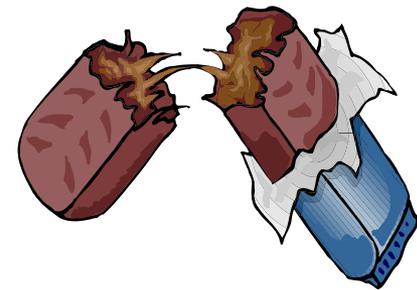
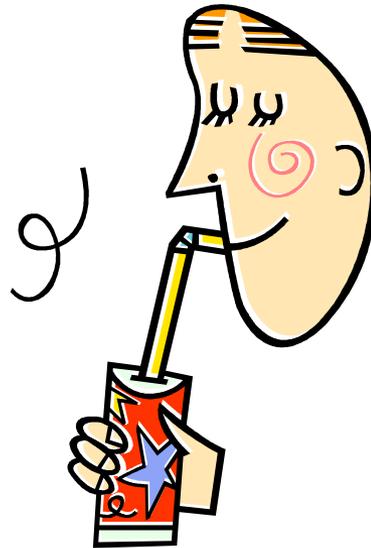
- ▶ Generally, child annuitants receive these funds until age 18, and only a yearly COE is required.
- ▶ At the 18th birthday, the child annuitant must send a school certification form stating intent to attend college in the fall, after graduating high school—otherwise annuity ends. In addition to the school certification, if the child wants the guardian to continue having control over banking info, a Representative Payee form is needed. Otherwise, all pay decisions become the sole responsibility of the child.
- ▶ After age 18, if child annuitant is in school full time, a school certification is needed at the end of each complete school term. this form is filled out by the school and forwarded to our office. If not received, pay is suspended. And possibly divided amongst other children of the deceased member.





Break Time

3:00- 3:15



Agenda



3:00 - 3:15	Break	
3:15 - 3:45	Barring Act/ DOHA	Dennis Mehring
3:45 - 4:00	**Award Presentation**	Donnell Edwards
4:00 - 4:30	End of Day One Wrap-Up	





Appeal Rights

Defense Finance and Accounting Service

Dennis Mehring
R&A Pay Operations Director



Appeal Rights



- ▶ Requirement for DFAS
 - ✓ Appeal rights are provided for every claim that we deny
- ▶ What is a claim?
 - ✓ Demand for money or property
- ▶ A claim should include:
 - ✓ Claimant's mailing address
 - ✓ Telephone number
 - ✓ The basis of the claim
 - ✓ The amount seeking
 - ✓ A complete description of the claim
 - ✓ All relevant documentation
- ▶ Claim must be forwarded to DFAS
- ▶ DFAS prepares Administrative Report and coordinates with OGC
- ▶ DFAS sends approved Administrative Report to Customer
- ▶ Customer has 30 day rebuttal period
- ▶ Claim is sent to DOHA after the 30 day rebuttal period
- ▶ DOHA responds to customer



6 Year Barring Act



- ▶ Barring Act 31 USC 3702 Prohibits crediting payments that are more than 6 years old
- ▶ Claimant must submit request for waiver of the Barring Act 31 U.S.C. § 3702
- ▶ The claimant is asking to be excused from the time limitation of 31 U.S.C. § 3702 which requires all claims against the government to be received within 6 years after the date such claim first accrued.
- ▶ Waiver requests should be in writing and include claimant's name, mailing address, telephone number, the basis of the claim, the amount the claimant is seeking to have waived, a complete description of the claim, all relevant documentation, and the specific reasons why claimant believes a waiver of the time limitations is warranted.
- ▶ Waiver requests should be submitted directly to the service secretary at one of the addresses below.
- ▶ If DFAS or DOHA receives any request for a waiver directly from a claimant, then DOHA or DFAS will promptly forward the request to the Secretary of the service concerned at the appropriate address below without further action.

Army: Assistant Secretary of the Army (Financial Management & Comptroller) 109 Army Pentagon Washington, D.C. 20310-0109	Navy and Marine Corps: Assistant Secretary of the Navy (Financial Management & Comptroller) 720 Kennon Street SE, Bldg 36, Room 115 Washington Navy Yard, DC 20374	Air Force: Assistant Secretary of the Air Force (Financial Management and Comptroller) 1130 Air Force Pentagon SAF/FMF, Rm #5D739 Washington, DC 20330-1130
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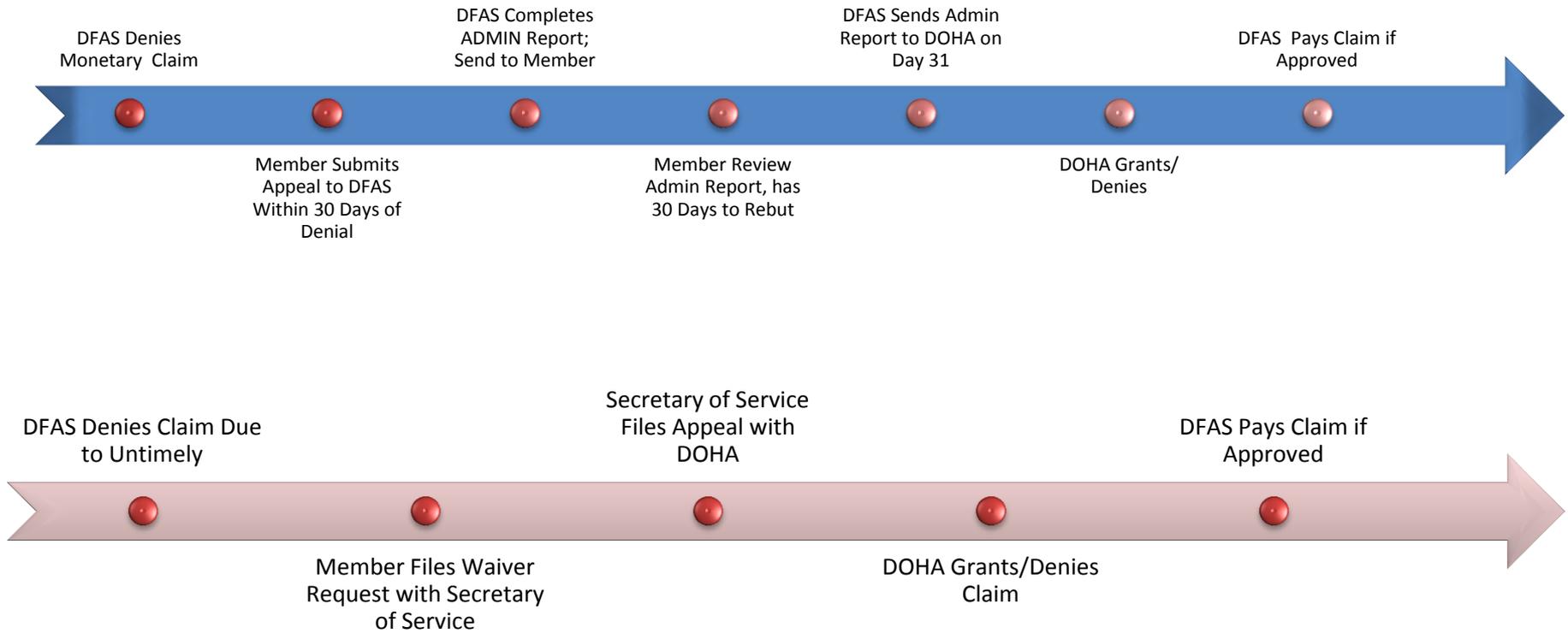
Coordinated Process



- ▶ After receiving the waiver request, the Secretary of the service concerned will verify that all the required information is included in the waiver request.
- ▶ If the waiver request is unclear or lacks supporting documentation/evidence, the Secretary of the service concerned will contact the applicant and assist him/her in further developing an understandable description of the claim, all relevant documentation, and the specific reasons why the applicant believes a waiver of the time limitations is warranted.
- ▶ Once the waiver request has been researched, the Secretary of the service concerned will send a request for factual information along with a copy of the waiver request to DFAS.
- ▶ DFAS will provide necessary documentation to the secretary of the service regarding the claim within 30 days
- ▶ After receiving the necessary factual information from DFAS, the Secretary of the service concerned will carefully review all the documents received to date. After fully developing the case, the Secretary of the service concerned will forward the waiver request along with all supporting documentation to DOHA with a carefully thought out recommendation for final disposition.
- ▶ After receiving the recommendation of the Secretary of the service concerned, DOHA will carefully review all the documents assembled to date. If any issue is still in need of further exploration, then DOHA will contact the Secretary of the service concerned.
- ▶ After considering the case, the DOHA will either grant or deny the applicant's waiver request
 - ✓ DOHA may also modify the amount of the claim that has been proven
 - ✓ DOHA will notify the applicant and the Secretary of the service concerned of its determination.
- ▶ Approved claims will be forwarded to DFAS for payment
- ▶ If DOHA denies or modifies the amount of the claim, then either the claimant or the Secretary of the service concerned may request reconsideration IAW DoDI 1340.21
- ▶ If DOHA determined that no relief was warranted and denied the request for a waiver of the Barring Act, DFAS will take no further action.
- ▶ If DOHA determined that relief was warranted and granted a waiver of the Barring Act, or modified the amount of the claim proven, DFAS will make prompt payment of the claim (subject to the \$25,000 limitation).



