



DEFENSE FINANCE AND ACCOUNTING SERVICE

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DFAS-HQ/FMM

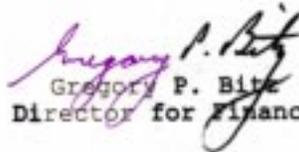
MEMORANDUM FOR DIRECTOR, DEFENSE FINANCE AND ACCOUNTING SERVICE
CLEVELAND CENTER
DIRECTOR, DEFENSE FINANCE AND ACCOUNTING SERVICE
DENVER CENTER

SUBJECT: Update to Department of Defense Financial
Management Regulation (DoDFMR), Volume 7, Part B,
December 1998 Cost-of-Living Adjustment (DFAS Item
H-50)

This is DFAS Interim Number R6-99 to the DoDFMR, Volume
The change was effective 1 December 1998.

We have evaluated your comments on the draft change to the
DoDFMR, Volume 7B. The attached final version of the change
includes comments where appropriate. Assignment of an interim
change number is your authority to initiate a procedural
modification to facilitate this change. For the Denver Center, use
the attached to initiate the formal change to the DoDFMR, Volume
7B.

Our Point of contact is Mr. Fiti Malufau. He may be reached
at (703) 607-5061 or DSN 327-5061. Our fax number is
(703) 602-5271.


Gregory P. Bitt
Director for Finance

Attachment:
As stated

cc: DASD (MMP) (COMP)
ODGC (F)
DFAS-DE/DG
Service Liaisons
USCG/NOAA/PHS Liaisons

1. Revise Table 2-1-4, Exempt Amount Based on Cost-of-Living Increases, (table 5-4 in reformatted Vol 7B) to add the following:

<u>Effective Date</u>	<u>Percentage of Increase</u>	<u>Yearly Rate</u>
"Dec 1, 1998	1.3	10,450.77
	.3	9,299.94"

2. Revise Table 2-3-1 and 2-3-2 in Part Two, Chapter 3 (table 7-1 and 7-2 in reformatted Vol 7B) to add/change as follows:

"Table 2-3-1
SERVICE REVERT-RATES OF ENTITLEMENT UPON REVERSION TO RETIRED LIST (10 U.S.C. 1402) (WITH AT LEAST 2 YEARS OF ACTIVE SERVICE AFTER RECALL)

	<u>A</u>	<u>B</u>	<u>C</u>	<u>D</u>	<u>E</u>	<u>F</u>
R U L E	If date of release from active duty is during	and the current active duty rate is	then revert to active duty rate	and entitle- ment at time of recompu- tation is (note 4)	increased by COLADJ appli- cable at time of recompu- tation (note 8)	and apply later COLADJ per table 2-3-3, rule (notes 8, 9)
75	Dec 1 - Dec 31, 97	Jan 1, 97	Jan 1, 96	Jan 1, 96	2.5 + 2.1	39 through end
76	Jan 1 - Nov 30, 98	Jan 1, 98	Jan 1, 97	Jan 1, 97	1.3	39 through end
77	Dec 1 Dec 31, 98	Jan 1, 98	Jan 1, 97	Jan 1, 97	1.3 + 1.3	--
78	Jan 1, 99	Jan 1, 99	Jan 1, 98	Jan 1, 98	1.0	--