



DEFENSE FINANCE AND ACCOUNTING SERVICE
ARLINGTON

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DFAS-DFM

JUN 17 2004

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

SUBJECT: Interim Change to the Department of Defense Financial Management Regulation
(DoDFMR), Volume 7A, Regarding Personal Money Allowance for Certain Naval
Officers (DFAS Item M-84)

The attached is Interim Change 20-04 to Chapter 31 of the Volume 7A. This change incorporates personal money allowance for certain Naval officers. In addition, the attached provides a complete Chapter 31 rewrite which include the proposed change. Changes to Chapter 39 are also included in this proposed change so that this chapter would correspond with newly updated chapters. Major changes are highlighted in blue font.

We have evaluated your comments on the proposed change and included your comments where appropriate. Assignment of the interim change number is your authority to initiate procedural modifications to implement this change.


Jerry S. Hinton
Director for Finance

Attachment:
As stated

cc: OUSD(C)(ODCFO)(FP)
ODUSD(MPP)(Comp)
ODGC(F)
Service Liaisons
USCG/NOAA/PHS Liaisons
DFAS-DDM/CL
DFAS-GAM/DE
DFAS-PMA/CL
DFAS-PMJE/DE

PERSONAL MONEY ALLOWANCE

The following is a revision to chapters 31 and 39. This change incorporates the entitlement to personal money allowance for certain Naval officers holding certain positions identified by 37 U.S.C. § 414(b), who were previously paid on a voucher.

1. Replace current chapter 31 with Tab A.
2. Replace current chapter 39 with Tab B.

SUMMARY OF MAJOR CHANGES TO DOD 7000.14-R, VOLUME 7A, CHAPTER 31 “PERSONAL MONEY ALLOWANCE”		
Substantive revisions are denoted by a ★ preceding the section, paragraph, table or figure that includes the revision.		
PARA	EXPLANATION OF CHANGE/REVISION	EFFECTIVE DATE
	Interim change 20-04 is a complete chapter rewrite on the entitlement to personal money allowance. This change incorporates the entitlement to personal money allowance for certain Naval officers holding certain positions identified by 37 U.S.C. § 414(b), who were previously paid by voucher.	Immediately.

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PERSONAL MONEY ALLOWANCE

3101	Entitlement
★3102	Monthly Amounts Payable
3103	Taxability and Withholding Tax

CHAPTER 31

PERSONAL MONEY ALLOWANCE3101 ENTITLEMENT

310101. Officers. Officers in the capacities listed in Table 31-1 below who are entitled to receive basic pay are also entitled to receive a personal money allowance. This allowance is in addition to any other pay or allowance authorized.

310102. Enlisted Members. An enlisted member, serving as the senior enlisted member of his or her Military Service, is also entitled to receive a personal money allowance. This allowance is in addition to any other pay or allowance authorized.

★3102 MONTHLY AMOUNTS PAYABLE

See Table 31-1.

3103 TAXABILITY AND WITHHOLDING TAX

Personal money allowance is subject to federal and state income tax withholding.

PERSONAL MONEY ALLOWANCE—AMOUNTS PAYABLE			
R U L E	A	B	C
	If the member is serving	then the annual amount payable is	and is paid monthly at the rate of
1	as Chairman of the Joint Chiefs of Staff, Vice Chairman of the Joint Chiefs of Staff, Chief of Staff of the Army or Air Force; Chief of Naval Operations; Commandant of the Marine Corps, or Commandant of the Coast Guard (note 1)	\$4,000 (note 2)	\$333.33
2	as a senior member of the Military Staff Committee of the United Nations and entitled to the grade, pay and allowances of a lieutenant general or vice admiral (note 1)	\$2,200 plus \$500 authorized in rule 4	\$225.00
3	in the grade of general or admiral	\$2,200	\$183.33
4	in the grade of, lieutenant general or vice admiral	\$500	\$41.67
★5	as the Director of Naval Intelligence (note 1)	\$5,200	\$433.33
★6	as the Superintendent of the Naval Academy (note 1)		
★7	as the President of the Naval War College (note 1)	\$1,000	\$83.33
★8	as the Commandant of Midshipmen at the Naval Academy (note 1)	\$800	\$66.67
★9	as the Superintendent of the Naval Postgraduate School (note 1)	\$400	\$33.33
10	as the Sergeant Major of the Army, the Master Chief Petty Officer of the Navy, the Chief Master Sergeant of the Air Force, the Sergeant Major of the Marine Corps, or the Master Chief Petty Officer of the Coast Guard (note 1)	\$2,000	\$166.67

NOTES:

1. This allowance is based on a specific duty assignment and it does not accrue before the date member starts, or after the date member is released from such duty assignment.
2. This amount is in place of any other personal money allowance authorized.