Appeal Process Flow







Congratulations!



End of Day 1

2015 Retired and Annuitant Pay Personnel Conference



NO HOST SOCIAL

DATE: JULY 28, 2015



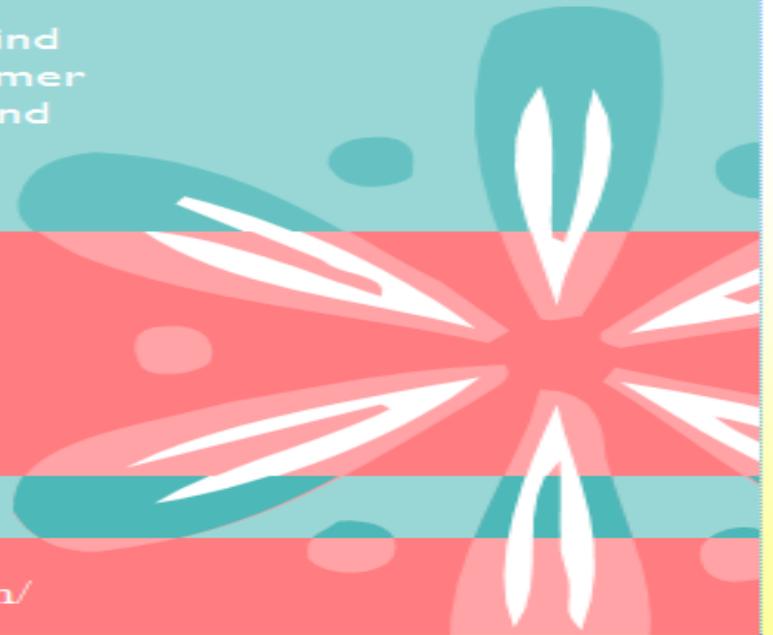
TIME: 4:30– 6:30

**Location: Urban Farmer (Next Door
at the Westin Hotel)**

Join us as we kick back, relax, and unwind after the conference ! The Urban Farmer offers a contemporary environment and delicious menu that is sure to please everyone's pallet.

HOPE TO SEE YOU THERE!

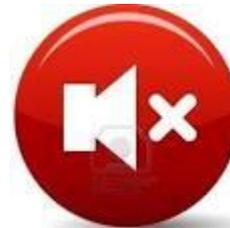
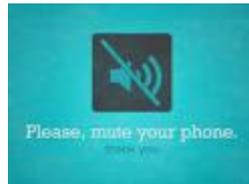
Visit: <http://urbanfarmercleveland.com/>



Please Mute Your Phones



Defense Finance and Accounting Service





2015
Retired and Annuitant
Pay Personnel Conference

Defense Finance and Accounting Service



	Day Two	
8:30 - 8:45	Director DFAS- Cleveland	Mr. Edwards
8:45 - 9:05	DRAS 2	Susan Sell/ Nick Hager
9:05 - 10:00	Blended Retirement	Pat Mulcahy
10:00 - 10:15	Break	





DRAS2

Defense Finance and Accounting Service

Susan Sell
Nick Hager





- ▶ DRAS2 is an emerging system that will replace DRAS
- ▶ It is being developed by the Defense Logistics Agency (DLA) and when completed, ownership will transfer to DFAS
- ▶ Key improvements that DRAS2 is focused on
 - ✓ Increase self-service capabilities for customers
 - ✓ Improve the quality of pay process
 - ✓ Reduce manual work
 - ✓ Reduce training costs
 - ✓ Reduce the timeframe of implementing legislative, mission, and requirement changes





- ▶ DRAS2 is an Acquisition Category (ACAT) III system
 - ✓ System Integrator contract awarded September 2014 to SRA
- ▶ Oracle PeopleSoft and Coast Guard GOTS chosen as the solution
 - ✓ Will be configured for DFAS requirements
- ▶ Schedule
 - ✓ Fit/Gap results used for Design – through FY2015
 - ✓ Development – broken into 5 builds FY 2016 to FY 2018
 - ✓ Testing – on each build with a final user acceptance event followed by a parallel test event
 - ✓ Implementation – FY 2019



Who Will Be Impacted?



- ▶ DRAS Users - DFAS Retired and Annuitant Pay (R&A) Personnel, Customer Care Center, Information and Technology (I&T), Garnishment and Disbursing Personnel, Active Duty Military Pay, Branches of Service and their designated retiree and annuitant support organizations
- ▶ Customers - Military Retirees, Annuitants, Beneficiaries, Former Spouses, Voluntary Separation Incentive Recipients, Victims of Abuse Recipients, Next-of-Kin
- ▶ Process Partners - Branches of Service, Department of Veterans Affairs (DVA), Defense Manpower Data Center (DMDC), other Interface Partners
- ▶ Organizations - DFAS Operations and DFAS Information and Technology



Examples of the impact?



- ▶ DRAS Users - Different system interface, new business processes
- ▶ Customers - New format to the Retiree Account Statement
- ▶ Process Partners - Potential new way of receiving data, new data requirements, new business processes for them and their customers
- ▶ Organizations - changes to staffing and structure





- ▶ Operations/Enterprise Standards and Solutions/Systems/Enterprise Systems
 - ✓ Project Management Office
- ▶ Operations/Cleveland Finance Operations/Retired and Annuitant Pay
 - ✓ Functional Team
 - ✓ Includes the DRAS2 Change Manager
- ▶ Strategy and Support/Information and Technology/Payroll Services/Retired and Annuitant and Other Pay
 - ✓ Technical Team
- ▶ Strategy and Support/Enterprise Management Services/Enterprise Change Management
 - ✓ Change Management Support
- ▶ Strategy and Support/Enterprise Management Services/Human Capital
 - ✓ Changes affecting Work Force
- ▶ Many other as-needed supporting team members



Team Makeup

- ✓ Subject Matter Experts (SMEs) pulled from areas within R&A Operations
- ✓ All considered leaders of their respective knowledge group
- ✓ Combined over 150 years of experience in R&A
- ✓ Every function of R&A Pay is covered by the SMEs
- ✓ Internal Project Manager





- ▶ Earl Roberts
- ▶ Tom Yanchar
- ▶ Mary-Ann Schaefer
- ▶ Tim Beegle
- ▶ Dennis Disbrow
- ▶ Blain Amburgey
- ▶ Chris Ruminski
- ▶ James Baker
- ▶ Susan Cernanec
- ▶ Jeremy Simcik





Team Activities

- ✓ Requirements gathering and writing
 - List of all the needs that DRAS2 will need fulfill
 - Maintains compliance with Rules, Laws and Regulations
- ✓ Cross mapping to Business Processes
 - R&A Pay consolidated in to Business Processes
 - Requirements were linked to Business Processes
- ✓ Initial test script writing
 - Baseline for test scripts the system will need to pass



✓ Future Team Items

Data transfer to new system

- Data cleanse will occur to eliminate potential errors in hard data
- Test run prior to and post transfer to ensure all data transferred properly

Testing of new system builds

- As the contractor releases builds the team will test to ensure it meets the requirements needs and functions as expected

Audit Readiness

- Along the way every action and system configuration will be reviewed by Audit Readiness personnel for compliance

Parallel Testing

- Joint efforts to run DRAS2 in parallel and test results prior to go live



Questions?



