



**DEPARTMENT OF THE ARMY**  
OFFICE OF THE DEPUTY CHIEF OF STAFF, G-1  
300 ARMY PENTAGON  
WASHINGTON, DC 20310-0300

DAPE-CPZ

5/9/12

MEMORANDUM FOR SEE DISTRIBUTION

SUBJECT: Delegation of Authority – Increased Annual Premium Pay Limitations for Calendar Year 2012

1. The attachment to the enclosed April 11, 2012 memorandum from the Under Secretary of Defense (Personnel and Readiness) (Enclosure 1) provides Department of Defense (DoD) guidance regarding the increased annual premium pay limitation for calendar year (CY) 2012 for eligible Department of Defense (DoD) employees and by agreement employees covered by the Defense Civilian Intelligence Personnel System (DCIPS) who meet the eligibility criteria. Employees eligible for the increased annual premium pay limitation under the DoD guidance will be entitled to premium payments to the extent the employee's combined payable amount of basic pay and premium pay for CY 2012 does not exceed the annual rate of the salary payable to the Vice President pursuant to Section 104 of title 3, United States Code, which is \$230,700 for CY 2012.
2. Pursuant to the DoD guidance, employees assigned to Iraq or Afghanistan for at least 42 consecutive days are deemed to meet the eligibility requirements for the increased premium pay cap effective January 1, 2012, and no further determination regarding these employees is required. Additionally, employees assigned to Iraq are no longer considered to be supporting a military operation. Instead, beginning in 2012, such employees are deemed to meet the eligibility requirements for the increased premium pay cap based on their performance of work in direct support of, or directly related to the response to a national emergency declared by the President. If the National Emergency with Respect to the Stabilization of Iraq is not continued beyond May 22, 2012, employees assigned to Iraq will again become subject to the premium pay limitation under Section 5547 of title 5, U.S.C.
3. Commands should take immediate action to implement the increased annual premium pay limitation of \$230,700 for employees assigned to Iraq or Afghanistan. Determinations about the eligibility of employees in other US CENTCOM or US AFRICOM overseas areas of responsibility are delegated to the Secretary of the Military Department. In order to apply the increased annual premium pay limitation for CY 2012 to these employees, delegation authority has been requested from the Secretary of the Army. Commands will be notified under separate notification once the re-delegation is authorized by the Secretary of the Army.

DAPE-CPZ

SUBJECT: Delegation of Authority – Increased Annual Premium Pay Limitations for Calendar Year 2012

4. My point of contact is Ms. Denetris Winston, 703-806-4014, DSN 654-4014, or email [denetris.a.winston.civ@mail.mil](mailto:denetris.a.winston.civ@mail.mil).

FOR THE DEPUTY CHIEF OF STAFF, G-1:



SUSAN DUNCAN  
Assistant G-1 for Civilian Personnel

2 Encls

1. USD(P&R) Memo, 11 Apr 2012
2. Reporting Instructions

DISTRIBUTION:

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(CONT)

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SUBJECT: Delegation of Authority – Increased Annual Premium Pay Limitations for  
Calendar Year 2012

DISTRIBUTION: (CONT)

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SERVICE COMPONENT COMMANDS AND DIRECT REPORTING UNITS

DIRECTOR, CIVILIAN HUMAN RESOURCES AGENCY

DEPUTY CHIEF OF STAFF FOR INTELLIGENCE, ATTN: DAMI-CP

ASSISTANT SECRETARY OF THE ARMY (MANPOWER AND RESERVE AFFAIRS),

ATTN: SAMR-CQ

OFFICE OF THE GENERAL COUNSEL, ATTN: SAGC (MS. JOHNSON)

OFFICE OF THE JUDGE ADVOCATE GENERAL, ATTN: DAJA-LE (MS. NUGENT)



