



DEPARTMENT OF THE ARMY
OFFICE OF THE CHIEF OF ARMY RESERVE
2400 ARMY PENTAGON
WASHINGTON, DC 20310-2400

DAAR-HR

MEMORANDUM FOR SEE DISTRIBUTION

SUBJECT: United States Army Reserve (USAR) Blended Retirement System (BRS)
Continuation Pay (CP) Policy Calendar Years 2026/2027 (CY26/CY27)

1. References:

- a. Title 10, United States Code, Section 1409 and 12739.
- b. Title 37, United States Code, Sections 356 and 373.
- c. Department of Defense Financial Management Regulation (DoD FMR), Volume 5, Chapter 2.
- d. DoD FMR, Volume 7A, Chapter 2 and Chapter 66
- e. Memorandum, Deputy Secretary of Defense, 27 Jan 17, Subject: Implementation of the Blended Retirement System.
- f. Army Regulation 637-1 (Army Compensation and Entitlements Policy).
- g. Memorandum, Assistant Secretary of the Army (Manpower and Reserve Affairs), SAMR-MP, Subject: Army Continuation Pay within the Blended Retirement System.

2. General. Under its parameters, the Blended Retirement System (BRS) authorizes Continuation Pay (CP) in accordance with (IAW) reference 1a and modification in reference 1b. The BRS CP provision is a one-time, mid-career bonus in exchange for an agreement to perform an additional obligated service (AOS) of four years. CP is in addition to any other career field-specific pay, incentives, or retention bonuses.

3. Applicability. This guidance is effective 1 January 2026 and remains in effect until this policy is updated or no longer applicable. It applies to United States Army Reserve Soldiers covered under BRS and members of the Selected Reserve (SELRES) in one of the following categories: Active Guard Reserve (AGR), Troop Program Unit (TPU), or Individual Mobilization Augmentee (IMA).

4. Eligibility.

a. Army Reserve Soldiers must meet the eligibility requirements in reference 1c and 1d and be a member of the SELRES or otherwise a member of the Ready Reserve in a status in which the member is eligible to receive basic pay.

b. Soldier must be enrolled in the BRS, cannot have previously received CP, cannot be flagged, and meets the following criteria to enter into an agreement to serve the obligation period specified below:

(1) For CY26, the Soldier has completed no less than seven and not more than 12 years of service, as computed from the Soldier's pay entry basic date (PEBD). Soldiers must apply before they reach their 12th year of service.

(2) For CY27, the Soldier has completed no less than seven and not more than 10 years of service, as computed from the Soldier's PEBD. Soldiers must apply before they reach their 10th year of service.

(3) For CY28, further analysis will decide the appropriate eligibility window and multiplier.

c. Inter-service transfers joining one of the Army's BRS eligible groups must complete the transfer before completing no more than 12 years of service for CY26 or no more than 10 years of service for CY27 based upon the PEBD referenced in paragraph 4b. Army leaders will ensure these Soldiers were not paid CP by another service or component before executing a CP payment.

d. Soldiers have not previously received CP by any service or component.

5. Service Obligation: Soldiers must agree to serve an additional four years of service in the USAR at the time they request CP. The service obligation begins the date the Soldier's sign their CP election form. Soldiers who do not meet the minimum four-year requirement must take retention action to be eligible for CP. If they cannot take that retention action, they are not eligible for CP. CP is available in conjunction with Selective Retention Bonuses (SRBs). CP service obligations will run concurrent with other service obligations to encourage long-term retention of mid-term and careerist Soldiers.

6. CP Amount:

a. The CP amount for AGR Soldiers is 2.5 times the active duty monthly basic pay. It is computed using the eligible Soldier's current pay grade and years of service as listed on the monthly basic pay table provided by the Defense Finance

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and Accounting Service (DFAS) in effect on the date of the Soldier's signature on the CP election form.

b. The CP amount for TPU Soldiers is 0.5 times the active duty monthly basic pay. It is computed using the eligible Soldier's current pay grade and years of service as listed on the monthly basic pay table provided by DFAS in effect on the date of the Soldier's signature on the CP election form.

c. The CP amount will be 2.5 times the active duty monthly basic pay for USAR Soldiers, who are within their opportunity window and have performed 270 or more days of involuntary mobilization during a 730-day period, excluding 12301(h)(1) status. This calculation is based on the eligible Soldier's current pay grade and years of service, as outlined in the monthly basic pay table provided by DFAS, which is effective on the date of the Soldier's signature on the CP election form. Note: Proof and calculation of involuntary mob is based off the "Net active service this period" block reflecting a cumulative total of 270 days and the "Remarks" block stating 10 USC 12302 as the applicable legal authority (statute) under which the member is serving on any/all DD Forms 214, 214-1(s) within a 730-day period (24 Months). If 12301(h)(1) days are reflected, those days will be deducted from the calculation.