Military Pay and Compensation Proposals

Information Briefing for FY 2015 Retired and Annuity Pay, Pay and Personnel Conference

Pat Mulcahy

**Assistant Director, Military Retirement and Survivor Benefits
Deputy Assistant Secretary Defense (Military Personnel Policy-Compensation)
July 2015**



PERSONNEL AND READINESS



Agenda

- Fiscal Year 2016 President's Budget Proposals
- MCRMC Recommendations and DoD Position
- Enhanced Survivor Benefit
- Blended Retirement System
 - Comparison of Senate, House and DoD Proposal
 - Analytical Methodology
 - Continuation Pay
 - Lifetime Earnings
 - Costs
 - Opt in
- Concluding Comments



DoD Strategic Approach to Military Pay and Compensation Reform

- The Department remains committed to a generous compensation package for those individuals willing to serve their country
- The Department offers a healthy and competitive military compensation package
- Comprising nearly half* of the DoD budget, personnel costs are, and will likely always be, the single largest expense category for the Department
- To balance the Department's readiness, capacity and capabilities for the future, the DoD must slow the growth of military pay and compensation

*Includes costs for: Military Personnel, Civilian Personnel, Military Health System (MHS), Commissary Subsidy, DoD Education Activity, and Military Construction (MILCON) for MHS



Military Compensation Proposals in President's Fiscal Year 2016 Budget Request

Proposal	Description	Hill Position*
Basic Pay Raise	1.3% increase in military basic pay vice the Employment Compensation Index (ECI) of 2.3% by operation of law	House: silent Senate: concurs
Slow Basic Allowance for Housing Growth	Slow BAH growth to achieve a 5% out-of-pocket cost in the next 2 years. Rate protection feature remains in effect.	House: rejects Senate: concurs plus limitation on dual-spouse and members living together
Reduce Commissary Subsidy	Reduce the operating cost subsidy and allow the DoD flexibility to operate the commissary more like a business.	House: rejects Senate: authorizes only second destination transportation costs to be spread evenly
Consolidate TRICARE Health Plan	Streamline current TRICARE managed care and fee-for-service options into a simplified Consolidated Health Plan	House: rejects Senate: rejects
Implement Enrollment Fee for Tricare-for-Life	Establish a modest annual enrollment fee for the TRICARE-for-Life coverage for Medicare-eligible retirees	House: rejects Senate: rejects
Increase Pharmacy Co-Pays	Adjust pharmacy co-pay structures	House: rejects Senate: concurs

*Proposals being considered as part of the bills in the Authorizing Committees (SASC/HASC)



Military Compensation and Retirement Modernization Commission (MCRMC) Strategic Objectives/Themes

- Ensure that recommended changes recognize the overall impact of the benefit on the Service member and their families – top priority for the Commission
- Ensure the long-term viability of the All-Volunteer Force
- Enable the quality of life for members of military
- Modernize and achieve fiscal sustainability for the compensation and retirement systems for the military for the 21st Century
- Respond to the preferences of a new generation by improving Service member choice and flexibility
- Focus not budget driven, nevertheless, recommendations offer efficiencies that reduce expenditures
- Several key features of the compensation system continue to meet the needs of the AVF (basic pay, allowances, skill and incentive pays, TRICARE for Life)



DoD Review of the MCRMC Recommendations

DoD Fully Agreed/Minor Adjustments

Recommendation	Description	DoD Position	Hill Position*
Survivor Benefit Plan (#2)	Provide option for member to pay for more coverage that would eliminate the DIC offset	Concur	House: rejects Senate: adopted former spouse provision
Nutritional Financial Assistance (#13)	Sunset Family Subsistence Supplemental Allowance (FSSA) when Supplemental Nutrition Assistance Program (SNAP) is available (in CONUS) and keep FSSA when it is not	Concur	House: directs GAO review Senate: concurs w/ DOD proposal
Dependent Space Available Travel (#14)	Allow Space-A travel for the family member if the service member is deployed for at least 30 days	Concur	House: concurs Senate: rejects
Report on Military Connected Dependents (#15)	Establish a military dependent student identifier to better track and support students attending non-DoD schools	Concur	House: concurs w/ DoD proposal Senate: reject but adds \$25M to impact aid
Child Care (#10)	Establish accurate and consistent methods of tracking child care wait lists and times. Reestablish the authority to use up to \$15M O&M to expand facilities and exempt staff from hiring freeze and furloughs	Concur	House: reduce backlog and minor construction authorized Senate: requires backlog report

*Proposals being considered as part of the bills in the Authorizing Committees (SASC/HASC)



DoD Review of MCRMC Recommendations DoD Supported with Some Modification

Recommendation	Description	DoD Position	Hill Position
Financial Education (#3)	Increase the frequency and strengthen the content of financial literacy training	Concur with modification	House: concur with modification Senate: concur with modification
Medical Personnel Readiness (#5)	Improve the oversight of joint medical readiness through the creation of newly established Joint Readiness Command and maintain certain medical capabilities	Concur with modification	House: establish 4-star Unified Medical Command Senate: rejects
Service Member Education (#11)	Sunset Montgomery GI Bill and Reserve Educational Programs; sunset housing stipends for dependents in 2017 and eliminate concurrent receipt of GI Bill and UCX.	Concur with modification	House: requires add'l training upon separation Senate: removes UCX entitlement
DoD/VA Collaboration (#8)	Grant additional authorities and responsibilities to the JEC to standardize and improve collaboration between DoD and VA	Concur with modification	House: establishes joint formulary Senate: rejects
Transition Assistance (#12)	Require participation in Transition GPS education track for those members going to school after separation & improve integration efforts with State Transition experts/programs	Concur with modification	House: requires add'l training Senate: requires report on add'l training



DoD Review of MCRMC Recommendations Required Additional Review and Consideration

Recommendation	Description	DoD Position	Hill Position
Blended Retirement System (#1)	Establish TSP as a portable defined contribution plan and continuation pays, combined with a reduced defined benefit	Conducted further review, analysis and concur, with modification	House: concur with modification Senate: concur with modification
Reserve Component Duty Statuses (#14)	Reduce the existing 30 Reserve Component duty statuses to 6	Deliver a detailed roadmap of recommendations by July 2016	House: concurs with MCRMC Senate: rejects
Health Benefit Program (#6)	Establish a basic allowance for health care and offer health care coverage for military dependents and retirees under a selection of commercial insurance plans administered by OPM; new business model for Medical Treatment Facilities and funding flow	Resubmit PB 16 with some MCRMC modifications	House: rejects Senate: further study
Exceptional Family Member's Support (ECHO) (#7)	Increase services covered through TRICARE ECHO to more closely align with state Medicaid waiver programs	Identify gaps in current services and evaluate add'l respite care	House: rejects Senate: rejects
Commissary and Exchange Consolidation (#9)	Consolidate DeCA and the 3 Exchanges and create a single Defense Resale Agency	Adopt business optimization approach with Executive Business Board	House: no consolidation until FY 15 NDAA report Senate: 2 year pilot on privatization & report



Enhanced Survivor Benefit Plan

Enhanced SBP improves the survivor benefit by granting Service members the option of purchasing new SBP coverage that is not offset by Dependency and Indemnity Compensation (DIC) from the Department of Veterans Affairs

- Allows for increased choice
- Offers a financially viable increased benefit
 - DoD would continue to subsidize the basic coverage (@ 60% paid by DoD and @ 40% paid by the member)
 - Additional coverage would be unsubsidized and paid by the member (100% paid by the member)

DoD made modifications

- Allow for the additional coverage in the case of a death of a service member on active or inactive duty for training
- Provide for a 1-year open season for current retirees to benefit from the enhanced benefit



