



DEFENSE FINANCE AND ACCOUNTING SERVICE

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APR 20 2001

DFAS-DFM

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

SUBJECT: Interim Change to the Department of Defense Financial Management Regulation (DoDFMR), Volume 7, Part B, Regarding Separation Pay Years of Service Requirement (DFAS Item K-2)

The attached, Interim Change Number **R 12-01** to Chapter 4 of the DoDFMR Volume 7B, is effective immediately.

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. Use the attached to initiate the formal change to the DoDFMR, Volume 7B.

Jerry S. Hinton
Director for Finance

Attachments:
As stated

cc: DASD(MPP)(Comp)
OUSD (C)(ODCFO)(FP)
ODGC (F)
DFAS-GAM/DE
Service Liaisons
USCG/NOAA/PHS Liaisons
DFAS-PR/KC
DFAS-PRR/CL
DFAS-PRR/DE
DFAS-PMJE/DE

1. Subparagraph 040102C, revise to read:

“C. Separation Pay. A lump-sum payment to a member of the uniformed service who is discharged involuntarily or released from active duty and does not qualify for retired pay. For more information, see DoDFMR, Volume 7A, chapter 35.”

2. Paragraph 040401, revise to read:

“040401. Entitlement. For information on eligibility requirements for separation pay, see section 3502 of Volume 7A.”

3. Delete subparagraphs 040401.A and 040401.B.

4. Delete current bibliography citations to paragraphs 040401 and 040401.A.