PERSONNEL AND  
READINESS

**UNDER SECRETARY OF DEFENSE**  
4000 DEFENSE PENTAGON  
WASHINGTON, D.C. 20301-4000

APR 11 2012

MEMORANDUM FOR SECRETARIES OF THE MILITARY DEPARTMENTS  
CHAIRMAN OF THE JOINT CHIEFS OF STAFF  
UNDER SECRETARIES OF DEFENSE  
DEPUTY CHIEF MANAGEMENT OFFICER  
COMMANDERS OF THE COMBATANT COMMANDS  
ASSISTANT SECRETARIES OF DEFENSE  
GENERAL COUNSEL OF THE DEPARTMENT OF  
DEFENSE  
DIRECTOR, OPERATIONAL TEST AND EVALUATION  
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EVALUATION  
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DEFENSE  
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DIRECTOR, ADMINISTRATION AND MANAGEMENT  
DIRECTOR, NET ASSESSMENT  
DIRECTORS OF THE DEFENSE AGENCIES  
DIRECTORS OF THE DOD FIELD ACTIVITIES

**SUBJECT: Calendar Year 2012 Waiver of Annual Pay Limitations for Certain Employees**

Eligible Department of Defense (DoD) employees are authorized an increase to the calendar year 2012 premium pay limitations, as defined by the provisions of Section 5547 of title 5, United States Code (U.S.C.), if they perform work in direct support of, or directly related to, a military operation, including a contingency operation or an operation in response to an emergency declared by the President. Eligible employees are those assigned to an overseas area of responsibility of the Commander of the U.S. Central Command (CENTCOM) or an overseas location that has been moved from the U.S. CENTCOM area of responsibility to the area of responsibility of the Commander of the U.S. Africa Command (Appendix A of the attached document). By agreement with the Under Secretary of Defense for Intelligence (USD(I)), this increase is administratively extended to employees covered by the Defense Civilian Intelligence Personnel System (DCIPS) who meet the criteria above.

The increase is authorized by exercising the waiver granted in Section 1104 of the National Defense Authorization Act (NDAA) for Fiscal Year 2012 (Public Law 112-81, December 31, 2011) (NDAA 2012), which extends the authority in Section 1101(a) of the Duncan Hunter National Defense Authorization Act for Fiscal Year 2009 (Public Law 110-417, dated October 18, 2008) (NDAA 2009) as amended by Section 1106(a) of the NDAA for Fiscal Year 2010 (Public Law 111-84, dated October 28, 2009) (NDAA 2010), and by Section 1106(b) and Sections 1601 - 1603 of title 10, U.S.C. for DCIPS employees. Eligible DoD employees who are granted a waiver under these authorities will be covered by a higher annual premium pay cap and will be entitled to premium payments to the extent the employee's combined payable amount of basic pay and premium pay for calendar year 2012 does not exceed the annual rate of

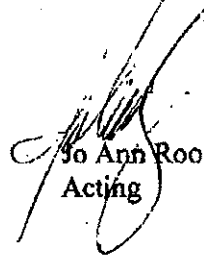
F NCL 1

salary payable to the Vice President under Section 104 of title 3, U.S.C. which is \$230,700 for 2012.

In addition, subsection 1101(b) of NDAA 2009 continues to apply and provides that the aggregate limitation on pay under Section 5307 of title 5, U.S.C. will not apply to an employee in calendar year 2012 if the employee is granted a waiver of the normally applicable premium pay limitations under subsection 1101(a). Subsection 1101(c) of NDAA 2009 also continues to apply and provides that any payments made under the subsection 1101(a) waiver authority resulting in additional premium pay of a type normally creditable as basic pay will not be considered basic pay for any purpose (e.g., retirement). Further, such additional premium pay may not be used in computing lump-sum payments for accumulated and accrued annual leave under Section 5551 of title 5, U.S.C.

For 2012, this waiver again applies, by agreement with the USD(I), to DCIPS employees. The attached guidance, initially distributed for the increased limitation for Calendar Year 2010, remains in effect, and has been updated to reflect the changes applicable in Calendar Year 2012.

Questions may be addressed to Mr. Seth Shulman, Chief, Compensation Division, Defense Civilian Personnel Advisory Service, at [seth.shulman@cpms.osd.mil](mailto:seth.shulman@cpms.osd.mil) or 703-696-2104.