Comparison of Retirement Systems

PERSONNEL AND READINESS

AS OF: June 11, 2015	Current	House	Senate	DoD
Defined Benefit (DB) vesting	20 YOS	20 YOS	20 YOS	20 YOS
DB multiplier *	2.5%	2.0%	2.0%	2.0%
DB working-age annuity	Full annuity	Full annuity; no lump sum option	Full annuity or lump-sum option (full or partial); RC lump-sum based on annuity from age 60-retirement age	Full annuity, no lump sum option
DB retirement age	NA AC; 60 RC	NA AC; 60 RC	NA AC; 60 RC	NA AC; 60 RC
DB COLA**	Full**	COLA-1%, effective Oct 1, 2017	COLA-1%, effective Jan 1, 2016	Full (COLA-1% repeal)
DB Disability Retired Pay	Disability rating (Min 30%) capped at 75% or 2.5% multiplier	Disability rating (Min 30%) capped at 75% or 2.0% multiplier	Disability rating (Min 30%) capped at 75% or 2.0% multiplier	Disability rating (Min 30%) capped at 75% or 2.5% multiplier
Defined Contribution (DC) DoD contribution rate		1% automatic; plus up to 5% matching (Max = 6%)	1% automatic; plus up to 4% matching (Max = 5%)	1% automatic; plus up to 5% matching (Max = 6%)
DC DoD contribution rate YOS		1%: entry-End of Service (EOS) Matching: start of 3 YOS - EOS	1%: entry-20 Matching: start of 3 YOS -20	1%: entry-EOS Matching: After completion of 4 years of service (YOS) – EOS
Enrollment		Automatic at entry on or after Oct 1, 2017; automatic reenrollment every Jan if member opts-out	Automatic at entry on or after Jan 2, 2018; automatic reenrollment every Jan if member opts-out	Automatic at entry; can opt-out after financial literacy training at 1 st permanent duty station; no auto-reenrollment
DC member contribution rate		3% automatic; full match requires 5% contribution	3% automatic; full match requires 5% contribution	3% automatic; full match requires 5% contribution ; member contribution defaults to ROTH TSP account
DC vesting of DoD contributions		Start of 3 YOS	Start of 3 YOS	Start of 3 YOS
DC forfeit of DoD contributions		NA	NA	Forfeit DoD contributions/earnings if separated with punitive discharge or dismissal
DC separations		NA	NA	Transition between Services, active to reserve component, or less than 30 days not considered separation
Continuation pay (CP) multiplier (Months of basic pay)		Minimum 2.5 for AC, 0.5 RC; with add'l amount varying	Minimum 2.5 for AC, 0.5 RC; with add'l amount varying	Varies (AC & RC) at Service discretion; Payments = lump sum, installments or both; no minimum level required
CP YOS / additional obligation		At 12 YOS	At 12 YOS	Varies (~8-16 YOS) at Service discretion; minimum 1-year of add'l obligation, maximum at Service discretion
Opt-in	NA	Must be serving on 9/30/2017; opt-in period = 1/1- 12/31/2018 (+ hardship extensions) ; 30-day opt-in from reentry date	Must be serving on 1/1/2018; opt-in period = 7/1- 12/31/2018 (+ hardship extensions) ; opt-in for reentrants during opt-in period	Must be serving prior to effective date; opt-in period = 2 yrs (+ hardship extensions) ; 60-days opt-in from reentry date or remainder of opt-in period, whichever is later; regulations prescribed by SecDef ; cadets & midshipmen (other than above) treated as reentrants upon commissioning
Effective Date	NA	October 1, 2017	January 1, 2018, inconsistent	January 1, 2018
% of force receiving benefit	19%	85%	85%	85%
Savings (steady state, 4% match)	NA- baseline	(\$1.2B)	(\$2.3B)	(\$1.2B)

*For purposes of comparison, DB Retired Pay Base is average of highest 36 months of basic pay

**FY15 NDAA moved effective date for COLA-1 to Jan 1, 2016 for new entrants



Analytical Methodology

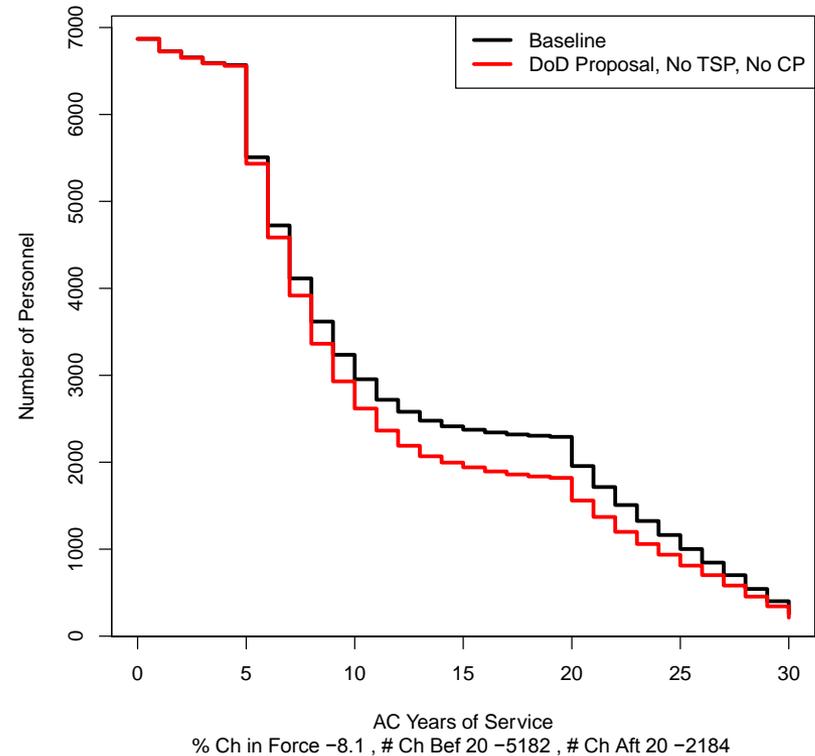
DoD, MCMRC and Congress employed the RAND *Dynamic Retention Model* to assess retention impacts and cost effects

Cost estimates were calculated by the DoD Office of the Actuary

- What the model **does**:
 - Simulates retention of compensation-change
 - Recognizes that future benefits affect members' current retention decisions
 - Recognizes that members have different preferences for service
 - Recognizes that retention decisions are affected by non-monetary and monetary factors
 - Uses 23(+) years of longitudinal retention data for each of 130,000 members in both the Active and Reserve components
- What the model **does not** do:
 - Provide retention and cost predications for specific skills (only rated pilots in the AF)
 - Give 100% assurance in its results, similar to most other models

DoD Proposal: Army Officer

Army Officer DoD Proposal, No TSP, No CP

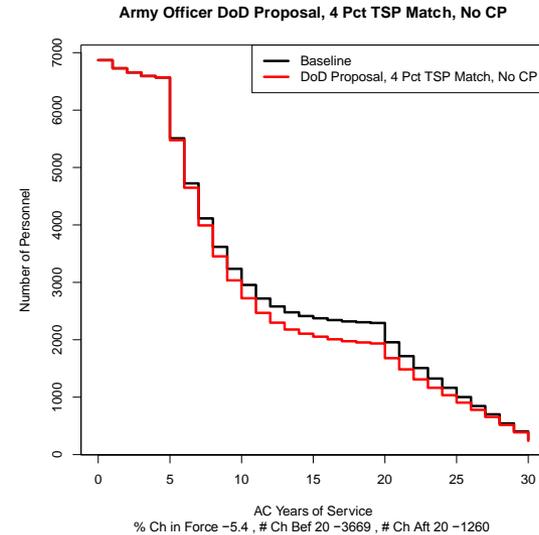




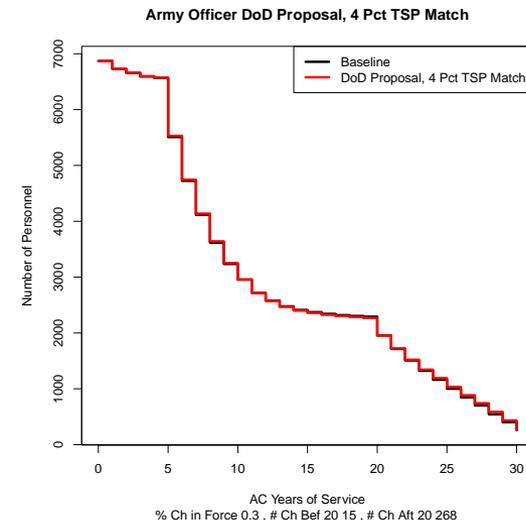
We Will Need to Use Continuation Pay

Continuation Pay: Current compensation (vice deferred) necessary to sustain and shape the size and experience mix of the Force when decreasing defined benefit multiplier from 2.5% to 2.0%

	DoD Proposal OPTIMIZED CONTINUATION PAY MULTIPLIERS (DOD MATCH RATE OF 4%)			
\$ M	Enlisted		Officer	
Active Component	M	\$	M	\$
Army	2.3	\$71.9	11.6	\$190.0
Navy	3.8	\$64.5	14.0	\$119.8
Air Force	1.7	\$38.2	13.8	\$145.0
Marine Corps	3.0	\$18.9	10.8	\$42.3



After adding TSP, but without Continuation Pay



After adding Continuation Pay



Lifetime Pay/Retirement Benefit

Enlisted SM, 20 yr Career

“Current Compensation”

“Deferred Compensation”

