

**SUMMARY OF MAJOR CHANGES TO CHAPTER 9
DOD 7000.14-R, VOLUME 7C
MILITARY PAY POLICY AND PROCEDURES FOR RETIRED PAY**

New and revised instructions are indicated by a star placed immediately before the new or revised section, paragraph, subparagraph, decision logic table, etc.

Page	Paragraph	Explanation of Change/Revision	Effective Date
	Entire chapter	Interim change C2-99 designates chapter 9 as a new chapter.	Mar 11, 1998

Interim Change C2-99 adds this chapter.

★ CHAPTER 9 (IC C2-99)

QUALITY ASSURANCE AUDIT PROCEDURES FOR RESERVE COMPONENT
PAYROLL OFFICE

0901 RESPONSIBILITIES

Reserve component payroll offices are required to establish a quality assurance program to ensure that computations of pay and allowances are accomplished in accordance with regulatory guidance. Input sources are responsible for monitoring the use of generic components of pay (COP) codes IS (COP code for transactions subject to Federal Insurance Contribution Act, federal and state withholding), IT (COP code for transactions subject to federal and state income tax withholding), and W7 (COP code for transactions exempt from tax withholding), and establishing standards for how often the generic COP codes are monitored as well as procedures for reporting continued misuse of the generic codes. Input sources are responsible for ensuring that a TIN D18, message transaction, is input when a generic COP is used on a D02 transaction. The D18 shall identify the purpose of the generic COP.

0902 PROCEDURES

COP codes IS, IT, and W7 are used only when an actual COP code does not exist. Do not use one of these codes in lieu of an existing code. The D18 transaction is used to add information, such as audit trail, or to explain an action being taken. The D18 shall identify the purpose of the generic COP. The D18 shall post to the member's master military pay account and provide an audit trail for generic COP codes. It does not, however, print on the member's leave and earnings statement. A D18 is input when a generic COP is used on a D02 transaction. The D02 transaction is a pay generating input. It can be used to pay or collect a variety of entitlements. A COP code used in the D02 transaction credits the payment to the correct appropriation.