7. Payment Options:

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

b. Soldiers who want to have their CP payment(s) contributed to their Thrift Savings Plan (TSP) must update their allotment allocations in myPay and their TSP settings to ensure the CP funds are distributed IAW their personal financial plan prior to submitting the CP request.

8. Payment Submission Procedures.

a. To Apply Soldiers will:

(1) Use the most current version of the Request for Continuation Pay (Blended Retirement System) Form. Soldiers must sign their CP requests before they reach 12 years of service for CY26 and 10 years of service for CY27 based on their PEBDs.

(2) AGR/TPU Soldiers - The certifying official must verify the Soldier has enough years on their contract to complete the four-year additional service obligation. The Soldier must meet with a career counselor if they need an extension on their contract to complete the four-year obligation.

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(3) IMA Soldiers - Must reach out to HRC to have an outside Retention Management System extension executed: usarmy.knox.hrc.mbx.rpmd-emd-irr-retention@army.mil.

b. Processing:

(1) AGR Soldiers – Unit HR professionals submit completed packets to the Soldier's Army Military Pay Office (AMPO) for payment. Units should address all inquiries related to payment status to the AMPO for response.

(2) TPU Soldiers – Include a modified USAR Form 22-R (enclosure 1). Soldier's unit submits completed CP packets on a transmittal letter (USAR Form 26-R) to the Soldier's assigned pay team for payment. Units should address all inquiries related to payment status to the appropriate Readiness Division (RD) for response. This includes TPU Soldiers on orders.

(3) IMA Soldiers - Address all inquiries related to payment status to their IMA Coordinator and submit all documents to: usarmy.usarc.usarc-hq.mbx.rcpsotmknoxscan@army.mil.

c. Units must:

(1) Resolve any issues with a Soldier's PEBD before submitting CP payment requests by ensuring the PEBD matches in the Integrated Personnel and Pay System - Army (IPPS-A) and Defense Joint Military Pay System - Reserve Component (DJMS-RC).

(2) IMA Soldiers must resolve any issues with their IMA Coordinators.

(3) Unit-level HR personnel will upload completed BRS CP election packets into the Soldier's Army Military Human Resources Record (AMHRR) under the service and finance subfolders.

9. Repayment:

a. A member who received CP but does not complete the period of AOS described in paragraph 2, is subject to full or partial repayment provisions IAW Section 373 of Title 37, United States Code, and the DoD Financial Management Regulation, Volume 7A, Chapter 2.

b. Unsatisfactory participants - Recoupment is not authorized if the Soldier is not being discharged or transferred to another component. Once Soldier receives discharge or transfer order recoupment will be initiated.

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10. Screening and counseling:

a. Unit commanders, with assistance from career counselors, and installation human resource (HR) professionals, will screen Soldier's records during in- and out-processing for CP.

b. Unit commanders, career counselors, installation HR professionals, and S1 personnel will screen Soldier's records annually during the Personnel Readiness Review (PRR).

c. Career counselors will maintain documentation on Soldiers screened and their screenings results.

d. If an initial or annual screening determines that a Soldier is eligible for CP, company commanders will counsel the Soldier in writing with assistance and support from career counselors, on the eligibility determination, the CP training requirement, and CP application instructions.

11. CP Training:

a. CP training shall be provided when the Soldier becomes eligible for CP.

b. Training must be taken as distributed learning through the Army Family Web Portal's Online Learning Management System (<https://olms.armyfamilywebportal.com/>), face-to-face with an approved credentialed financial counselor, and/or group training with an approved financial educator.

c. Training completion must be recorded in the Digital Training Management System (DTMS) by the DTMS Manager with the following task identification number: G09-COM- 0006, "Prepare Finances for Continuation Pay under Blended Retirement System."

d. All Unit administrative personnel, HR/S1, RPAC processing CP, and Army Reserve Career Counselors (ARCC) must attend at least one CP training course per calendar year. To attend CP training, individuals must join the United States Army Reserve Command (USARC) HR Hub team. Use the following link to join the USARC HR Hub team/email distribution or to add someone:
<https://dod.teams.microsoft.us/j/team/19%3Adod%3Ad1ca58d373e74fe99c73290a649ca4%40thread.tacv2/conversations?groupId=eef7ca88-36da-4512-9b24-a690176c86b1&tenantId=fae6d70f-954b-4811-92b6-0530d6f84c43>.