Total Retirement Benefit

Total Active Duty Pay

DoD Funded Retirement Benefit

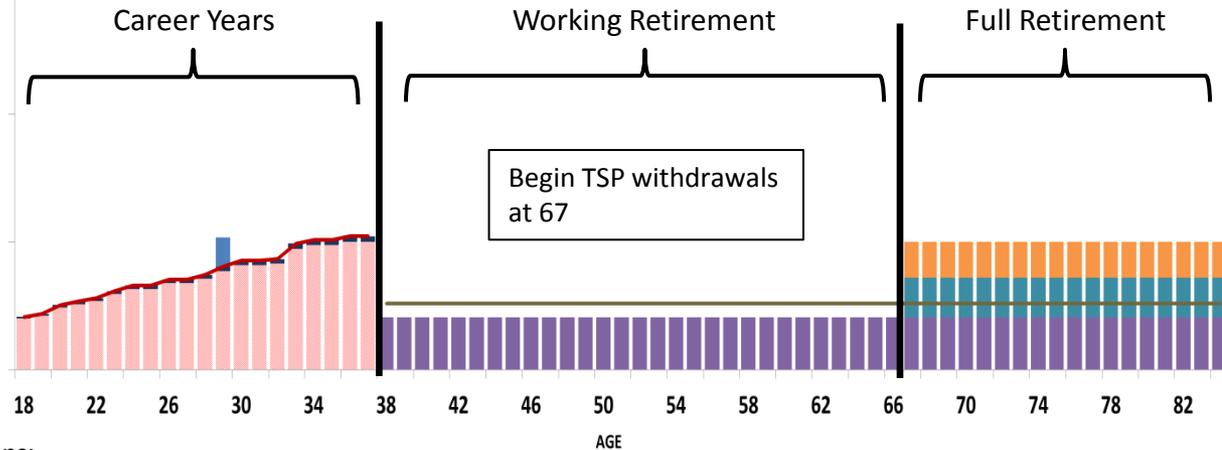
Current System:	\$754,214
Blended System:	\$765,554
Delta:	\$11,339
(Cont. Pay)	

Current System:	\$1,219,791
Blended System:	\$1,252,568
Delta:	\$32,777
	2.69%

Blended System:	\$1,507,910
Delta:	\$288,119
	23.62%

Annual (in FY15 \$)

\$300,000
\$250,000
\$200,000
\$150,000
\$100,000
\$50,000
\$-



- Current Pay
- Current Retirement
- █ Blended Pay
- █ Continuation Pay
- █ Member TSP Contributions
- █ Blended DB Retirement
- █ Member TSP Income
- █ DoD TSP Income

SM TSP

Member TSP Contributions	\$29,742
Resulting Member TSP Income	\$255,342

Assumptions:

- Income is adjusted for inflation (constant FY15 \$)
- SM retires after 20 years of Service as an E7 and lives until age 85
- Continuation pay (3.37x monthly basic pay) added to active duty blended pay but not counted in retirement benefit
- **At Entry: SM auto-enrolled in TSP at 3% of basic pay & DoD automatically contributes 1% through End of Service (EOS)**
- **Starting Year of Service (YOS) 3 – EOS: SM contributes 4% to TSP**
- **Starting Year of Service (YOS) 5 – EOS: DoD matches 4% contribution**
- **TSP account annuitized at age 67**
- TSP has 7.3% nominal annual returns (L2040/L2050 fund class)



Lifetime Pay/Retirement Benefit

Officer SM, 20 yr Career

“Current Compensation”
Total Active Duty Pay

“Deferred Compensation”
DoD Funded Retirement Benefit

Total Retirement Benefit

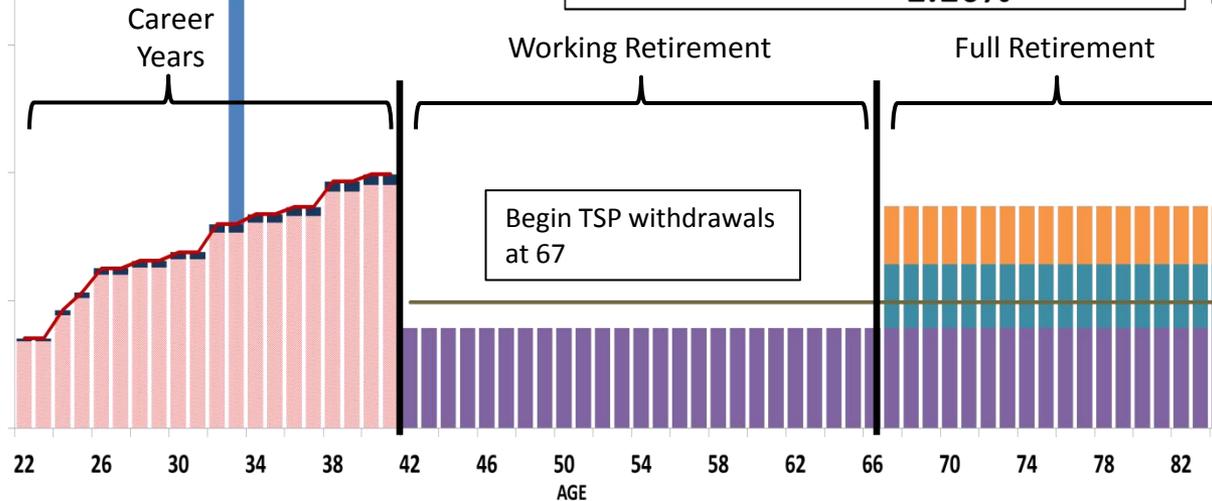
Current System:	\$1,457,168
Blended System:	\$1,550,396
Delta: (Cont. Pay)	\$93,227

Current System:	\$2,116,993
Blended System:	\$2,141,469
Delta:	\$24,476 1.16%

Blended System:	\$2,550,366
Delta:	\$433,372 20.47%

Annual (in FY15 \$)

\$250,000
\$200,000
\$150,000
\$100,000
\$50,000
\$-



- Current Pay
- Current Retirement
- Blended Pay
- Continuation Pay
- Member TSP Contributions
- Blended DB Retirement
- Member TSP Income
- DoD TSP Income

SM TSP

Assumptions:

- Income is adjusted for inflation (constant FY15 \$)
- SM retires after 20 years of Service as an O5 and lives until age 85
- Continuation pay (14x monthly basic pay) added to active duty blended pay but not counted in retirement benefit
- **At Entry: SM auto-enrolled in TSP at 3% of basic pay & DoD automatically contributes 1% through End of Service (EOS)**
- **Starting Year of Service (YOS) 3 – EOS: SM contributes 4% to TSP**
- **Starting Year of Service (YOS) 5 – EOS: DoD matches 4% contribution**
- **TSP account annuitized at age 67**
- TSP has 7.3% nominal annual returns (L2040/L2050 fund class)

Member TSP Contributions	\$57,583
Resulting Member TSP Income	\$408,897

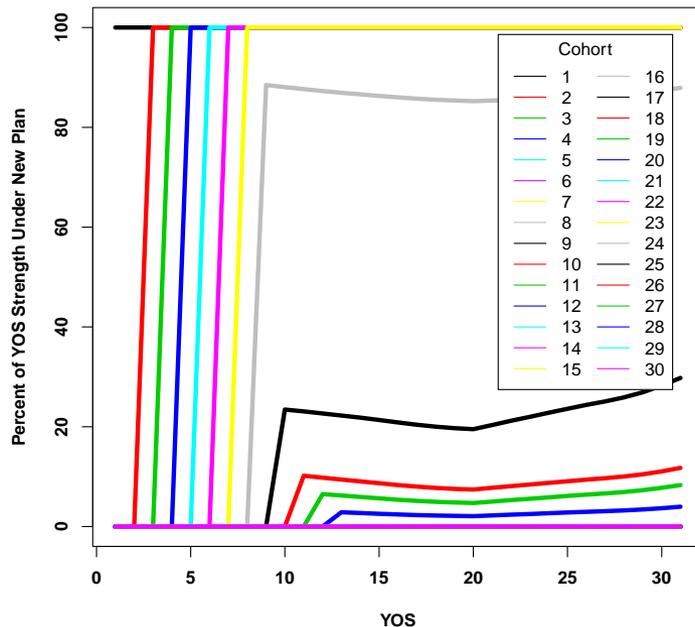


AC Army Members – Opt-In by Cohort

- Opt-in behavior affects savings and costs – When more members opt-in to the new system:
 - Savings are greater and come sooner
 - However, costs and outlay increases (TSP contributions and Continuation Pay) are also greater and sooner