  
Jo Ann Rooney  
Acting

Attachment:  
As stated

**2012 Annual Limitation of Premium Pay and Aggregate Waiver Provisions  
United States Central Command Area of Responsibility for Employees  
Covered by 5 U.S.C. §§ 5547 and 5307; 5 C.F.R. §§ 9901.362 and 9901.313;  
and 10 U.S.C. §§ 1601-1614**

Premium Pay Waiver

Effective January 1, 2012, Section 1101(a) of the Duncan Hunter National Defense Authorization Act (NDAA) for Fiscal Year 2009 (Pub. L. 110-417) (NDAA 2009), as amended by Section 1106(a) of the National Defense Authorization Act for Fiscal Year 2010 (Pub. L. 111-84) (NDAA 2010), Section 1103 of the Ike Skelton National Defense Authorization Act for Fiscal Year 2011 (Pub. L. 111-383) (NDAA 2011), and Section 1104 of the National Defense Authorization Act for Fiscal Year 2012 (Pub. L. 112-81) (NDAA 2012), is further amended by striking "through 2011" and inserting "through 2012". It authorizes the Secretary of Defense to waive the annual premium pay limitation resulting from Section 5547 of title 5, U.S.C. or a similar limitation otherwise established for employees up to the annual rate of the salary payable to the Vice President pursuant to Section 104 of title 3 U.S.C., which is \$230,700 for calendar year 2012. This waiver authority applies to DoD employees who (1) perform work while in an overseas location that is in the area of responsibility of the Commander of the United States Central Command (US CENTCOM) or an overseas location that was formerly in the area of responsibility of the US CENTCOM Commander but has been moved to the area of responsibility of the Commander of the United States Africa Command (US AFRICOM); (2) are subject to the provisions Section 5547 of title U.S.C. or a similar limitation otherwise established; (3) are assigned to an overseas location in the US CENTCOM or the US AFRICOM areas of responsibility specified at Appendix A for at least 42 consecutive calendar days; and (4) perform work in direct support of, or directly related to the response to a national emergency declared by the President or a military operation, including a contingency operation as defined in Section 101(a)(3) of title 10, U.S.C.

By agreement with the Under Secretary of Defense for Intelligence (USD(I)), the annual premium pay cap for employees under the Defense Civilian Intelligence Personnel System (DCIPS) is waived up to the annual rate of the salary payable to the Vice President pursuant to Section 104 of title 3, U.S.C., which is \$230,700 for calendar year 2012. This waiver authority applies to DoD employees covered by DCIPS who meet the four specified criteria described in the paragraph above.

For all covered employees, the increased annual premium pay limitation was effective on January 1, 2012, and applies to premium payments payable to an eligible employee during the 2012 calendar year.

Employees may be paid premium pay only to the extent that the payment does not cause the total of his or her basic pay and premium pay payable in the 2012 calendar year to exceed \$230,700. The increased premium pay cap cannot be applied to premium payments earned before an employee is assigned to the US CENTCOM or the US AFRICOM areas of responsibility specified at Appendix A but those payments will be counted toward the \$230,700 limitation if paid during the 2012 calendar year.

Employees assigned to Iraq or Afghanistan for at least 42 days are deemed to meet the eligibility requirements for the increased premium pay cap and no further determination regarding these employees is required. Determinations about whether employees in other U.S. CENTCOM or U.S. AFRICOM overseas areas of responsibility (Appendix A) perform work that meets the fourth eligibility criterion described in the first paragraph above, i.e., whether the employee is performing work in direct support of, or directly related to the response to a national emergency declared by the President or a military operation, including a contingency operation as defined in Section 101(a)(13) of title 10 U.S.C., must be made on a case-by-case basis.

Secretaries of the Military Departments and the Heads of Defense Agencies and DoD Field Activities with independent appointing authority on behalf of themselves and their serviced populations are hereby delegated the authority to determine when employees, other than employees assigned to Iraq or Afghanistan, meet the eligibility criteria. This authority may be further delegated, in writing, to managerial and supervisory levels deemed appropriate.