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12. Application:

a. All Soldiers may submit their CP request when eligible as established by the eligibility criteria listed in paragraph 4; however, Soldiers are encouraged to apply for CP as soon as they enter their period of eligibility.

b. The CP application form (Request for Continuation Pay (Blended Retirement System)) or its system-generated equivalent will be used for the purpose of collecting and maintaining information submitted by Soldiers and commanders for the purpose of applying for and certifying CP.

c. The CP application packet will include the request for CP and proof of BRS enrollment status.

d. Commanders in the grade of O-5 and above are delegated the authority to certify CP applications. This authority may not be further delegated. Commanders will certify CP applications within 30 days of receiving an application.

e. If the application is certified, career counselors will send CP request form and proof of BRS enrollment documents to unit HR professionals for processing to the supporting Army Military Pay Office (AMPO).

f. The unit HR professionals will complete the modified USAR Form 22-R and USAR Form 26-R to submit with completed packet and upload all certified applications and substantiating documents to the integrated Personnel Electronic Records Management System (iPERMS).

g. IMA Soldiers contact HRC at usarmy.knox.hrc.mbx.rpmd-emd-irr-retention@army.mil for Retention Management System extensions. For payment inquiries, contact IMA Coordinator and submit documents to usarmy.usarc.usarc-hq.mbx.rcpsotmknoxscan@army.mil.

13. Submitting a BRS Continuation Pay PAR in IPPS-A:

a. All PARs must use UDL ARRCA_OCAR_RSO_CP.

b. The HR professional must generate an Admin Records Correction (PAR) –BRS– CP in IPPS-A using the following steps.

(1) Navigate To: Self Service > My Personnel Action Requests.

(2) Select Create Personnel Action Button.

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(3) Enter Effective Date as the day Soldier signed the Request for Continuation Pay (Blended Retirement System) or its system-generated equivalent and select Admin Records Corrections from Action drop-down menu.

(4) Select OTHER from the reason drop-down menu then select CONTINUE button.

(5) Enter the following in the OTHER type field: BRS-CP

(6) Enter the following statement in the more information field:

For AGR personnel: "I am eligible to and agree to serve four years of service starting from (the date on my request) in the component in which I am currently serving. I agree to accept 2.5 times my Active Duty monthly basic pay for this service obligation which is a gross lump sum payment of \$XXX. I have read the administrative rules for BRS-CP and completed the prescribed training. I understand I will not be voluntarily released from my current duty status before fulfilling the additional obligated service term."

For TPU and IMA personnel: "I am eligible to and agree to serve four years of service (starting from the date on my request) in the component in which I am currently serving. I agree to accept 0.5 times my monthly basic pay for this service obligation which is a gross lump sum payment of \$XXX. I have read the administrative rules for BRS-CP and completed the prescribed training. I understand I will not be voluntarily released from my current duty status before fulfilling the additional obligated service term."

(7) Select the SAVE button and then select the NEXT button.

(8) Select the ADD ATTACHMENT button and add: 1) The "Request for Continuation Pay (Blended Retirement System)" form. Select the SAVE button then select the NEXT button.

(9) Select the VALIDATE & CHECK ELIGIBILITY button then select the NEXT button. Validation does not equal eligibility, IPPS-A is only validating that all required fields are complete.

(10) Select the SUBMIT button.

c. Additional information: The Admin Records Correction PAR is not a transactional PAR. Upon approval, submit the approved hard copy to the servicing finance office for payment.

d. Record Update: NONE

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e. IPPS-A Order Generated: No

f. Interface: None

g. TIN/FID: None

14. Annual Reporting.

a. Annually, no later than 15 days after the end of each fiscal year, each MSC/RD/MSR will provide a report (see attached) which lists Soldiers by DODID with the following minimum information (enclosure 7):

(1) Soldiers who applied for CP.

(2) Grade of Soldiers who applied for CP.

(3) Soldiers that opted in from the legacy system.

(4) Whether Soldier is still serving after completion of four-year AOS

b. Submit report to the Office of the Chief of Army Reserve (OCAR), G1 (ATTN Retirement Services Office (RSO) (DAAR-HR)). Units will send the report through their chain of command to MSC/RD/MSRs, and MSC/RD/MSRs submits combined report to the OCAR BRS mailbox at usarmy.usarc.ocar.mbx.brs@army.mil.

15. Commanders or their representative will inform Soldiers of their eligibility status, the CP application process, and available resources supporting their election decision. Commanders and their HR professionals will use Army Vantage System to monitor Soldiers Financial Readiness for CP eligibility.

16. The CP checklists, CP request form, and CP request form instructions are attached for reference and can also be accessed by unit administrative personnel on the USAR Personnel Actions Guide (PAG) website:
<https://xtranet/usarc/usarpag/Pages/default.aspx>, under Retirements (TPU: T-11-A-7; AGR: A-11-A-5).

17. For additional information, contact the U.S. Army Reserve G-1, Retirement Services Office at usarmy.usarc.ocar.mbx.brs@army.mil.

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8 Encls

1. Modified USAR Form 22-R
2. Request for CP Form
3. Checklist T-11-A-7
4. Checklist A -11-A-5
5. Frequently Asked Questions (FAQs)
6. CY26 BRS-CP Policy ASA(M&RA)
7. Annual Reporting Spreadsheet
8. DA Form 4856

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