



DEPARTMENTS OF THE ARMY AND THE AIR FORCE  
NATIONAL GUARD BUREAU  
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ARLINGTON, VA 22204-1382



NGB-ARC (635)

24 January 1996

MEMORANDUM FOR The Adjutant General and United States Property and Fiscal Officer of All States, District of Columbia, Guam, Puerto Rico, and the Virgin Islands

SUBJECT: (All States Log Number P96-0029) Procedures for Processing Separation Pay for ARNG Soldiers

1. Reference:

a. DoD Pay Manual, DoD 7000.14-R, Volume 7A, Department of Defense Military Pay and Allowances Entitlements Manual, Part 4, Chapter 4, Separation Payments.

b. NGB-ARP Memorandum, SUBJECT: Policy for Army National Guard (ARNG) Soldiers Serving on Active Duty for Special Work (ADSW), Active Duty for Training (ADT), and Annual Training (AT), dated 22 September 1995.

2. This memorandum applies to all ARNG soldiers who have been approved for separation pay in accordance with reference 1.a., while serving on Full Time National Guard Duty for Special Work (FTNGDSW) or Counterdrug Operations (FTNGDCO).

3. The following procedures will be used to process separation pay (NOTE: NGB-CD WILL REVIEW ALL FTNGDCO SEPARATION PAY REQUESTS PRIOR TO FINAL APPROVAL, ALL DOCUMENTATION WILL BE FORWARDED FOR THIS REVIEW TO NGB-CD):

a. The State's Military Personnel Officer (MILPO) will approve the separation pay entitlement (Section B, Chapter 4, Part 4, Volume 7, Part A, DoDFMR) and provide the following documentation to the USPFO Military Pay Section (MPS):

(1) DD Form 214 (work copy) with the appropriate separation program designator (SPD) code and the remark in Block 18: "Entitled to \_\_\_\_\_ (half or full) separation pay in the amount of \$ \_\_\_\_\_" (USPFO will compute and enter).

(2) Active service separation order. The final order will be amended to add the following statement: "Service member has served \_\_\_\_\_ (insert the #) years on continuous active service and is entitled to \_\_\_\_\_" (insert half or full) separation pay, effective \_\_\_\_\_ (insert date of separation). Include appropriate Type Duty Code (TDC) for the separation pay on the amendment, as per paragraph 4.

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(3) Copy of soldier's DA Form 31, Request and Authority for Leave, if the soldier is requesting transition leave.

(4) DA Form 1506 (Statement of Service - For Computation of Length of Service for Pay Purposes): indicate only the periods of active service to include breaks in active service which entitle the soldier to separation pay. NGB Form 23A may be substituted for DA Form 1506 provided each qualifying year has at least 336 (337 for leap year) active duty points.

b. The Military Pay Supervisor (MPS) will complete the separation pay worksheet (enclosure 1) and enter the amount in Block 18 of the DD Form 214 (work copy). The MPS will provide the MILPO with the amount of separation pay to be entered on the final DD Form 214, a copy of which will be provided to the MPS.

c. The MPS will forward the separation pay worksheet and the other documentation listed in paragraph 3a above to the State Program Manager who funded the soldier's final period of active service. Although several program managers may have funded the soldier's active service over the six (plus) year period, the program manager who funded the final FTNGDSW/FTNGDCO period will receive this packet.

d. The State Program Manager, on receipt of the packet, will certify the availability of funds and sign the separation pay worksheet. The State Program Manager will then return these documents to the USPFO, ATTN: Military Pay Supervisor.

e. The Military Pay Supervisor will confirm that all pay and allowances, to include payment for any accrued leave due, are paid prior to input of the separation pay transactions.

f. The Military Pay Supervisor will approve the entitlement for payment by initialing the separation pay worksheet.

g. The Military Pay Supervisor will use DJMS-RC TIN D02 to pay separation pay. More than one transaction may be required as the dollar amount input using TIN D02 cannot exceed \$9,000, nor can the total amount of multiple TINs D02 for the same SSN exceed \$9,000 in the same coded update.

h. Component of Pay (COP) for separation payments is "Y1". Add a D19 LES remark: "This is separation pay (non-disability). "

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4. The following AMSCOs with applicable TDC will be used for separation pay:

2M50.0000 SEPARATION PAY (SP), COUNTERDRUG. Officer and enlisted costs associated with SP for ARNG soldiers who have completed at least six, but less than twenty years of continuous active service immediately prior to the date of separation, who are no longer on active service for over 30 days, and who were in a Full Time National Guard Duty for Counterdrug Operations (FTNGDCO) duty status upon separation.

2M51.1000 TDC 421 Separation Pay, Officer, Counterdrug. One time separation payment associated with officers separated from FTNGDCO status after completing at least six, but less than twenty years of continuous active service.

2M52.1100 TDC 421 Separation Pay, Enlisted, Counterdrug. One time separation payment associated with enlisted soldiers separated from FTNGDCO status after completing at least six, but less than twenty years of continuous active service.

2J70.0000 SEPARATION PAY (SP), ALL OTHER. Officer and enlisted costs associated with SP for ARNG soldiers who have completed at least six, but less than twenty years of continuous active service immediately prior to the date of separation, who are no longer on active service for over 30 days, and who were in a Full Time National Guard Duty for Special Work (FTNGDSW) status (other than COUNTERDRUG status) upon separation.

2J71.1000 TDC 391 Separation Pay, Officer, All Other. One time separation payment associated with officers separated from FTNGDSW status (not ADSW COUNTERDRUG status) after completing at least six, but less than twenty years of continuous active service.

2J72.1100 TDC 391 Separation Pay, Enlisted, All Other. One time separation payment associated with enlisted soldiers separated from FTNGDSW status (not ADSW COUNTERDRUG status) after completing at least six, but less than twenty years of continuous active service.

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5. Funding for separation pay is the responsibility of the State ARNG that authorized or requested the soldier to perform the period of Active Service which entitled the soldier to separation pay. The State will fund the applicable AMSCO from funds previously provided. Counterdrug related cases will require coordination with NGB-ARC-PA to withdraw funds from the proper MAMSCO, i.e., State Plans; Internal Prevention & Control; Drug Demand Reduction, etc. Funds will be transferred from the applicable MAMSCO to 2M24, the MAMSCO for Counterdrug separation pay, via a Funding Authorization Document (FAD). States will not be reimbursed nor are they authorized to request funds specifically for separation pay.

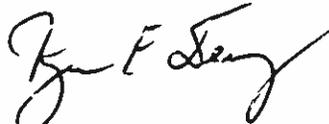
6. ARNG soldiers requesting separation pay should be informed that separation pay is taxable (see DOD Financial Management Regulation, Volume 7, Part A, Table 7-1-1). Any subsequent entitlements (i.e., retirement) will be reduced by the amount of separation pay previously received (see DOD Financial Management Regulation, Volume 7, Part A, para 40415).

7. This memorandum has been coordinated with NGB-JA, NGB-CD, NGB-ARO, and NGB-ARP.

8. This memorandum will expire on 30 September 1996.

9. Point of contact is COL Cline, NGB-ARC-F, DSN 699-3988.

FOR THE CHIEF, NATIONAL GUARD BUREAU:



MORGAN F. DENNY  
Colonel, GS  
Director, Army Comptroller

Encl

CF (w/encl):  
Each MILPO  
Each POTO