



COMPTROLLER

(Program/Budget)

OFFICE OF THE UNDER SECRETARY OF DEFENSE
1100 DEFENSE PENTAGON
WASHINGTON, DC 20301-1100

SEP 11 2002

MEMORANDUM FOR ASSISTANT SECRETARY OF DEFENSE (HEALTH AFFAIRS)
ASSISTANT SECRETARY OF THE ARMY (FINANCIAL
MANAGEMENT AND COMPTROLLER)
ASSISTANT SECRETARY OF THE NAVY (FINANCIAL
MANAGEMENT AND COMPTROLLER)
ASSISTANT SECRETARY OF THE AIR FORCE (FINANCIAL
MANAGEMENT AND COMPTROLLER)
DIRECTOR, ADMINISTRATION AND MANAGEMENT
DIRECTOR, DEFENSE FINANCE AND ACCOUNTING SERVICE

SUBJECT: FY 2003 Department of Defense (DoD) Military Personnel Composite
Standard Pay and Reimbursement Rates

The FY 2003 DoD military composite pay and reimbursement rates (Tabs K1-K5) are now available on the reimbursable rates page of the Office of the Under Secretary of Defense (Comptroller) (OUSD(C)) website (<http://www/dtic.mil/comptroller/rates/>). The composite standard pay rates will be used when obtaining reimbursement for services provided to another DoD activities. The annual billable rate charged to non-DoD activities will be used when obtaining reimbursement for services provided to agencies outside the DoD. This rate contains an acceleration factor of 6 percent for officers and 11 percent for enlisted to cover medical health care costs of active duty personnel and their dependents.

Questions regarding these rates should be directed to Mr. James Laughlin in the Office of the Deputy Comptroller (Program/Budget), Directorate for Operations and Personnel. He can be reached by e-mail: laughlij@osd.pentagon.mil, or by telephone at 703-697-3101x33.

A handwritten signature in black ink, appearing to read "John P. Roth".

John P. Roth
Deputy Comptroller

Attachments

MILITARY COMPOSITE STANDARD PAY AND REIMBURSEMENT RATES
FISCAL YEAR 2003

OVERVIEW

The Military Composite Standard Pay and Reimbursement Rates are calculated in accordance with provisions of Volume 11A, Chapter 6, Appendix I of the "DoD Financial Management Regulation" (DoD 7000.14R).

The "Annual Department of Defense (DoD) Composite Rate" shall be used when obtaining reimbursement for services provided to another DoD activity, or when determining the cost of military personnel for management studies.

The "Annual Rate Billable to Other Federal Agencies" shall be used when obtaining reimbursement for services provided to agencies outside of the DoD.

The FY 2003 Military Composite Pay and Reimbursement Rates for Army, Navy, Marine Corps and Air Force are effective October 1, 2002.

**MILITARY COMPOSITE STANDARD PAY AND REIMBURSEMENT RATES
DEPARTMENT OF THE ARMY
FOR FISCAL YEAR 2003**

MILITARY PAY GRADE	AVERAGE BASIC PAY	ANNUAL DOD COMPOSITE RATE ^{1/}	ANNUAL RATE BILLABLE TO OTHER FEDERAL AGENCIES ^{2/}
O-10	\$138,200 ^{3/}	\$206,449	\$218,836
O-9	134,449	201,391	213,474
O-8	121,888	181,364	192,246
O-7	107,973	164,379	174,242
O-6	91,818	161,274	170,950
O-5	74,334	133,414	141,419
O-4	63,285	116,066	123,030
O-3	49,898	91,585	97,080
O-2	38,170	72,205	76,537
O-1	28,943	57,491	60,940
WO-5	\$66,695	\$118,025	125,107
WO-4	57,301	102,941	109,117
WO-3	47,286	92,459	98,007
WO-2	39,240	80,906	85,760
WO-1	32,937	62,162	65,892
E-9	\$53,530	\$93,114	\$103,357
E-8	42,914	79,081	87,780
E-7	37,183	70,252	77,980
E-6	30,148	61,005	67,716
E-5	23,996	49,866	55,351
E-4	19,283	42,000	46,620
E-3	15,841	36,086	40,055
E-2	13,899	33,036	36,670
E-1	10,847	32,145	35,681
CADETS	\$9,080	\$16,467	Not applicable

Notes: 1/ The annual DoD composite rate includes the following military personnel appropriation costs: average basic pay plus retired pay accrual, medical health care accrual, basic allowance for housing, basic allowance for subsistence, incentive and special pay, permanent change of station, and miscellaneous pay.

2/ The annual rate billable to Other Federal Agencies recovers additional military related health care costs financed by the Defense Health Program. The annual billable rate includes an acceleration factor of 6 percent for officers and 11 percent for enlisted personnel.

3/ Basic pay for these officers is limited to the rate of basic pay for Level III of the Executive Schedule, which currently is \$138,200 per year.

