

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

DAAR-HR 28 March 2023

### MEMORANDUM FOR SEE DISTRIBUTION

SUBJECT: Blended Retirement System (BRS) Continuation Pay (CP) Provision Procedures Calendar Year 2023 (CY23)

#### 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
- 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, Subject: Blended Retirement System (BRS) Continuation Pay (CP) Calendar Year 2023 (CY23).
- 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 Additional Obligated Service (AOS). The CP is in addition to any other career field-specific pay, incentives, or retention bonuses.
- 3. Applicability. This guidance is effective 1 January 2023 and expires on 31 December 2023. It applies to United States Army Reserve Soldiers; 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) who are covered under the BRS.

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## 4. Eligibility.

- a. Army Reserve Soldiers must meet the eligibility requirements in reference 1c and 1d and be a member of the Selected Reserve (SELRES) in one of the following categories: Active Guard Reserve (AGR), Troop Program Unit (TPU), or Individual Mobilization Augmentee (IMA).
- b. A qualifying Soldier must be covered under the BRS and cannot have previously received CP.
- c. Must have no less than eight years of service and no more than 12 years of service as computed from the Soldier's PEBD. Soldiers can apply before they reach their 12<sup>th</sup> year of service.
- d. Army Reserve Soldiers must meet the eligibility criteria listed in reference 1c and 1d and be a member of the Selected Reserve (SELRES) in one of the following categories: Active Guard Reserve (AGR), Troop Program Unit (TPU), or Individual Mobilization Augmentee (IMA) or otherwise a member of the Ready Reserve in a status in which the member is eligible to receive basic pay.
- e. Inter-service transfers joining one of the Army's BRS eligible groups must complete the transfer before starting 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 CY23, the CP amount will be computed using their current pay grade and years of service as listed on the monthly basic pay table provided by the Defense Finance and Accounting Service. CP will be effective on the Soldier's requested date and as follows:
- a. AGR Soldiers. The payable CP amount shall be 2.5 times their monthly basic pay, based on their current pay grade and years of service at the time the Soldier signs the request.
- b. TPU and IMA Soldiers. The payable CP amount shall be 4.0 times the active duty monthly basic pay based on their current pay grade and years of service at the time the Soldier signs the request.
- 6. Service Obligation. In exchange for the continuation pay described in paragraph 5, Soldiers must agree to serve four years of additional service in the component in which they are serving at the time CP is requested. The service obligation commences on the date of the Soldier's CP request.

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## 7. Application Process.

- a. The Army Reserve will use the enclosed Request for Continuation Pay (Blended Retirement System) Form, dated 20220101, as the CP contract to document the Soldier's CP election and additional obligated service. The CP contract will be placed in the Interactive Personnel Electronic Records Management System under the service and finance subfolders.
  - b. At a minimum, the BRS CP election packet will include the following:
- (1) Proof of BRS enrollment status (i.e., copy of LES showing a number other than ".00" in the "AGCY-AUTO" block, or TSP Statement).
  - (2) Request for Continuation Pay (Blended Retirement System)/CP contract.
  - (3) The Commander's Assumption of Command memo and/or DD577.
  - (4) The modified USAR Form 22R (TPU).
- c. 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.
- d. Payments are not payable until BRS opt-in can be verified and the CP is approved.
- e. Commanders may appoint appropriate personnel to serve as CP certifying officials. When no appointment has been made, the certifying official will be the Soldier's servicing military personnel office and/or servicing human resources specialist.
- f. Army Reserve Career Counselors will use the enclosed Request for CP (BRS) Form to document and process Soldier's CP elections, payment amounts, and service obligations.

#### 8. Payment Options.

- a. Soldiers may elect to receive CP in a single lump sum payment, or in a series of equal installments, not to exceed four annual payments over four consecutive years.
- b. Soldiers may elect to allocate their CP payment(s) directly to their Thrift Savings Plan (TSP). Soldiers must update their allotment allocations in myPay and their TSP settings prior to submitting the CP request.

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- 9. Approval authority will be the requesting Soldier's immediate commander.
- 10. Payment Submission Procedures.
  - a. To Apply Soldiers will:
- (1) Use the Request for Continuation Pay (Blended Retirement System) Form, dated 20220101. Soldiers must sign their CP requests no later than 12 years of service based on their PEBDs.
- (2) AGR/TPU Soldiers The certifying official must verify the Soldier has enough years on their contract to complete the 4-year additional service obligation. The Soldier must meet with a career counselor if they need an extension on their contract to complete the 4-year obligation.
- (3) IMA Soldiers Must reach out to HRC to have an outside RMS extension executed. POC: usarmy.knox.hrc.mbx.rpmd-emd-irr-retention@army.mil.

## b. Processing:

- (1) AGR Soldiers Unit will 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 (see attached). Soldier's unit will submit 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.knox.hrc.mbx.g8-reserve-pay@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)).

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- (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 Interactive Personnel Electronic Records Management System (i-PERMS) under the service and finance subfolders.
- 11. Repayment. A member who received CP but fails to complete the period of additional obligated service described in paragraph 4, is subject to full or partial repayment provisions in accordance with Section 373 of Title 37, United States Code, and the DoD Financial Management Regulation, Volume 7A, Chapter 2.
- 12. The CY23 USAR CP Policy, CP Checklists, CP Request Form/Instructions, Application, Payment Procedures, and Forms 22-R/DD 577 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).
- 13. For additional information, contact the U.S. Army Reserve G-1, Retirement Services Office at usarmy.usarc.ocar.mbx.brs@army.mil.

6 Encls

1. Modified USAR Form 22-R

- 2. Request for Continuation Pay CY23
- 3. Checklist T-11-A-7
- 4. Checklist A -11-A-5
- 5. Frequently Asked Questions (FAQs)
- 6. CY23 BRS-CP Policy ASA(M&RA)

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