DoD Proposal: Army Enlisted

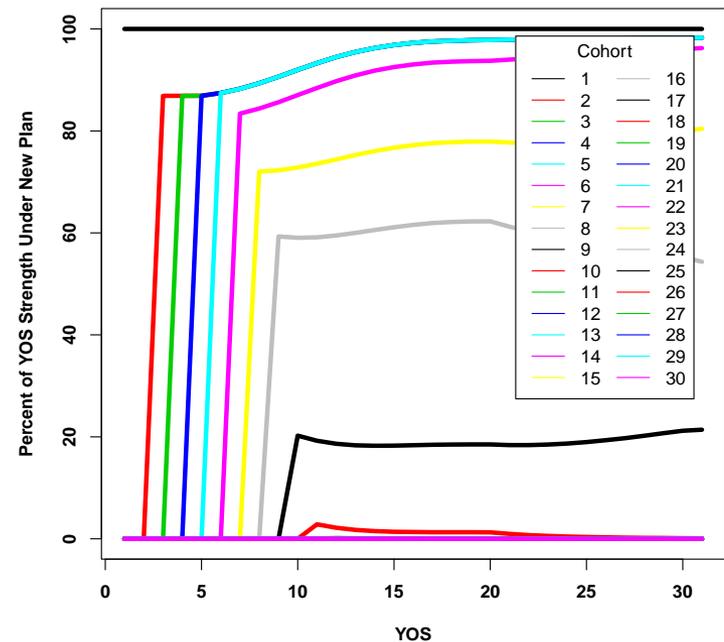
Percentage of AC Members that Opt-In, by Cohort



Army DoD Proposal Enlisted With Opt-In 3YOS 4 Pct DoD Match and 5YOS

DoD Proposal: Army Officer

Percentage of AC Members that Opt-In, by Cohort

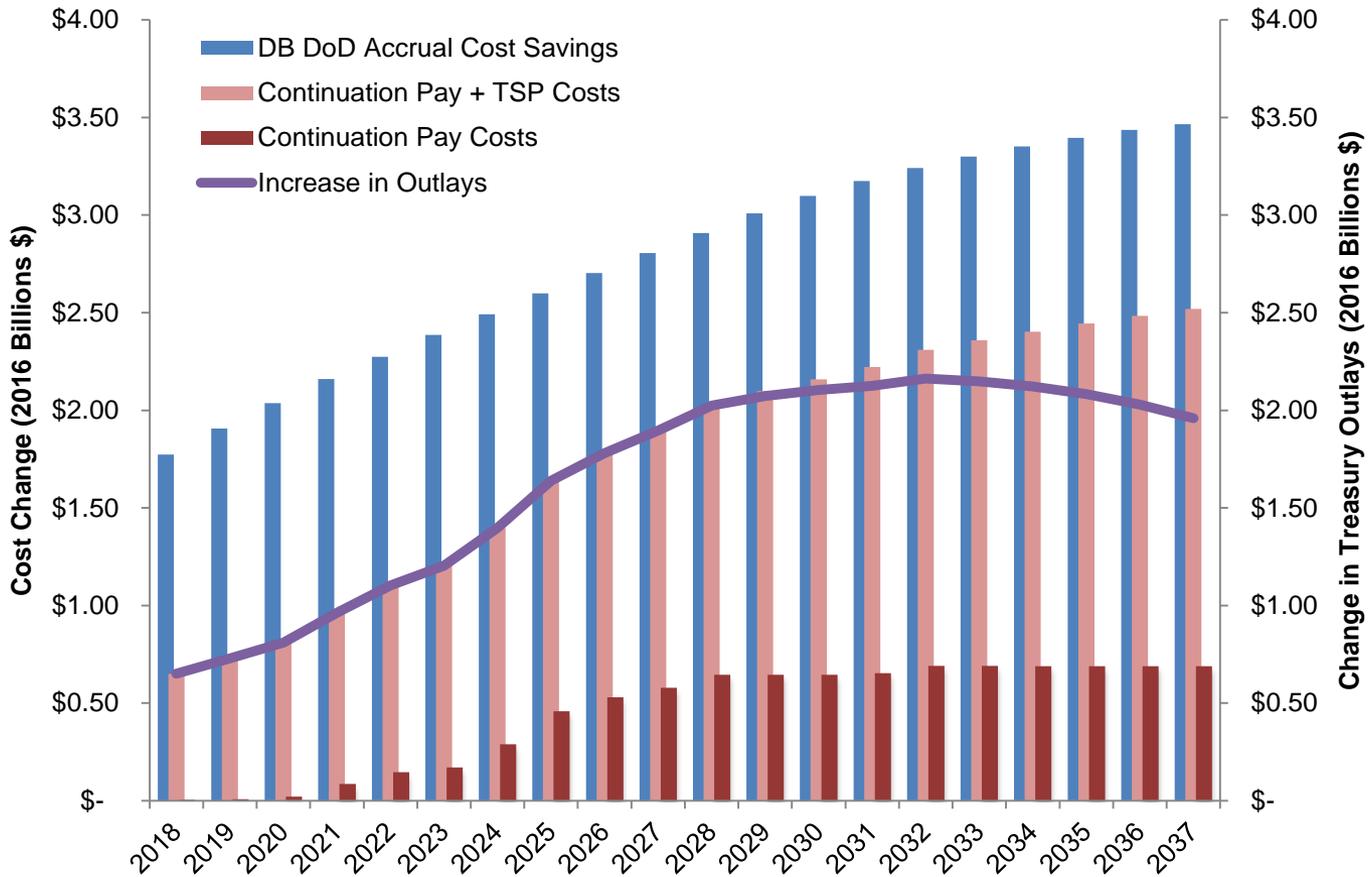


Army DoD Proposal Officer With Opt-In 3YOS 4 Pct DoD Match and 5YOS



Blended System Provides More in Savings than Costs

DoD Proposal with 4% TSP Match Rate



Savings in accrual charge more than offsets costs of Continuation Pay and TSP Contributions



A Blended System Results in Steady State Cost Savings (2016 \$ Billions) at 4% TSP Match Rate

DoD Option (4% TSP Match)	DB MRF Accrual Cost Savings	DC Contributions Cost	Continuation Pay Costs	Total cost savings
DoD				
Air Force	\$(1.10)	\$0.64	\$0.25	\$(0.22)
Army	\$(1.78)	\$1.05	\$0.31	\$(0.41)
Marine Corps	\$(0.47)	\$0.27	\$0.08	\$(0.13)
Navy	\$(0.97)	\$0.54	\$0.23	\$(0.20)
Total	\$(4.32)	\$2.50	\$0.87	\$(0.95)
DoD+Treasury				
Air Force	\$(1.53)	\$0.64	\$0.25	\$(0.64)
Army	\$(2.46)	\$1.05	\$0.31	\$(1.09)
Marine Corps	\$(0.67)	\$0.27	\$0.08	\$(0.32)
Navy	\$(1.37)	\$0.54	\$0.23	\$(0.59)
Total	\$(6.02)	\$2.50	\$0.87	\$(2.65)

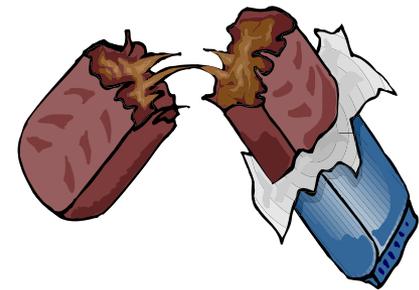
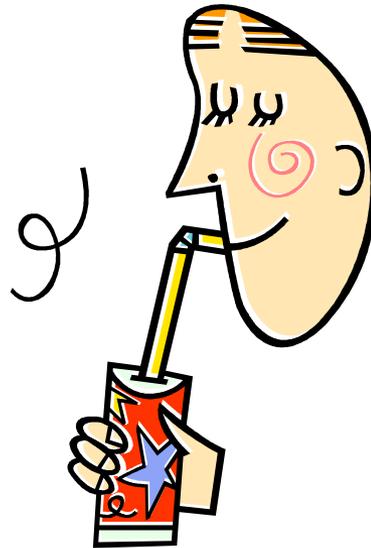


Concluding Comments

- Fiscal Year 2016 National Defense Authorization Act (NDAA) is currently in Senate/House Conference – must wait to assess final results
- Developed and initiated action plans where legislation is not necessary (i.e., Space A Travel policy)
- Anticipating significant activity, following enactment of NDAA to include the development and implementation of:
 - Strategic communications, both internal and external
 - DoD-wide Financial Education Program
 - Service continuation pay plans
 - Necessary IT systems changes
 - Develop/implement open season for “opt-in”

Break Time

10:00- 10:15



Agenda



10:00 - 10:15	Break	
10:15 - 10:45	VA IDES	Thomas Kenville/ Cheryl Flohr
10:45 - 11:15	Self Service	Kevin McMahon
11:15 - 11:45	Initiatives/ Soldier for Life	Mark Overberg/ Bill Hursh
11:45 - 12:45	Lunch	



VA Pay First in IDES Cases

You are here

We are here
to help you
achieve
your goals



Integrated Disability Evaluation System (IDES)

- Determines a Servicemember's fitness for duty.
- If medically unfit for duty, a proposed disability rating is completed before separation from service.
- DoD and VA use the rating decision to make benefit entitlement decisions:
 - 30% or more for unfitting condition(s) = retirement pay
 - 20% or less for unfitting condition(s) = disability severance pay
 - Upon separation and completion of a final rating, VA disability compensation payable based on degree of disability(ies)

Integrated Disability Evaluation System (IDES)

Goals of IDES

- Increase transparency of the process for the Servicemember
- Reduce processing times
- Improve consistency of disability evaluations
- Reduce benefit gap that existed between service separation and receipt of VA disability compensation

Integrated Disability Evaluation System (IDES)

The numbers to the right represent interagency collaboration efforts between DoD and VA.