NOTE: Following withdrawal of military forces from Iraq, civilian employees assigned to Iraq are no longer considered to be supporting a military operation. Instead, beginning in 2012, such employees are deemed to meet the eligibility requirements for the increased premium pay cap based on their performance of work in direct support of, or directly related to the response to a national emergency declared by the President; Continuation of the National Emergency with Respect to the Stabilization of Iraq, signed May 17, 2011. If the National Emergency with Respect to the Stabilization of Iraq is not continued beyond May 22, 2012, employees assigned to Iraq will again become subject to the premium pay limitations under Section 5547 of title 5, U.S.C. However, payment for the pay period ending May 19, 2012, will remain subject to the higher limitation.

For employees who were serving in the area on January 1, 2012, the 42 consecutive days may include days served in 2011. The 42 consecutive days also may include days served in Afghanistan in 2013, although the higher annual pay limitation addressed in this policy will apply only to premium pay payable in 2012. For employees serving in Iraq, work days subsequent to termination of the the national emergency declared by the President on May 22, 2012 may be counted toward the 42 day consecutive service requirement. If the national emergency is extended by the President, employees in Iraq will continue to be covered by the higher pay limitations.

#### Aggregate Pay

Pursuant to Section 1101(b) of the NDAA 2009, amended as noted above, the calendar year 2012 aggregate pay limitation for total annual compensation (\$199,700) does not apply to employees covered by Section 5307 of title 5, U.S.C., or similar limitation (such as Section 9901.313 of title 5 of the Code of Federal Regulations (C.F.R.)), for whom the annual premium pay cap is waived under this policy. These employees are limited to base pay and premium pay payable in 2012 not to exceed \$230,700 but all other compensation that normally would be subject to the aggregate pay cap in Section 5307 of title 5, U.S.C., or similar limitation will be paid as it is earned. By agreement with the USD(I), this aggregate pay limitation waiver also applies in the same manner to employees covered by DCIPS.

#### Additional Guidance

When an eligible employee (including an employee covered by DCIPS) no longer performs work in support of a declared emergency or a covered military operation or when the employee is reassigned to a position outside the covered geographic area of responsibility, the employee will be subject to the biweekly limitation for that position and location as established by Section 5547 of title 5, U.S.C., Section 9901.362 of titles 5, C.F.R., or under Sections 1601-1603 of title 10, U.S.C., as applicable.

The higher annual limitation on premium pay established under Section 1101 of the NDAA 2009, as amended by 1104 of the NDAA 2010, and, for DCIPS employees by this policy, will apply during calendar year 2012 to an employee's annual basic pay plus premium pay even after the employee has stopped performing work covered by Section 1101 of Public Law No. 110-417, as amended by 1104(a) of Public Law No. 112-81 and this policy. After an employee stops performing covered work, the employee's earnings again will be subject to the biweekly premium pay limitation under Section 5547 of title 5, U.S.C., or Sections 1601-1603 of title 10, U.S.C., as applicable. Employees still could receive premium payments up to the biweekly premium pay limitation each pay period until the \$230,700 annual premium pay limitation under Section 1101(a) of NDAA 2009, or this policy, as applicable, is reached. (Note: If such an employee's aggregate projected basic pay plus premium pay payable for 2012 is less than the annual limit established under Section 5547 of title 5, U.S.C., an agency may invoke that annual limit, if appropriate, and pay premium pay in excess of the biweekly limit. Once the Section 5547 annual limit is reached, the employee would be again subject to the Section 5547 biweekly limit and simultaneously subject to the \$230,700 annual premium pay limit.)

If an employee's premium pay limitation is increased to \$230,700 and, at the end of calendar year 2012, the employee did not meet the eligibility criteria, the employee must reimburse the Department for premium payments made in excess of the applicable limitation. The debt collection process for continuing employees is outlined in DoD 7000.14-R, Department of Defense Financial Management Regulation (DoDFMR), Volume 8, and the debt collection process for debtors no longer in government service is found in DoDFMR, Volume 5.

