



DEFENSE FINANCE AND ACCOUNTING SERVICE

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ARLINGTON, VA 22240-5291

SEP 25 1995

DFAS-HQ/F

MEMORANDUM FOR DIRECTOR, DEFENSE FINANCE AND ACCOUNTING SERVICE
- CLEVELAND CENTER
DIRECTOR, DEFENSE FINANCE AND ACCOUNTING SERVICE
- DENVER CENTER
DIRECTOR, DEFENSE FINANCE AND ACCOUNTING SERVICE
- KANSAS CITY CENTER
DIRECTOR, DEFENSE FINANCE AND ACCOUNTING SERVICE
- INDIANAPOLIS CENTER

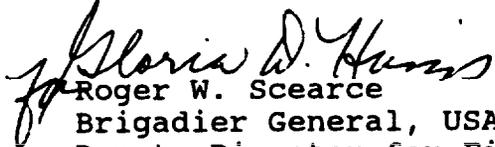
SUBJECT: Update to the Department of Defense Financial
Management Regulation (DoDFMR), Volume 7, Part B,
Provisional Annuity Payment (DFAS Item (E-37))

This is an Interim Change Number R5 - 95 to the DoDFMR,
Volume 7B. This change is effective immediately.

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

We have determined that this policy change does not require
a change to the current pay system. For the Denver Center, use
the attached to initiate the formal printed change to the DoDFMR.

Our point of contact, Mr. Fiti Malufau, may be contacted at
DSN 332-5279 or Commercial (703) 602-5279. Our Fax number is
DSN 332-5271 or Commercial (703) 602-5271.


Roger W. Scarce
Brigadier General, USA
Deputy Director for Finance

Attachment:
As stated

cc: ASD (FMP)
DGC (F)
DFAS-DE/DG
Service Liaisons
USCG/NOAA PHS Liaisons

DFAS ITEM No. E-37
DoDFMR Interim Change No. R5 -95

Add new paragraph 90504 to read:

90504. Provisional Annuity Payments.

a. In cases involving delayed receipt of an annuity application, the head of the retired pay activity may authorize provisional annuity payments be made for 2 consecutive months provided the following conditions have been met:

- (1) the Service verifies that the member is deceased;
- (2) the annuitant has been contacted;
- (3) the SBP election confirms the beneficiary's identity and eligibility;
- (4) the annuity to a child is paid only after the Service verifies school attendance for dependent child annuitants age 18 to 22.

b. Upon receipt of the annuity application, there will be an adjustment for the difference between the actual annuity entitlement due and the provisional annuity payments made.

c. Annuity payments will be suspended if a completed annuity application is not received within 60 days of the first provisional payment.