**MILITARY COMPOSITE STANDARD PAY AND REIMBURSEMENT RATES
DEPARTMENT OF THE NAVY
FOR FISCAL YEAR 2003**

MILITARY PAY GRADE	AVERAGE BASIC PAY	ANNUAL DOD COMPOSITE RATE ^{1/}	ANNUAL RATE BILLABLE TO OTHER FEDERAL AGENCIES ^{2/}
O-10	\$133,023 ^{3/}	\$202,581	\$214,736
O-9	129,424	197,795	209,663
O-8	121,041	185,932	197,088
O-7	107,222	171,330	181,610
O-6	90,491	158,836	168,366
O-5	72,771	135,730	143,874
O-4	61,237	121,521	128,812
O-3	50,084	104,896	111,190
O-2	39,730	82,670	87,630
O-1	29,890	67,406	71,450
WO-5	----	----	----
WO-4	\$59,669	\$109,318	115,877
WO-3	50,409	95,202	100,914
WO-2	42,645	84,161	89,211
WO-1	----	----	----
E-9	\$51,869	\$98,112	\$108,904
E-8	42,641	84,523	93,821
E-7	37,250	75,867	84,212
E-6	30,652	65,864	73,109
E-5	24,379	55,858	62,002
E-4	19,513	46,546	51,666
E-3	16,357	39,061	43,358
E-2	15,287	36,323	40,319
E-1	12,906	32,217	35,761
CADETS	\$9,080	\$12,434	Not applicable

Notes: 1/ The annual DoD composite rate includes the following military personnel appropriation costs: average basic pay plus retired pay accrual, medical health care accrual, basic allowance for housing, basic allowance for subsistence, incentive and special pay, permanent change of station and miscellaneous pay.

2/ The annual rate billable to Other Federal Agencies recovers additional military related health care costs financed by the Defense Health Program. The annual billable rate includes an acceleration factor of 6 percent for officers and 11 percent for enlisted personnel.

3/ Basic pay for these officers is limited to the rate of basic pay for Level III of the Executive Schedule, which currently is \$138,200 per year.

**MILITARY COMPOSITE STANDARD PAY AND REIMBURSEMENT RATES
U.S. MARINE CORPS
FOR FISCAL YEAR 2003**

<u>MILITARY PAY GRADE</u>	<u>AVERAGE BASIC PAY</u>	<u>ANNUAL DOD COMPOSITE RATE</u> ^{1/}	<u>ANNUAL RATE BILLABLE TO OTHER FEDERAL AGENCIES</u> ^{2/}
O-10	\$133,700 ^{3/}	\$191,869	\$203,381
O-9	133,700	190,210	201,623
O-8	121,860	174,453	184,920
O-7	107,547	164,037	173,879
O-6	94,242	154,148	163,397
O-5	75,666	129,210	136,963
O-4	63,366	109,588	116,163
O-3	51,251	91,902	97,416
O-2	39,937	65,463	69,391
O-1	29,545	51,280	54,357
WO-5	\$66,812	\$113,471	120,279
WO-4	58,222	101,264	107,340
WO-3	48,115	86,870	92,082
WO-2	41,058	75,124	79,631
WO-1	36,271	68,430	72,536
E-9	\$49,837	\$91,393	\$101,446
E-8	42,511	79,727	88,497
E-7	36,749	71,231	79,066
E-6	29,888	60,808	67,497
E-5	23,834	50,949	56,553
E-4	19,658	42,966	47,692
E-3	16,755	37,245	41,342
E-2	15,330	33,892	37,620
E-1	13,083	30,421	33,767

Notes: 1/ The annual DoD composite rate includes the following military personnel appropriation costs: average basic pay plus retired pay accrual, medical health care accrual, basic allowance for housing, basic allowance for subsistence, incentive and special pay, permanent change of station, and miscellaneous pay.

2/ The annual rate billable to Other Federal Agencies recovers additional military related health care costs financed by the Defense Health Program. The annual billable rate includes an acceleration factor of 6 percent for officers and 11 percent for enlisted personnel.

3/ Basic pay for these officers is limited to the rate of basic pay for Level III of the Executive Schedule, which currently is \$138,200 per year.

**MILITARY COMPOSITE STANDARD PAY AND REIMBURSEMENT RATES
DEPARTMENT OF THE AIR FORCE
FOR FISCAL YEAR 2003**

<u>MILITARY PAY GRADE</u>	<u>AVERAGE BASIC PAY</u>	<u>ANNUAL DOD COMPOSITE RATE</u> ^{1/}	<u>ANNUAL RATE BILLABLE TO OTHER FEDERAL AGENCIES</u> ^{2/}
O-10	\$138,200 ^{3/}	\$209,236	221,790
O-9	134,500	201,789	213,896
O-8	121,854	184,806	195,894
O-7	108,085	170,283	180,500
O-6	91,546	162,496	172,246
O-5	74,200	140,383	148,806
O-4	62,410	122,425	129,771
O-3	50,129	98,303	104,201
O-2	38,179	75,624	80,161
O-1	27,886	62,572	66,326
WO-5	--	--	--
WO-4	--	--	--
WO-3	--	--	--
WO-2	--	--	--
WO-1	--	--	--
E-9	\$54,491	\$97,483	\$108,206
E-8	43,487	80,317	89,152
E-7	37,376	70,809	78,598
E-6	31,127	62,571	69,454
E-5	24,871	53,439	59,317
E-4	19,769	44,332	49,209
E-3	16,461	37,741	41,893
E-2	15,328	36,478	40,491
E-1	12,695	35,292	39,174
CADETS	\$9,081	\$12,263	Not applicable

Notes: 1/ The annual DoD composite rate includes the following military personnel appropriation costs: average basic pay plus retired pay accrual, medical health care accrual, basic allowance for housing, basic allowance for subsistence, incentive and special pay, permanent change of station, and miscellaneous pay.

2/ The annual rate billable to Other Federal Agencies recovers additional military related health care costs financed by the Defense Health Program. The annual billable rate includes an acceleration factor of 6 percent for officers and 11 percent for enlisted personnel.

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