To the extent that a waiver results in payment of additional premium pay of a type that is normally credited as basic pay for retirement or any other purpose, such additional pay shall not be considered to be basic pay for any purpose, nor shall it be used in computing a lump-sum payment for accumulated and accrued annual leave under Section 5551 of title 5, U.S.C.

Time and attendance and electronic personnel and payroll procedures established in 2009 remain essentially the same. Timekeepers should continue to provide the Defense Finance and Accounting Service (DFAS) with the necessary data on employees who are projected to work in a covered overseas location for a period of at least 42 consecutive days.

Authorized management officials should ensure personnel records are established in the Defense Civilian Personnel Data System (or equivalent) and DFAS is provided the required data even if the employee has left the overseas location prior to the issuance date of this policy. Authorized management officials also must update personnel records when an employee departs the area prior to meeting the 42 day eligibility criterion.



## DEFINITION OF TERMS

*Aggregate Pay Limitation.* The maximum amount of an employee's total calendar year payable income as specified in Section 5307 of title 5, U.S.C., Section 9901.313(b) of title 5, C.F.R., or similar pursuant to Sections 1601-1603 of title 10, U.S.C., as applicable.

*Annual Premium Pay Limitation.* The maximum amount of basic pay and premium pay payable in a calendar year to an employee as specified in Section 5547(a) of title 5, U.S.C., Section 9901.362(a) of title 5, C.F.R., or similar pursuant Sections 1601-1603 of title 10, U.S.C., as applicable.

*Area of Responsibility.* The geographic area associated with a combatant command within which a combatant commander has authority to plan and conduct operations.

*Contingency Operation.* As defined in Section 101(a)(13) of title 10, U.S.C., a military operation that is designated by the Secretary of Defense as an operation in which members of the armed forces are or may become involved in military actions, operations, or hostilities against an enemy of the United States or against an opposing force; or results in the call or order to, or retention on, active duty of members of the uniformed services under Sections 331-335, 688, 12301(a), 12302, 12304, 12305, 12406, of title 10, U.S.C., or any other provision of law during a war or during a national emergency declared by the President or Congress.

*Military Operations.* Operations that encompass the use of military capabilities across the range of military operations. These military actions can be applied to complement any combination of the other instruments of national power and occur before, during, and after war.

*National Emergency.* A condition declared by the President or the Congress by virtue of powers previously vested in them that authorize certain emergency actions to be undertaken in the national interest. Action to be taken may include partial, full, or total mobilization of national resources.

*Premium Pay.* Premium pay subject to the annual premium pay limitation is the dollar value of earned hours of compensatory time off and additional pay authorized for overtime, night, Sunday, or holiday work; or for standby duty, administratively uncontrollable overtime work, or availability duty. It excludes overtime pay paid to employees under the Fair Labor Standards Act and compensatory time off earned in lieu of such overtime pay.

**COUNTRIES IN CENTCOM OVERSEAS AREA OF RESPONSIBILITY**

1. Afghanistan
2. Bahrain
3. Egypt
4. Iran
5. Iraq
6. Jordan
7. Kazakhstan
8. Kuwait
9. Kyrgyzstan
10. Lebanon
11. Oman
12. Pakistan
13. Qatar
14. Saudi Arabia
15. Syria
16. Tajikistan
17. Turkmenistan
18. United Arab Emirates
19. Uzbekistan
20. Yemen

