MEMORANDUM FOR DEPUTY CHIEF OF NAVAL OPERATIONS (MANPOWER, PERSONNEL, TRAINING & EDUCATION)(N1)/CHIEF OF NAVAL PERSONNEL

SUBJECT: Approval of Delayed FY15 Navy Active Component (AC) Aviation Continuation Pay (ACP) Plan


Aviation Continuation Pay (ACP) is a targeted incentive program that is evaluated and adjusted annually to ensure all applicable AC Naval Aviation officer manpower requirements are met. Any revision or modification to the Navy’s AC FY15 ACP Plan requires approval from ASN(M&RA). Future years’ ACP Plans will remain due to my office no later than mid-November of each year.

Navy shall submit an execution report of the FY15 ACP bonus program to the Principal Deputy Under Secretary of Defense (Personnel and Readiness), via this office (ASN(M&RA)), no later than December 2015. The guidance concerning this report is contained in DoDI 7730.57.

While I am approving the FY15 ACP Plan as finally submitted, both the structure of the bonus and the program information would benefit from a thorough restructuring and editing. My staff is available to assist in improving both the content and timeliness of next year’s plan.

Attachment:
(1) FY15 Navy AC ACP Plan and Program Information

Copy to:
ODUSD (P&R) (MPP) w/attachment
FY-15 AVIATION DEPARTMENT HEAD RETENTION BONUS PROGRAM

INFORMATION

(ACTIVE COMPONENT: DESIGNATORS 1310 AND 1320)

1. Introduction. The Department of the Navy authorizes Aviation Career Continuation Pay (ACCP) as a supplement to Aviation Career Incentive Pay (ACIP) to enhance retention of career-minded aviation officers. The intent of the Aviation Department Head Retention Bonus (ADHRB) is to retain aviation officers through their department head (DH) tours. Commanding Officers (CO) shall encourage qualified aviators to submit applications for the ADHRB. COs must ensure that the information provided in the officer’s application is complete and accurate, that the officer meets all eligibility requirements, and that no action is pending that may result in the officer being ineligible for ACCP. COs must provide positive endorsement of each ADHRB application.

2. Contract Terms. The FY-15 ADHRB offers eligible officers an incentive to remain on active duty in aviation service for five years, beginning at or after the expiration of their winging active-duty service obligation (ADSO). Officers who sign ADHRB contracts incur five years of obligated service beginning on the later of the following two dates: 1) expiration of winging ADSO, or 2) contract approval by PERS-43. Entering into an ADHRB contract also constitutes consent to be considered by the aviation DH screen board (ADHSB) and, if selected, to accept DH orders and complete a DH tour. Total ADHRB contract amounts are:

<table>
<thead>
<tr>
<th>Role</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>HM Pilot</td>
<td>$75,000</td>
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<tr>
<td>HSC Pilot</td>
<td>$75,000</td>
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<tr>
<td>HSL/HSM Pilot</td>
<td>$75,000</td>
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<tr>
<td>VAQ Pilot</td>
<td>$125,000</td>
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<tr>
<td>VAW/VRC Pilot</td>
<td>$125,000</td>
</tr>
<tr>
<td>VFA Pilot</td>
<td>$125,000</td>
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<tr>
<td>VP/VQ(P) Pilot</td>
<td>$75,000</td>
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<tr>
<td>VQ(T) Pilot</td>
<td>$75,000</td>
</tr>
</tbody>
</table>

3. Payment Program. ADHRB payments will be paid by direct deposit. The FY-15 ADHRB will be paid as follows:

   a. FY-15 Cohort. Aviators whose initial ADSO expires in FY-15 (1 October 2014 through 30 September 2015, inclusive) are members of the “FY-15 cohort” and are eligible for FY-15 ADHRB paid in five equal annual installments. The first installment
will be deposited upon date of contract approval by PERS-43, or at expiration of ADSO, whichever is later. Future installments will be deposited annually on the anniversary of the initial payment for the duration of the contract. ADHRB service obligation expires one year after the fifth and final payment.

b. FY-16 Cohort. Aviators whose initial ADSO expires in FY-16 (1 October 2015 through 30 September 2016, inclusive) are members of the “FY-16 cohort” and are eligible for the FY-15 ADHRB paid in six equal annual installments. The first installment will be deposited one year prior to the officer’s winging ADSO expiration or upon application approval by PERS-43, whichever is later. Five additional annual installments will be deposited, beginning on the date of ADSO expiration and thereafter on the first, second, third, and fourth anniversaries of ADSO expiration. ADHRB service obligation expires one year after the sixth and final payment.