Table 31-1. Personal Money Allowance—Amounts Payable

CHAPTER 31—PERSONAL MONEY ALLOWANCE

3101—ENTITLEMENT

310101	37 U.S.C. 413-414 Public Law 482, section 4, December 14, 1944 (58 Stat. 803) as amended by, Public Law 89-501, section 302
310102	37 U.S.C. 414(c) Public Law 106-398, section 609, October 30, 2000

3103—TAXABILITY AND WITHHOLDING TAX

	Treas. Reg. 1.62-2 Treas. Reg. 31.3401(a) 31 CFR 215-8
Table 31-1	37 U.S.C. 413 and 414
Rule 1	37 U.S.C. 413

**SUMMARY OF MAJOR CHANGES TO
DOD 7000.14-R, VOLUME 7A, CHAPTER 39
“PAY OF SERVICE ACADEMY OFFICIALS”**

Substantive revisions are denoted by a ★ preceding the section, paragraph, table or figure that includes the revision.

PARA	EXPLANATION OF CHANGE/REVISION	EFFECTIVE DATE
	Interim change 20-04 is a complete chapter rewrite so that this chapter would correspond with newly updated chapters. There is no entitlement change to this chapter; however, certain administrative revisions are made and are highlighted in blue font.	Immediately.

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PAY OF SERVICE ACADEMY OFFICIALS

3901	General Provisions
3902	Pay and Allowances
3903	Personal Money Allowance
3904	Librarian
3905	Leave of Absence—Faculty and Other Officers
3906	Travel and Transportation Allowances

CHAPTER 39

PAY OF SERVICE ACADEMY OFFICIALS

3901 GENERAL PROVISIONS

A commissioned officer serving as an appointed official at a Military Service academy is entitled to the pay grade and pay and allowances established by law for the position. A commissioned officer detailed as an official at a Military Service academy is not entitled to an increase in pay and allowances because of such detail, except as provided in this chapter. A member appointed as director of music at the United States Military Academy or as leader of the Naval Academy band has the pay grade prescribed for such positions by the Secretary of the Department concerned.

3902 PAY AND ALLOWANCES

The pay and allowances authorized for academy officials are shown in Table 39-1.

3903 PERSONAL MONEY ALLOWANCES

The personal money allowances authorized for the Superintendent of the United States Naval Academy and the Commandant of Midshipmen may be spent at their discretion for the contingencies of their positions. [See chapter 31.](#)

3904 LIBRARIAN

An officer of the Regular Army, retired from active service under Title 10, U.S.C., section 1251, (reference (c)), may be detailed on active duty to serve as librarian of the United States Military Academy. While serving as librarian, the officer is entitled to the pay and allowances prescribed for the officer's grade and years of service. Include the time spent in retirement in the computation of the officer's cumulative years of service.

3905 LEAVE OF ABSENCE-FACULTY AND OTHER OFFICERS

Professors, assistant professors, instructors, and other officers at either the United States Military Academy or the United States Air Force Academy may be granted a leave of absence for the period of suspension of the ordinary academic studies. Such leave is authorized to be granted by the superintendent concerned without deduction of pay and allowances.

3906 TRAVEL AND TRANSPORTATION ALLOWANCES

Members serving as officials at Service academies are entitled to the travel and transportation allowances prescribed in the JFTR, Volume 1, Chapter 4 (reference (d)).

