



DEFENSE FINANCE AND ACCOUNTING SERVICE

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OCT 28 1998

DFAS-HQ/FMM

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

Subject: Update to the Department of Defense Financial
Management Regulation (DoDFMR), Volume 7, Part B, SBP
Eligible Beneficiary - Grandchild (DFAS Item H-20)

This is DFAS Interim Change R10-98 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. For Denver Center, use
the attached to initiate the formal printed change to the DoDFMR,
Volume 7B.

Our point of contact is Mr. Fiti Malufau. He may be
contacted at DSN 327-5061 or Commercial (703) 602-5061. Our fax
number is Commercial: 703-602-5271 or DSN 332-5271.

for Edward Gregory
Gregory P. Bitz
Director for Finance

Attachment:
As stated

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

1. Revise paragraph 90301b(4)(d) as follows:

"(d) An adopted child; stepchild, foster child, or recognized natural child, if that stepchild, foster child or recognized natural child lived with the retiree in a regular parent-child relationship; a child under age 18 and serving on active duty in the Uniformed Services, under age 22 and enrolled in an institution of higher learning under a military subsistence scholarship. In addition, to qualify as a dependent child, a foster child must have resided with the retiree at time of death, received over one-half of his or her support from the retiree and not be cared for under a social agency contract. A relative of the member (such as a grandchild) may qualify as an eligible child beneficiary if a foster parent/foster child relationship exists.

NOTE: A child whose..."