

ADVANCED PAY

INTRODUCTION

An advance of pay is a prepayment made available to an employee in a pay status. Each of the authorities requires an employee to sign a repayment agreement which details how an advance in pay will be recovered. This reference guide presents an overview of the different types of advance payments for Department of Defense (DoD) employees and provides answers to frequently asked questions.

ADVANCE PAYMENTS FOR NEW HIRES

Eligibility: An official who exercises personnel appointing authority may make advance payments of basic pay to any individual who is “newly appointed” to a position with a scheduled tour of duty. Newly appointed means: the first appointment, regardless of tenure, as an employee of the Federal Government; a new appointment following a break in service of at least 90 days; or a permanent appointment in the competitive service following termination of employment in an Internship Program (as described in 5 CFR part 362, subpart B), provided such employee-

- Was separated from the service, in a nonpay status, or a combination of both during the entire 90-day period immediately before the permanent appointment; and
- Has fully repaid any former advance in pay under § 550.205.

Payment: The maximum amount that may be advanced is based on an employee’s rate of basic pay on the date of appointment less the amount of any allotments or deductions. (See the definition of “rate of basic pay” in 5 CFR 550.202.) An advance in pay may be made to an employee no earlier than the date of appointment with the agency and no later than 60 days after the date of appointment. The advance may be in one or more installments, covering not more than 2 pay periods.

Purpose: An advance payment is intended to help an employee pay immediate expenses related to starting a new job and/or relocating to a new geographic area.

References: See 5 U.S.C. 5524a (a) (1); 5 CFR part 550, subpart B; DoD Instruction Number 1400.25,V550, Pay Administration; DoD 7000.14-R, DoD Financial Management Regulation, Volume 8: “Civilian Pay Policy”, Paragraph 030906.

ADVANCE PAYMENTS FOR EMPLOYEES RELOCATING TO FOREIGN AREAS

Eligibility: Up to three months’ pay may be paid in advance to an employee being assigned to a post in a foreign area. Newly hired employees who are in a pay status and traveling to a foreign area on travel orders are also covered. According to Section 040 of the Department of State Standardized Regulations(DSSR), an employee must be a U.S. citizen, officially stationed in a foreign area, except as otherwise specifically provided in the DSSR; receiving basic compensation; and eligible for allowances and differentials under subchapter 030 of the DSSR.

Payment: An employee may be authorized a single, lump-sum pay advance of up to 3 months of base pay. An employee may request an advance of pay 3 weeks before the estimated departure date for an assignment to a foreign duty post or up to 2 months after arrival. The employee must request an advance on the SF 1190 which serves as the request, authorization, and voucher document. The

repayment is made by payroll deduction over a maximum of 26 pay periods, or partial or lump-sum payments.

Purpose: Advanced pay is intended to finance unusual employee expenses associated with overseas assignments and to aid foreign assignment recruitment and retention. Such expenses include transportation, storage of household goods, shipping costs, deposits on living quarters overseas, and purchase of household items.

References: See 5 U.S.C. 5927; Department of State Standardized Regulations (DSSR) Section 850; DoD 7000.14-R, DoD Financial Management Regulation (FMR), Volume 8: “Civilian Pay Policy”, Paragraph 030901; and DoDI 1400.25, V1250, Overseas Allowances and Differentials.

ADVANCE PAYMENTS FOR EMERGENCY CONDITIONS

Eligibility: Employees who are ordered, or whose dependents are ordered, to depart from areas under emergency conditions, inside or outside the United States, may be paid in advance of the normal pay day.

Payment: An agency may provide an advance payment of pay, allowances and differentials to which an employee otherwise would be entitled prior to the evacuation order. The amount of advance payment shall cover a time period not to exceed 30 days or a lesser number of days, as determined by the authorizing agency official.

Purpose: Advance payments are intended to help employees defray the immediate expenses incident to the evacuation.

References: See 5 U.S.C. 5521-5524 (U.S. and Foreign areas); 5 CFR part 550, subpart D; and DSSR 615.

ADVANCE PAYMENTS FOR EMPLOYEES RELOCATING WITHIN THE U.S. AND ITS TERRITORIES

Eligibility: Employees assigned by their agency to positions located outside of their current commuting area but within the U.S. and its territories and possessions may be authorized advances in pay. A location is considered outside the employee’s current commuting area if the worksite of the new position is at least 50 miles farther from the employee’s current residence than the old worksite is from the same residence. Employees with competitive or excepted service appointments under any authority are covered by this provision.

Payment: Advances may be in one or more installments, covering no more than 4 pay periods. The employee must repay the advance through payroll deduction over a maximum of 14 pay periods, although partial or lump sum repayment may be accepted at any time.

Purpose: An advance in pay for relocating employees is intended to help defray extra, out-of-pocket expenses associated with moving between duty stations in the U.S. and its territories. For example, such expenses may include the payment of a security deposit, an extra month’s rent, or the purchase of household items.

References: See 5 U.S.C. 5524a (a) (2), DoD 7000.14-R, DoD FMR, Volume 16: “DoD Debt Management”

FREQUENTLY ASKED QUESTIONS AND ANSWERS

1. May an employee receive an advance in pay due to financial hardship?

No. There is no authority to pay a current employee an advance in pay for this purpose.

2. May an employee receive an advance of pay for medical reasons?

No. There is no authority to pay a current employee an advance in pay for this purpose.

3. If an individual is doing "first duty station" to an overseas area can they get an advance in pay?

Any DoD employee newly assigned to a post in an overseas/foreign area is eligible for advance pay.

4. If an employee is relocating overseas and is approved for an advance of pay which is less than the maximum amount allowed, are they able to request another advance later on for the remaining amount?

Per the DoD Financial Management Regulations (FMR), Volume 8, Chapter 3, par. 030905, on an exception basis, an additional advance payment shall be authorized when circumstances warrant and the employee has not received the full amount of the maximum possible advance consistent with the employee's pay grade. Examples of circumstances warranting a second payment, but not an all-inclusive list, are a substantial understatement of the maximum advance authorized; inadequate or inappropriate counseling on the purpose of the advance; and unforeseeable events leading to a significant increase in the cash outlay requirements of an employee at the foreign assignment location. However, the employee must request all advances within the time period as stated in DoD FMR, Volume 8, Chapter 3, par. 030901 C., three weeks before the estimated departure date for an assignment to a foreign duty post or up to two months after arrival.

5. How does one pay an immediate cash advance payment to an employee who has received an evacuation order?

The Joint Travel Regulations (JTR), Chapter 6, contains information on advance pay for evacuations and adverse conditions. This section references the Department of State Standardized Regulations (DSSR), which covers payments for evacuations OCONUS. DSSR 615 explains advance payment, including eligibility, amount of payment, payment procedures, and recovery.

REFERENCES

- OPM Fact Sheet: Evacuation Payments

CONTACT

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