Approximately 75% of the IDES cases result in retired pay.

- 139 IDES sites worldwide
- 25,504 cases completed in FY 15 as of 21 June
- 31,230 cases completed in FY 14
- 27,333 cases completed in FY 13

VA and DFAS Goals Regarding Payment

- Payment of VA disability compensation within 30 days of separation/retirement thru IDES
- Payment of retired pay within 30 days of retirement
- For FY 2015 through June 21, 2015, VA is averaging 37 days
 - Averaged **17 days** in May 2015*
 - Averaged **17 days** in June through 21 June*

****Would not have been possible without the support of DFAS and VA Pay First initiative!***

VA Pay First

- In many IDES cases, VA is ready to start disability compensation before retired pay is pay active.
- Procedures for VA Pay First cases were established in August 2013.
- DFAS made programming changes on February 13, 2014, and programming and procedural changes on April 29, 2015, in support of the VA Pay First initiative.

VA Pay First

- Accurate use of the “waiver” determines correct payment.
- DFAS calls the waiver the “VA Waiver.”
- VA uses “shell” records in the DFAS retired pay system to set the VA Waiver date and amount in order to pay first, in accordance with a monthly cutoff date set by DFAS.

VA Pay First

- A “shell” exists when there is a record in the DFAS retired pay system, but retired pay is not yet pay active.
- Approximately 3,500 VA Pay First cases reviewed.
- Prior to the April 29, 2015 change, approximately 84% of the “shell” records used by VA posted accurate VA Waivers of retired pay, and remaining 16% required manual adjustment by DFAS.

VA Pay First

Results of review of VA Pay First cases completed from April 29 through June 30, 2015:

- 81% post accurate VA Waivers of retired pay
- 8% require manual adjustment by DFAS
- 11% still awaiting retired pay information

VA is manually adjusting 11% of these cases after either a retroactive VA Waiver posts or retired pay becomes pay active.

Moving Forward

- VA cannot currently eliminate the manual adjustments based on DFAS/VA system timing challenges and separation and payment information delays; mutual efforts to resolve these challenges promise to yield more efficient IDES case processing.
- Further changes to the DFAS automated retired pay system, if possible, could eliminate the 8% manual adjustment rate.



Member and Field Communication Initiatives

Defense Finance and Accounting Service

(Michael) Kevin McMahon
RA PMO
Knowledge Management



- ▶ Affordable Care Act
- ▶ Email prompts on myPay for new retirees
- ▶ New email update tool
- ▶ Communications to encourage email update
- ▶ RSO Webpage
- ▶ Questions





- ▶ The new forms, IRS Forms 1095-B or 1095-C, can be downloaded from the myPay site once they become available with other tax forms
- ▶ These forms are mandatory to validate health insurance under the Affordable Care Act and must be filed with income tax returns
- ▶ Forms will be mailed in February 2016, but we are requesting members who are comfortable with downloading from myPay turn off these and all their hard copy documents to help keep their personal information away from thieves
- ▶ Customers who do not have myPay accounts can start the process to create them online at <https://mypay.dfas.mil>.
- ▶ For more information, visit <http://www.dfas.mil/taxes/aca.html>.





- ▶ Looking to extend our email reach through a couple of initiatives:
 - ✓ Email notification to soon to retire members reminding them to update myPay with post retirement email and to create a password
 - ✓ Installing prompts in myPay to request email address if not on file, and further prompts if email is not then supplied
 - ✓ Are in the process of creating an online tool that will allow members to update their email address through an online Fast Form without calling the CCCC or logging into myPay
 - ✓ Will begin a communication push in September and October of this year to encourage members to use tool and get email address on file prior to tax season





- ▶ We are in the process of creating a private webpage for RSO's
- ▶ We would like to focus it on information that is relevant and useful for RSO's in the dealings with DFAS
- ▶ We have a prototype to discuss today, and are looking for your input as to what information would be helpful to have available in a single place
- ▶ Set up after meeting, or happy to make available and take input when you have time





Army Retirement Services

July 2015



U.S. ARMY

Soldier Life Cycle

Serve Strong

- Technical and Leadership experience
- PME supports continued development
- ACT / COOL / JST
- Credentialing, Certifications and Licensing



Start Strong

- Recruit Top 29%
- HS Diploma / College
- PaYS Partner (Partnerships for Youth Success)
- Initial Entry Training (IET)
- Army Values and Warrior Ethos



Re-integrate Strong

- SFL-Transition Assistance Program (TAP)
- Retirement Services
- National Guard / Reserve
- Army Network / Mentors
- Community Action Teams
- Apprenticeships/Internships



Remain Strong

- Community Reception
- National Guard / Reserve
- VSO / MSO
- Retired Soldiers / Veterans
- Mentors
- Community / Civic Leaders





- [Retired Soldiers - Home](#)
- [Army Echoes](#)
- [Army Echoes Blog](#)
- [Preparing to Retire](#)
- [After Retiring](#)
- [Survivor Benefit Plan](#)
- [Career Status Bonus](#)
- [Retirement Services Officers](#)
- [RC Retirement Services](#)
- [Survivor Assistance](#)
- [CSA Retired Soldier Council](#)
- [Former Spouse Information](#)
- [Frequently Asked Questions](#)
- [Calculators](#)
- [Active Officer Retirement](#)
- [Active Enlisted Retirement](#)
- [RSO - Mission](#)
- [Helpful External Links](#)
- [Contact Us](#)



[Click here to buy the new U.S. Army Retired Lapel Button](#)



Retired Sergeant in wheelchair race



Army Echoes Updates

- [Department of Defense Announces New Policy on Service Member Allotments](#)
- [Installation Visitors, Civilian Workers Can Dine At The Exchange](#)
- [Exchange Doubles Savings on Gas Nov. 14-16 for MILITARY STAR® Card Users](#)
- [Consumer Financial Protection Bureau: Making Your Voice Heard](#)
- [NATIONWIDE Telephone Scam Affecting TRICARE](#)

[Army Echoes Updates archives](#)

[Subscribe to Army Echoes Updates](#)