4. Timelines. As of the date of this memorandum, applications will be accepted by PERS-435. Applications must be received by PERS-435 by 31 August 2015.

5. Eligibility to Apply for the FY15 ADHRB.

a. ADSO. Only officers whose initial winging ADSO expires during FY-15 or FY-16 are eligible to apply for the FY-15 ADHRB.

b. Contract activation and failure to select for promotion. Aviation officers who are otherwise eligible for the FY15 ADHRB may apply regardless of promotion selection status. ACCP contracts will not be activated, however, for those officers who are in a failure of selection (FOS) status for promotion to the next higher pay grade. (Contract activation is defined as disbursement of the first installment of ACCP). Any contract, not activated due to the applicant being in a FOS status, will be held in abeyance until such officer is selected for promotion or fails to be selected a second time. If an officer is selected for promotion, their contract will be initiated as a five-installment contract and their ADHRB obligation shall be defined as having begun at ADSO or ADHRB contract submission date, whichever is later. In all such cases, ADHRB obligation commitments are binding at the point when promotion status changes from FOS to “selected,” i.e., publication of the promotion board results. If the officer is not selected for promotion, PERS-43 will continue to hold the contract until the officer separates from the Navy or leaves the 1310/1320
community. Once the officer is separated, the contract will be destroyed.

A contract that has been activated prior to the first POS for promotion will not be affected in any way by a first POS. Payments will continue to be made until either a second POS or a second failed selection to Department Head, at which time the contract will be terminated in accordance with paragraph 7.b, below.

c. Designator. Applicants for this program must be active-duty unrestricted line aviators with a 1310 or 1320 designator.

d. ADHRB applicants must not be obligated under a current ACCP agreement, must not be selected for or actually promoted to the rank of commander (O-5) or above, and must not have completed an aviation DH tour.

e. Designator Change/Lateral Transfer within the Navy. An officer who has been selected for, and has accepted, transfer to a designator other than 1310 or 1320 is not eligible to apply for ADHRB.

f. Inter-Service Transfer. In addition to meeting all other requirements stipulated here, inter-service transfers from the Air Force, Army, Coast Guard, or Marine Corps who have been previously designated as an aviator must have completed the service obligation associated with earning the designator or rating in which they will serve in the Navy. This service obligation will define the ADSO for ADHRB eligibility purposes.

g. NFO-to-Pilot. Eligibility for NFO-to-Pilot transitions is based on ADSO incurred as a result of pilot winging, not NFO winging.

h. Applicants must be able to complete the full period of ACCP obligation in aviation service.

i. Applicants must be favorably recommended by their commanding officer or reporting senior.

j. All requirements for ACCP participation delineated in OPNAVINST 7220.9 apply. Final determination of an officer’s ADHRB eligibility shall be made by PERS-43.

a. Application for Lateral Transfer, Redesignation, or Inter-Service Transfer. Aviation officers obligated by an ADHRB contract are not eligible to apply for inter-service transfer, any lateral transfer or redesignation board, or any other program that would result in a change of designator or an inability to perform an aviation DH tour, until they are within 12 months of expiration of ADHRB obligated service, or within 12 months of the projected rotation date (PRD) from their DH tour, whichever is earlier.

b. Forfeiture of Future ADHRB Installments upon Selection for Lateral Transfer or Inter-Service Transfer. An officer under ADHRB contract who is selected for inter-service transfer, or for lateral transfer to any program or community that requires a change of designator (or to a program that does not result in a change of designator but does expressly exclude the officer from eligibility for special and incentive pays associated with warfare specialty, such as the Junior Permanent Military Professor program) loses entitlement to any future ADHRB installments scheduled to be paid after the results of the lateral transfer/redesignation board/process are made public. This policy does not apply to officers transferring to Aviation Engineering Duty Officer (AEDO), designator 1510. Because AEDOs continue their aviation service in the active component of the Naval Aviation Enterprise, they remain eligible to receive their full ADHRB after selection to the AEDO and re-designation as 1510.

c. Release from Duty as a 1310/1320 upon Selection for Lateral Transfer or Redesignation. Any officer who is selected for a lateral transfer or redesignation program while under ADHRB contract remains contractually obligated by the ADHRB to complete a full aviation DH tour in the active component regular Navy. Exceptions to this policy may be granted by PERS-43.