**COUNTRIES IN AFRICOM OVERSEAS AREA OF RESPONSIBILITY**  
(Formerly in US CENTCOM Overseas Area of Responsibility)

1. Djibouti
2. Eritrea
3. Ethiopia
4. Kenya
5. Seychelles
6. Somalia
7. Sudan

## Department of the Army Reporting Instructions Increased Annual Premium Pay Limitation Calendar Year (CY) 2012

On April 11, 2012, the Under Secretary of Defense issued DoD guidance continuing an increased annual premium pay limitation into 2012 for eligible employees working in the US Central Command (CENTCOM) and US African Command (AFRICOM) Areas of Responsibility (AOR). The CY 2012 period of entitlement is 18 December 2011 through 15 December 2012 and the increased limit remains at \$230,700. These dates are based on when the money is paid (i.e., salary for pay period 18 December 2011 to 31 December 2011 is paid on 12 January 2012 within CY 2012; salary for pay period 2-15 December 2012 is paid on 27 December 2012 which is also in CY 2012; but salary for pay period 16-29 December 2012 will be paid on 10 January 2013 and is not covered in the CY 2012 entitlement). Those eligible employees assigned to Iraq and Afghanistan are immediately authorized for the increased annual premium pay limitation. Those assigned to countries outside of Iraq and Afghanistan will require the Army delegation memorandum.

This year, as in 2011, the Administrative Assistant to the Secretary of Army, Army Commands, Army Service Component Commands, and Direct Reporting Units will submit to the Civilian Human Resources Agency (CHRA) point of contact: email address: [rhonda.lindsey@us.army.mil](mailto:rhonda.lindsey@us.army.mil), the names and contact information for a primary POC and an alternate POC. In addition, those command POCs must send an email with their certificate to this email address to allow for encrypted email messages being received and sent. The established POCs will submit an EXCEL spreadsheet with the name, SSN, Pay Plan, Series and Grade/Level, Beginning Date of Entitlement (no earlier than 18 December 2011), Termination Date of Entitlement (if the employee has already returned from deployment), command code, unit identification code (UIC), the primary country of deployment, and the date the spreadsheet was submitted to CHRA in the format designated in the attached template (Prem Pay Ind 2012.xls). A memorandum signed by the authorized management official – no lower than the commander or the civilian equivalent head of an activity – with the authority to certify employee eligibility is required to authorize the increased annual premium pay limitation for employees serving in the AOR for countries outside of Iraq and Afghanistan. The memorandum must be on file at the servicing command and include a statement that certifies the employees listed have been or will be in the covered AOR for the required 42 consecutive days and meet all other criteria in the DoD guidance. Only these employees should be included on the spreadsheet. **A memorandum is not needed for those eligible employees assigned to Iraq and Afghanistan since they are deemed to meet the eligibility requirements.** For those employees who became eligible for the 2012 increased annual premium pay limitation prior to the issuance of the DoD implementation guidance and who have already terminated their deployment, both the beginning

and the termination date of deployment should be annotated on the initial spreadsheet. No future dates for beginning the entitlement or terminating the entitlement can be accepted.

A single spreadsheet from each Army Command, Army Service Component Command, and Direct Reporting Unit should be submitted for each pay period listing only those employees who qualify no earlier than the current pay period ending (PPE) date. (Note: The initial spreadsheet should include all employees eligible between 18 December 2011 and the time the DoD/Army implementation guidance was issued). Each employee's name/SSN will be initially reported once. The commencement date for reporting this information will coincide with the issuance of applicable DoD implementation guidance. The spreadsheet should be encrypted and submitted to email address: [rhonda.lindsey@us.army.mil](mailto:rhonda.lindsey@us.army.mil). Spreadsheets submitted from someone other than the designated primary or alternate command POC will be returned unprocessed. The spreadsheet should be provided as soon as the eligibility is confirmed to ensure proper payment quickly.

Eligible employees assigned to countries outside of Iraq and Afghanistan can be reported, but they will not be coded until the Army delegation is received.

If there are no employees to report, a one-time memorandum should be submitted to CHRA POC: [rhonda.lindsey@us.army.mil](mailto:rhonda.lindsey@us.army.mil) stating the command has no employees eligible as of the date that the procedure is started. This step will serve as notification that no action is needed for the command or unit at this time.