Retiree Appreciation Days

Today ◀ ▶ **Wednesday, July 22** ▼

Saturday, August 1

Augusta, ME

Saturday, August 8

Tobyhanna Army Depot, PA

Friday, August 14

Rosemount, MN

Friday, August 21

Des Moines, IA

Friday, September 4

Fort Leonard Wood, MO

Events shown in time zone: Eastern Time

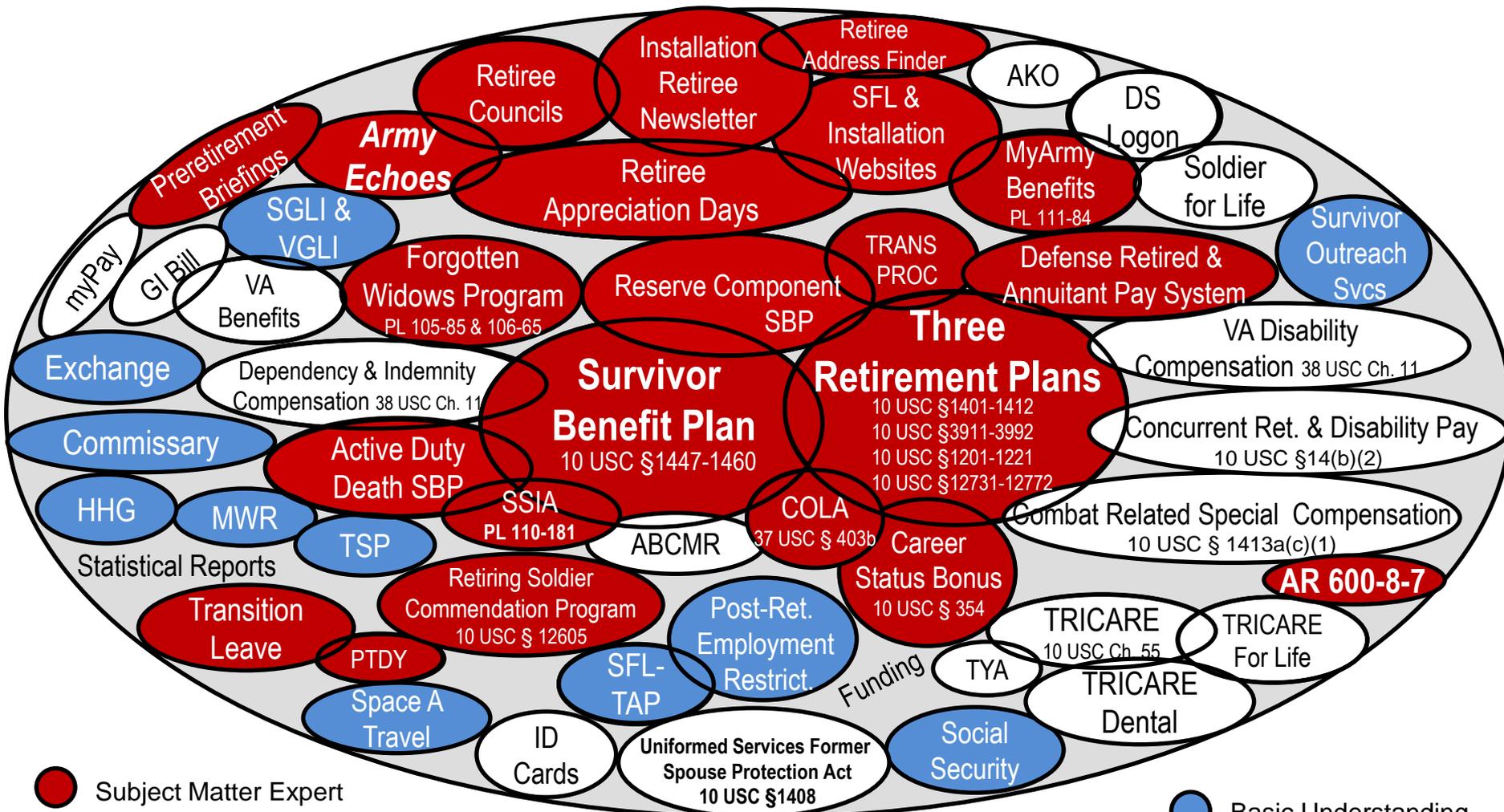




U.S. ARMY

Army Retirement Services Officers

Laws, Policies, Programs, Entitlements, Benefits, & Systems that RSOs must be knowledgeable enough about to perform their duties or to explain to Soldiers, Retired Soldiers, Surviving Spouses and their Families



● Subject Matter Expert

○ Working Knowledge

● Basic Understanding



Army RSO Certification

Policy

RSOs/Assistant RSOs/SBP Counselors are required to be DA certified prior to counseling retiring or retired Soldiers, their Families, and survivors on retirement benefits and or Survivor Benefits (SBP/RCSBP/ACMSS)

Three components of RSO Certification

RSO Programs Certification

ALMS On-Line Course
Required for All RSOs,
implemented Sep 14.
Must recertify every three
years. USAR course
Reserve Retirement
Program Course.

SBP Counselor Certification

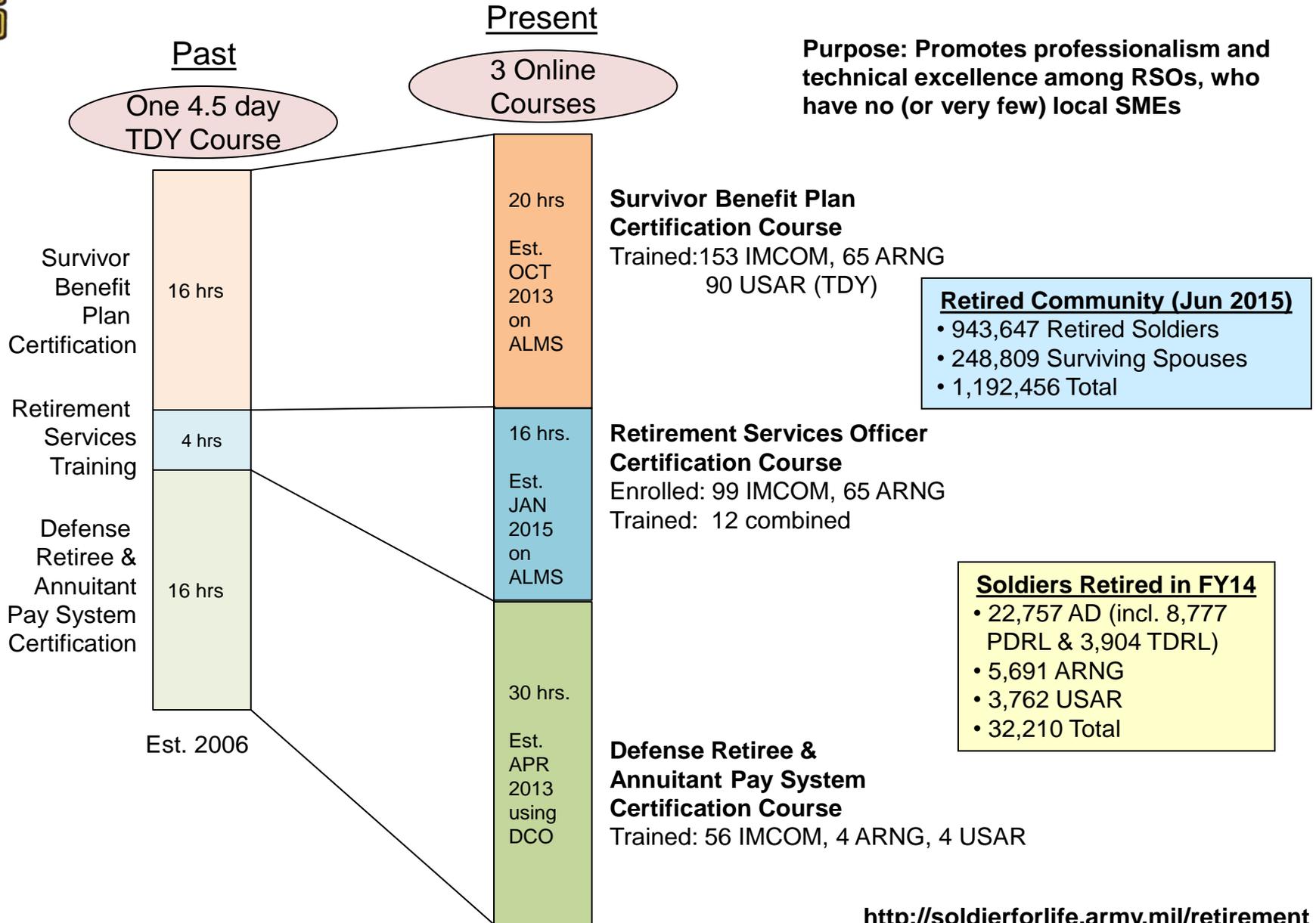
ALMS On-Line Course,
fielded 1 Oct 13, required for
all SBP/RCSBP Counselors,
and must recertify every
three years. Classes taught
TDY for USAR and Volunteer
RSOs

Defense Retiree and Annuitant Pay System (DRAS) Certification

DFAS instructor on-line
course required for All
Installation RSOs.
USAR does a USAR
abbreviated training
class with DFAS.



Retirement Services Officer Certification



Lunch Time

11:45- 12:45



11:45 - 12:45	Lunch	
12:45 - 2:45	<i>Understanding and Acting on the Reject Report Workshop</i>	Larry Walton
2:45 - 3:00	End of Day Two Wrap Up	
	THANK YOU for joining us for the 2015 R&A Pay Pay and Personnel Workshop	



End of Day 2

2015 Retired and Annuitant Pay Personnel Conference