PAY AND ALLOWANCES — ACADEMY OFFICIALS							
R U L E	A	B			C	D	
	When officer is serving as	at the United States			and	then the officer is entitled to the pay and allowances prescribed for	
		Military Academy	Naval Academy	Air Force Academy			
1	Superintendent	X		X		the officer's military grade and cumulative years of service	
2			X			the officer's military grade and cumulative years of service plus a personal money allowance of \$5200 per year.	
3	Dean of the Academic Board	X				a brigadier general using the officer's cumulative years of service.	
4	Dean of the Faculty						
5	Commandant of Cadets or	X		X		the officer's military grade and cumulative years of service.	
6	Midshipmen		X			the officer's military grade and cumulative years of service plus a personal money allowance of \$800 per year (note 5).	
7	permanent professor	X		X		is serving as head of a department or has been a permanent professor for more than 6 years	a colonel using the officer's cumulative years of service.
8						is not serving as head of a department and has been a permanent professor for 6 years or less	a lieutenant colonel using the officer's cumulative years of service (note 1).
9						has over 36 years of creditable service for pay purposes	the officer's military grade and cumulative years of service plus additional pay of \$250 per month (note 2).

Table 39-1. Pay and Allowances—Academy Officials



PAY AND ALLOWANCES - ACADEMY OFFICIALS						
R U L E	A	B			C	D
	When officer is serving as	at the United States			and	then the officer is entitled to the pay and allowances prescribed for
		Military Academy	Naval Academy	Air Force Academy		
10	Registrar	X		X	has served as registrar for more than 6 years	a colonel using the officer's cumulative years of service (note 3).
11					has served as registrar for 6 years or less	a lieutenant colonel using the officer's cumulative years of service (notes 1 and 3).
12	Director of Music	X				commissioned officer whose grade corresponds to the rank prescribed for the Director by the Secretary of the Army (note 4).
13	Band Leader		X			the grade prescribed by the Secretary of the Navy (note 4).
14	the second band leader		X			a warrant officer W-1 using the officer's cumulative years of service.

NOTES:

1. A permanent professor or a registrar appointed from the Regular Army or the Regular Air Force is entitled to the pay of a Colonel on the day after the date that a promotion list officer, junior to him or her on the promotion list on which his or her name was carried before his or her appointment as a professor or registrar, is promoted to the grade of Regular Colonel, even though he or she served as a professor or registrar for 6 years or less.
2. Do not use the additional pay in computation of retired pay.
3. An officer detailed to serve as registrar, who is serving in a temporary grade higher than those shown in column D, rules 10 and 11, is entitled to the pay and allowances prescribed for the higher temporary grade in which the officer is serving.
4. Compute the applicable number of cumulative years of service as outlined in Chapter 1.
- ★5. See Chapter 31, Table 31-1, rule 8.

Table 39-1. Pay and Allowances—Academy Officials (Continued)

CHAPTER 39—PAY OF SERVICE ACADEMY OFFICIALS

3901—GENERAL PROVISIONS

37 U.S.C. 207(E),
37 U.S.C. 424

3903—PERSONAL MONEY ALLOWANCES

37 U.S.C. 414(b)

3905—LEAVE OF ABSENCE—FACULTY AND OTHER OFFICERS

10 U.S.C. 4341
10 U.S.C. 9341

Table 39-1

Rule 1	10 U.S.C. 4334; 9334
Rule 2	37 U.S.C. 414(b)
Rule 3	10 U.S.C. 4335(b)
Rule 4	10 U.S.C. 9335
Rule 5	10 U.S.C. 4334; 9334
Rule 6	37 U.S.C. 414(b)
Rule 7	10 U.S.C. 4336(a); 9336(a)
Rule 8	10 U.S.C. 4336(a); 9336(a)
Rule 9	37 U.S.C. 203(b)
Rule 10	10 U.S.C. 4336(b); 9336(b)
Rule 11	10 U.S.C. 4336(b); 9336(b)
Rule 12	37 U.S.C. 207(b); 424(b)
Rule 13	37 U.S.C. 207(e); 424(e)
Rule 14	37 U.S.C. 207(e); 424(e)
Note 1	10 U.S.C. 4336(a); 9336(a)
Note 2	37 U.S.C. 203(b)
Note 3	10 U.S.C. 4336(c); 9336(c)