

APPENDIX I

MILITARY COMPOSITE STANDARD PAY AND REIMBURSEMENT RATES  
DEPARTMENT OF THE \_\_\_\_\_ FOR FISCAL YEAR \_\_\_\_\_

<u>GRADE</u>	<u>BASIC PAY</u> (1)	<u>RETIRED PAY ACCRUAL</u> (2)	<u>BASIC ALLOWANCE FOR HOUSING</u> (3)	<u>BASIC ALLOWANCE FOR SUBSISTENCE/SIK</u> (4)	<u>INCENTIVE AND SPECIAL PAYS</u> (5)	<u>PERMANENT CHANGE OF STATION</u> (6)	<u>MISCELLANEOUS EXPENSE</u> (7)	<u>MEDICARE-ELIGIBLE RETIREE HEALTH CARE (MERHC) ACCRUAL</u> (8)	<u>ANNUAL DOD COMPOSITE RATE</u> (9)	<u>ACCELERATION FACTOR</u> (10)	<u>AMOUNT BILLABLE TO OTHER FEDERAL AGENCIES</u> (11)
O-10*											
O-9*											
O-8*											
O-7*											
O-6											
O-5											
O-4											
O-3											
O-2											
O-1											
WO-5											
WO-4											
WO-3											
WO-2											
WO-1											
CADETS											
E-9											
E-8											
E-7											
E-6											
E-5											
E-4											
E-3											
E-2											
E-1											

\*Note: Basic Pay for O-7 to O-10 pay grades is limited by Level II of the Executive Schedule.

## APPENDIX I

MILITARY COMPOSITE STANDARD PAY AND REIMBURSEMENT RATES

## INSTRUCTIONS

Each Military Service must complete an Appendix I using the attached standard format. The heading to each appendix I consists of three lines. The first line identifies the appendix by number, the second line states "MILITARY COMPOSITE STANDARD PAY AND REIMBURSABLE RATES," and the third line identifies the Military Service that has developed the rates and the fiscal year that the rates will be used.

The Military Composite Standard Pay and Reimbursement Rates exhibit for the Budget Year should include the following cost elements that are listed for each column of the report. Amounts listed shall be equal to corresponding amounts contained in the applicable Military Service's justification book in support of their military personnel appropriation budget request included in the latest President's budget:

**(Column 1) Basic Pay.** Include the average basic pay amounts, by pay grade, as provided in the President's budget justification, Budget Subactivity (BSA) 1-A, Pay and Allowance of Officers, BSA 2-A, Pay and Allowances of Enlisted Personnel, and BSA 3-A, Pay and Allowances of Cadets and Midshipmen. The cadet and midshipmen rate is computed as a single rate for all cadets/midshipmen. NOTE: Basic Pay for O-7 to O-10 pay grades is limited by Level II of the Executive Schedule.

**(Column 2) Retired Pay Accrual.** Include average retired pay accrual amounts, by pay grade, as provided in the President's budget justification, BSA 1-B, Retired Pay Accrual for Officers and BSA 2-B, Retired Pay Accrual of Enlisted. The applicable retired pay accrual percentage is statutory and published annually.

**(Column 3) Basic Allowance for Subsistence.** Compute the basic allowance for subsistence rate separately, for officers and enlisted personnel, by pay grade, and for cadets and midshipmen, using amounts from the President's budget justification books. The officer rate is computed by dividing BSA 1-F, Basic Allowance for Subsistence for officers, by the officer average strength, by grade. The enlisted rate is computed by adding BSA 4-A, Basic Allowance for Subsistence for enlisted, BSA 4-B, Subsistence-in-Kind (SIK) for enlisted and BSA 4-C, Family Subsistence Supplemental Allowance (FSSA), and then dividing the total by the enlisted average strength, by grade. Compute a single rate for cadets and midshipmen.