**Initial spreadsheet processing:** Once the initial spreadsheet is received at CHRA from the commands, additional data from the Defense Civilian Personnel Data System (DCPDS) will be added to the submitted spreadsheet and the consolidated spreadsheet will be provided to the AUTONOA group and the processing team. Once the entitlement code is entered into the personnel automated system, it will flow to the payroll automated system (the Defense Civilian Payroll System (DCPS)). Once DCPS is successfully coded, payment of any cutback monies the employee is owed will be paid in the following pay period.

**Timelines:** Commands are strongly encouraged to include all employees eligible for the 2012 increased annual premium pay limitation up to the time of the DoD guidance issuance in their first spreadsheet submission, which should be submitted as soon as possible after the guidance is issued, (preferably within two weeks of the issuance) to ensure prompt payment for employees.

**Additional eligibility spreadsheet processing:** For those eligible employees who are not included in the initial spreadsheet or who deploy after the DoD issuance during 2012, additional spreadsheets in the same format should be submitted to the CHRA points of contact: email address:

[rhonda.lindsey@us.army.mil](mailto:rhonda.lindsey@us.army.mil) by the second Wednesday of each pay period. Names submitted in the same pay period that they are effective should be processed more quickly. Names submitted retroactively (i.e., in one pay year with the effective date in an earlier pay year) will take longer to process because DFAS will need to manually code the action.

**Termination spreadsheet processing:** When an employee no longer meets the eligibility criteria for the increased annual premium pay limitation, a separate spreadsheet must be submitted to document the end of the deployment for the listed individuals. The established POCs will submit an EXCEL spreadsheet with the name, SSN, Pay Plan, Series and Grade/Level, Beginning Date of Entitlement (no earlier than 18 December 2011), Termination Date of Entitlement, command code, unit identification code (UIC), the primary country of deployment, and the date the spreadsheet was submitted in the format designated in the attached template (Prem Pay Ind 2012.xls). Coding only the termination date requires separate processing and must be kept separate from the initial entitlement coding. No future dates for terminating the entitlement can be accepted.

**Status Updates:** The CHRA POC will provide status of the DCPDS coding to the designated command POCs. Once CHRA notifies the command that the DCPDS coding is completed, status updates on the payment due must come from DFAS. If the command confirms that employee's coding has been accomplished by reviewing the completion lists provided by CHRA, but their salary is still being cutback, the employee should contact their servicing payroll office through their CSR to request the status of the back payment. For retroactive payments (prior to the current pay year), it is estimated that it will take two pay periods or longer for the retroactive pay to be computed at the payroll office after the DCPDS coding is accomplished. To reduce workload at DFAS, it is recommended to not contact them until the two pay periods have passed after DCPDS coding has been confirmed. The command should keep the impacted employees informed of the status of the coding at the servicing personnel office based on reports received from the CHRA POC.

The employees listed on the spreadsheet will have the entitlement code for the increased annual premium pay limitation coded into both the payroll and personnel automated systems. The increased annual premium pay limitation will be in effect for the entire year.

All employees that became eligible for the 2012 increased annual premium pay limitation prior to the issuance of the applicable DoD implementation guidance will receive their cutback monies that they are owed once the coding has been completed. If these employees had intervening actions between the time they became eligible and the time the guidance is issued, they will require additional coding by the servicing personnel office.

The first pay period of eligibility for the \$230,700 limitation was PPE 31 December 2011, the first pay period with payment in 2012. The last pay period to be eligible under the policy will be PPE 15 December 2012, which is the last pay period with payment in 2012.

Payments to employees for deferred monies will be made on a current pay period basis against the data in DCPS once the employee has been identified to DFAS.

The annual aggregate limit will not apply in calendar year 2012 to any eligible employee. Eligible employees will receive all payments immediately rather than having such payments deferred until 2013.

