



DEPARTMENT OF THE ARMY  
OFFICE OF THE ASSISTANT SECRETARY  
MANPOWER AND RESERVE AFFAIRS  
111 ARMY PENTAGON  
WASHINGTON, DC 20310-0111

SAMR

OCT 26 2017

MEMORANDUM FOR SEE DISTRIBUTION

SUBJECT: Blended Retirement System (BRS) Continuation Pay (CP) Implementation Guidance – Calendar Year 2018 (CY18)

1. References.

- a. Public Law 114-92, Fiscal Year 2016 National Defense Authorization Act.
- b. Public Law 114-328, Fiscal Year 2017 National Defense Authorization Act.
- c. Deputy Secretary of Defense Memorandum, Implementation of the Blended Retirement System, 27 January 2017.

2. Purpose. This memorandum provides the CY18 implementing guidance for execution of the BRS CP provision for the Army, as authorized in sections 634 and 635 of Public Law 114-92, National Defense Authorization Act for Fiscal Year (FY) 2016 and amended by section 633 of Public Law 114-328, National Defense Authorization Act for FY 2017.

3. Applicability. This guidance is effective 1 January 2018, and applies to Active Army, Army National Guard/Army National Guard of the United States, and United States Army Reserve Soldiers who are covered under the BRS.

4. Eligibility.

- a. Active Component (AC). Any member who-
  - (1) Is covered under the BRS; and
  - (2) Will complete 12 years of service, as computed from the member's Pay Entry Base Date (PEBD) during CY18; and
  - (3) Is eligible to enter into an agreement to serve the obligation period specified in paragraph 6, below:
- b. Reserve Component (RC). Any member who-

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(1) Is covered under the BRS; and

(2) Will complete 12 years of service, as computed from the member's PEBD during CY18; and,

(3) Is a member of the Selected Reserve (SELRES) or otherwise a member of the Ready Reserve in a status in which the member is eligible to receive basic pay or inactive duty pay; and

(4) Is eligible to enter into an agreement to serve the obligation period specified in paragraph 6, below.

c. Inter-service transfers joining one of the Army's BRS eligible groups must complete the transfer before their 12th year of service based upon the PEBD. Army leaders will ensure these Soldiers were not paid CP by another service or component before executing a CP payment.

5. CP Amount. For those eligible to apply for CP during CY18, the CP amount will be computed as follows:

a. For AC, and Title 10 and Title 32 Active Guard Reserve (AGR) Soldiers performing active service in a career status program, CP is 2.5 times the monthly basic pay, based on current pay grade and years of service at the time CP is approved.

b. For RC Soldiers serving in the SELRES (minus AGR), CP is 0.5 times the active duty monthly basic pay, based on current grade and years of service at the time CP is approved.

6. Service Obligation. In exchange for the CP described in paragraph 5, Soldiers must agree to serve for 4 years of additional service in the component in which they are serving at the time CP is approved. The service obligation commences upon approval of the CP request.

7. Application Process.

a. The Army will use the enclosed Request for Continuation Pay (Blended Retirement System) as the CP contract which will document the Soldier's CP election and obligated service. The CP contract will be placed in the Interactive Personnel Electronic Records Management System (iPERMS) under the service and finance subfolder.

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b. At a minimum, the BRS CP election packet will include the following:

- (1) Proof of BRS Enrollment Status.
- (2) Request for Continuation Pay (Blended Retirement System) / CP Contract.

c. Application Window.

(1) All Soldiers may submit their CP request no earlier than 180 days prior to completing their 12th year of service, based upon the PEBD. Soldiers should submit their CP request no later than 30 days prior to completing their 12th year of service, based upon PEBD.

(2) In order to ensure that their CP request can be approved prior to completion of their 12th year of service, otherwise eligible Soldiers who will complete 12 years of service between 1 January 2018 and 31 March 2018, may request CP beginning 1 November 2017.

d. Payment Eligibility. Soldiers who are eligible to opt-in to BRS have the entirety of CY18 to complete the opt-in process. However, the entirety of the opt-in period is not available to those eligible Soldiers who wish to request CP. Despite the extended opt-in period, approval of CP requests and BRS opt-in must occur prior to the anniversary of a Soldier's 12th year of service. For CY18 only, CP requests:

- (1) Must be made in a timely manner, as described in paragraph 7(c), above.
- (2) Must be approved prior to the Soldier completing his or her 12th year of service as computed from the PEBD.
- (3) May be approved contingent upon the Soldier making the necessary BRS opt-in election (only for those Soldiers described in paragraph 7(c)(2), above).
- (4) Are not payable until BRS opt-in can be verified (as indicated above, BRS opt-in must occur prior to completion of the twelfth year of service).

8. Payment Options.

a. Soldiers may elect to receive CP in a single lump sum or in a series of equal installments, not to exceed four annual payments over 4 consecutive years.

b. Prior to submitting their requests, Soldiers who desire to have their CP

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payment(s) directed to their Thrift Savings Plan (TSP), must update their allotment allocations and TSP settings in myPay to ensure the funds are distributed in accordance with their personal financial plan.

**9. Approval Authority.**

a. AC - COLs or their civilian equivalents (GS-15) have the authority to approve CP and will appoint appropriate personnel to serve as the program certifying officials.

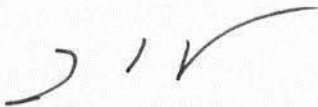
b. RC - the Chief of Army Reserve and the Chief, National Guard Bureau will designate their component's approval authority and certifying officials.

10. Each component will develop and publish procedures for the payment of CP no later than 1 December 2017.

11. The proponent for this guidance is the Deputy Assistant Secretary of the Army (Military Personnel and Quality of Life) (DASA (MPQ)), (703) 693-7240.

12. In coordination with the DASA (MPQ), the DCS, G-1 will develop and promulgate any additional administrative procedures necessary to enhance the implementation and execution of the Army's CP policy.

Encl

  
Raymond T. Horoho  
Acting Assistant Secretary of the Army  
(Manpower and Reserve Affairs)

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