**(Column 4)** Basic Allowance for Housing (BAH). Compute the BAH rate separately, for officers and enlisted personnel, by pay grade, using amounts from the President's budget justification books. The officer rate is computed by dividing BSA 1-E, BAH for officers by the average strength for officer personnel. The enlisted rate is computed by dividing BSA 2-J, BAH for enlisted by the average strength for enlisted personnel.

**(Column 5)** Incentive and Special Pays. Compute the Incentive and Special Pay rate separately for officers and enlisted personnel, by pay grade, using amounts from the President's budget justification books. For each pay grade, add the incentive and special pay amounts and then divide the sum by the average end strength, separately for officers and enlisted personnel. The officer rate is computed by adding the amounts for BSA 1-C, Incentive Pay for Hazardous Duty for officers and BSA 1-D, Special Pay for officers, then dividing the sum by the average strength for officer personnel. The enlisted rate is computed by adding the amounts for BSA 2-C, Incentive Pay for Hazardous Duty for enlisted, BSA 2-D, Special Pay for enlisted, BSA 2-E, Special Duty Assignment Pay for enlisted, BSA 2-F, Reenlistment Bonus, BSA 2-G, Enlistment Bonus, BSA 2-H, Education Benefits (College Fund), and BSA 2-I, Loan Repayment Program, then dividing the sum by the average strength for enlisted personnel.

**(Column 6)** Permanent Change of Station (PCS) Expense. This element represents the average cost of amounts provided in the President's budget justification books for PCS travel, Budget Activity 5. Compute the average PCS by adding the following types of travel each for officers, enlisted personnel, and cadets, from the BSAs contained in the justification books: accession travel (BSA 5-A); training travel (BSA 5-B); operational travel between duty stations (within CONUS and within overseas) (BSA5-C); rotational travel to and from overseas (BSA 5-D); separation travel (BSA 5-E); and travel of organized units (BSA 5-F). The sum of BA-5 is divided by the average strength separately, for officer and enlisted personnel. Compute a single rate for cadets and midshipmen.

**(Column 7)** Miscellaneous Expense. This rate is the average computed separately, for officers and enlisted personnel, by pay grade, and for cadets and midshipmen, of amounts provided in the President's budget justification books for Budget Activity 6, Other Military Personnel Costs, and other amounts for miscellaneous allowances and payments for officers, enlisted, and cadets/midshipmen as contained in BSAs listed in the following matrix:

<u>Miscellaneous Expense</u>	<u>Officer</u>	<u>Enlisted</u>
Clothing Allowances	BSA 1-I	BSA 2-M
Station Allowances, Overseas	BSA 1-G	BSA 2-K
CONUS COLA	BSA 1-H	BSA 2-L
Family Separation Allowances	BSA 1-J	BSA 2-N
Separation Payments	BSA 1-K	BSA 2-O
Social Security Tax-Employer's Contribution	BSA 1-L	BSA 2-P
Other Military Personnel Costs	BA 6	BA 6

Sum the amounts in each of the above categories for officer and enlisted, by pay grade, and divide the sum by the average strength of officer and enlisted, by pay grade, as shown in the budget justification materials. A single rate shall be used for cadets and midshipmen.

**(Column 8)** Medicare-Eligible Retiree Health Care (MERHC) Accrual. The annual rate is provided in OUSD(Comptroller) budget guidance and covers the cost of future health care benefits for current officer and enlisted personnel once they retire and become medicare-eligible, as well as their dependents and annuitants. It does not apply to cadets and midshipmen.

**(Column 9)** Annual DoD Composite Standard Rate. Enter the sum of columns (1) through (8).

**(Column 10)** Acceleration Factor. This rate is provided by the OUSD(Comptroller) and covers the medical health care costs of active duty personnel and their dependents associated with the Defense Health Program.

**(Column 11)** Amount Billable to Other Federal Agencies. Add columns 9 and 10 and subtract column 8. Note: To compute a daily rate, multiply column 11 by a factor of .00439 (1.14/260). For an hourly rate, multiply column 11 by a factor of .00055 (1.14/2080).