There are two different pay limitations that cover different pay categories:

a. The annual maximum earnings limitation (\$230,700 for 2012) includes basic and locality pay PLUS premium pay (which includes overtime, Sunday pay, holiday pay, and night differential). All these categories except Basic and locality pay are premium pay items and not deferrable. Eligible DoD employees who are granted a waiver under the CENTCOM authorities will be covered by a higher annual premium pay cap and will be entitled to premium payments to the extent the employee's combined payable amount of basic pay and premium pay for calendar 2011 does not exceed the annual rate of salary payable to the Vice President under 3 U.S.C. 104 (\$230,700 for 2012).

b. The aggregate limitation of pay includes awards, supervisory differential, physician comparability, recruitment/relocation/retention incentive, post differential and danger pay. Pay of these types will not be limited and will be paid in CY 2012 rather than deferred.

Name	PP-SER-GR	SSN	Beginning Date (Date employee began serving in the covered location, or 18 Dec 2011, whichever is later. Cannot be a projected date beyond the current pay period.)	Termination Date (Date the employee departed the covered area or stopped performing covered work. Cannot be a projected date beyond the current pay period.)	Command Code	UIC	Primary Deployment Site	Date this spreadsheet was submitted to CHRA
<i>Doe, John Q.</i>	<i>GS-0810-12</i>	<i>012345678</i>	<i>18-Dec-2011</i>	<i>02-Mar-2012</i>	<i>XG</i>	<i>W0Y6AA</i>	<i>Iraq</i>	<i>5-Mar-12</i>

## **2012 Army Processing Instructions for Increase in Annual Premium Pay Limitation for CENTCOM**

1. **Background:** On April 11, 2012, the Office of the Under Secretary of Defense issued DoD guidance on the increased annual premium pay limitation for CY 2011 for eligible employees working in an overseas location in the Area of Responsibility (AOR) of the Commander, US Central Command (CENTCOM) or in an overseas location that was formerly in the CENTCOM AOR but has been moved to the AOR of the Commander, US Africa Command (AFRICOM). The CY 2012 period of entitlement is 18 December 2011 through 15 December 2012 and the increased limit is \$230,700. No further delegation is required for eligible employees assigned to Iraq and Afghanistan; they are immediately authorized the increase in the annual premium pay limitation. The re-delegation for eligible countries outside of Iraq and Afghanistan is still pending, and employees assigned to these countries cannot yet be coded.

2. **Guidance Provided to Army Commands, Army Service Component Commands, and Direct Reporting Units:** The Army Commands, Army Service Component Commands, and Direct Reporting Units have been instructed to identify the eligible employees assigned to Iraq and Afghanistan, and submit a spreadsheet to CHRA. Employees outside of Iraq and Afghanistan can be reported, but they will not be coded until the Army re-delegation memorandum is received. The spreadsheet will include the name, SSN, Pay Plan, Series, Grade, Beginning Date of Entitlement (no earlier than 18 December 2011), Termination Date of Entitlement (if the employee has already returned from deployment), command code, unit identification code (UIC), and the primary country of deployment. Only those employees eligible for the increased annual premium pay limitation for calendar year 2012 will be submitted in this manner. Those eligible employees assigned to Iraq and Afghanistan are deemed to meet the eligibility requirements for the increased annual premium pay cap, and they do not require a Command memorandum. The Army commands, Army Service Component Commands, and Direct Reporting Units will be responsible for determining the eligibility of employees outside of Iraq and Afghanistan for the entitlement as well as keeping a signed, formal memorandum on file which clearly states that the employees identified in the spreadsheets are eligible for the entitlement.

3. **Region Processing:** The CENTCOM coding has been consolidated for the CONUS regions and processed by the AUTONOA group and the NC Foreign Entitlements Processing Team. The coding for the OCONUS employees will be completed by the AUTONOA group and the servicing region. CHRA will provide a listing to the NC Foreign Entitlements Processing Team and the OCONUS regions of those employees requiring the coding.

4. **Problem Reporting:** The commands have been instructed to inform their employees to contact their command POC for status of the payment. The CHRA POC will keep the command POCs informed regarding which employees have been successfully coded by HR. Once the CHRA POC has confirmed the DCPDS coding has



been completed, the employees can contact DFAS via their Customer Service Representative (CSR) if they have questions regarding the status of payment. A separate notification has been provided to the commands to share with their employees. The HR community will also have this notification to share with impacted employees in their region.