



DEFENSE FINANCE AND ACCOUNTING SERVICE  
ARLINGTON

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MAY 23 2006

DFAS-NP

MEMORANDUM FOR DIRECTOR, ACCOUNTING AND FINANCE POLICY AND  
ANALYSIS, OFFICE OF THE UNDER SECRETARY OF  
DEFENSE (COMPTROLLER)  
DIRECTOR, FINANCE, DEFENSE FINANCE AND ACCOUNTING  
SERVICE

SUBJECT: Interim Change to the Department of Defense Financial Management Regulation  
("DoDFMR"), Volume 7B, Regarding the Dependency and Indemnity  
Compensation (DIC) Cost-of-Living Adjustment (DFAS Item #O-30)

Attached is Interim Change **R03-06** to Volume 7B, Chapter 60, Appendix L, and  
Appendix R, of the "DoDFMR." This change incorporates the DIC cost-of-living adjustment  
effective December 1, 2005.

Assignment of the interim change number is authority for the Director of Finance to  
initiate a procedural modification to implement this change. This office requests that the  
Director for Accounting and Finance Policy and Analysis post a copy of this interim change to  
the "DoDFMR" web site.

A handwritten signature in cursive script, appearing to read "Lydia Moschkin".

Lydia Moschkin  
Director, Policy and Performance  
Management

Attachment:  
As stated

cc:  
DFAS-AMO (Pat McGriff)  
DFAS-DGM/CL  
DFAS-PDO/CL (William Tyminski)  
DoD-DHRA/OGC  
ODUSD (MPP) (Comp)  
Service Liaisons  
USCG/NOAA/PHS Liaisons

**DIC COST-OF-LIVING ADJUSTMENT (DEC 2005)**

1. Paragraph 600104.A, add the following:

<u>DIC Rate</u>	<u>Effective Date</u>
\$1,033	December 1, 2005

2. Paragraph 600104.B, add the following:

<u>DIC Rate</u>	<u>Effective Date</u>
\$257	December 1, 2005

3. Revise paragraph 600104.C by adding the following DIC Child Rate information:

DIC Child Rate	
Eff Dec 1, 2005	
1 Child	\$438
2 Children	629
3 Children	819
Over 3	819 plus \$157 for each child

4. Heading on page L-4, page L-4, line 2, to read:

December 1, 2002– December 1, 2005

5. Revise Appendix L, Dependency and Indemnity Compensation Rates, by adding the following column:

**PL 109-111**

Effective December 1, 2005

(Note 1)

E-1	\$ (blank)
E-2	"
E-3	"
E-4	"
E-5	"
E-6	"
E-7	1,069
E-8	1,128
E-9	1,177
Sgt Major of the Army	1,271
Senior Enl Adv of the-Navy	1,271
CH Msgt of the Air Force	1,271
Sgt Major of the Marine Corps	1,271
MCPO of the Coast Guard	1,271
W-1	1,092
W-2	1,135
W-3	1,169
W-4	1,236
0-1	1,092
0-2	1,128
0-3	1,207
0-4	1,277
0-5	1,406
0-6	1,585
0-7	1,712
0-8	1,879
0-9	2,010
0-10	2,204
Chmn Joint Chiefs of Staff	2,365
Chief of Staff-Army	2,365
Chief of Naval Ops	2,365
Chief of Staff-Air Force	2,365
Commandant-Marine Corps	2,365
Commandant-Coast Guard	2,365

6. Revise Appendix L, Note 1 by adding the following:

<u>Flat Rate</u>	<u>Additional</u>	<u>Effective Date</u>
\$1,033	\$221	December 1, 2005

7. Appendix R, add the following:

<u>Maximum Amount</u>	<u>Minimum Annual Income</u>	<u>Effective Date</u>
\$591.17	\$7,094	1 Dec 2005