7. Repayment Policy. In order to maintain ADHRB eligibility while under contract, an officer must remain on active duty in aviation service in the designator they held when signing their contract (with the exception of transfer to AEDO, designator 1510, as described in paragraph 6.b above) and continue to meet all eligibility requirements listed in this memo and in OPNAVINST 7220.9. When an officer fails to satisfy the terms of the contract, PERS-43 shall either: 1) seek repayment of all ADHRB monies disbursed (e.g., refusing to execute DH orders, opting out of DH screening, negatively influencing the DH
selection board, submitting a “don’t pick me” letter to the DH board, etc; 2) seek repayment of the unearned portion of the bonus (e.g., service member misconduct); 3) allow the service member to keep bonus monies paid with no further payments (e.g. lateral transfer after completion of DH tour, or medical reasons not due to misconduct); or 4) pay the full amount of the contract (e.g., death or combat-related disability not due to misconduct). In addition to the repayment stipulations delineated in DOD FMR Volume 7A Chapter 2 and OPNAVINST 7220.9, the following conditions apply regarding an officer’s continuing eligibility to receive ACCP once under contract.

a. Promotion to LCDR and Screening for DH. The purpose of the ADHRB is to retain officers for DH screening and the completion of DH tours. An officer who twice fails to be selected for promotion to O-4, or who twice fails to screen for DH, is no longer capable of fulfilling the terms of the ADHRB contract. Such officers become ineligible for ACCP as of the release date of the results from the applicable board; ADHRB monies already received shall be retained by the officer, but scheduled future ADHRB installments shall be cancelled as of that date. Officers who attempt to influence the DH board against selecting them (via a “don’t pick me” letter, etc.), who refuse to execute DH orders, or who in any other way willfully evade the performance of an operational or operational-training aviation DH tour, are considered to be in breach of contract and will be subject to full recoupment of all ADHRB installments received.

b. Misconduct, Detached for Cause, etc. An officer who is detached for cause, relieved, removed from an assigned billet for adverse reasons, or is in any other way prevented from performing a DH tour through his or her own misconduct, loses ACCP eligibility effective on the date that the officer is no longer able to serve as an actual or prospective DH. This date shall be determined by PERS-43 on a case-by-case basis. Effective as of the date determined by PERS-43, scheduled future ACCP payments will be cancelled and the unearned portion of ADHRB monies already received will be recouped. If ADHRB eligibility is terminated for misconduct, eligibility for any future ACCP program will not be reinstated for any reason.

c. Death. In the event of the death of the service member, through no misconduct of his or her own, the unpaid portion of the ACCP contract will be awarded to the member’s estate.
8. PERS-43 is the final adjudication authority for all active component ACCP program execution issues to include policy, eligibility, contract termination, and repayment. This does not include remission of indebtedness cases. Any request for remission of indebtedness will be adjudicated by proper authority in accordance with applicable statute, Department of Defense regulations and Department of the Navy guidance.

9. **Application Procedures.**

   a. ADHRB applications must include the following items and no others (please do not submit any additional documentation not listed here):


      (2) Endorsement on command letterhead from Commanding Officer or reporting senior.

      (3) Copy of winging letter or other documentation of the date of designation as a Naval Aviator or Naval Flight Officer.

   b. **The ADHRB constitutes a binding legal contract.** As such, applicants must sign and submit the FY15 ADHRB contract exactly as written in the contract template. Applications containing language or content deviations will be rejected.

   c. Submit applications via Commanding Officer or reporting senior to:

      COMMANDER NAVAL PERSONNEL COMMAND
      PERS-435
      5720 INTEGRITY DRIVE
      MILLINGTON TN 38055-4300

      Before mailing originals, e-mail scanned copies of signed contract application and CO endorsement to Ms. Melinda Weeden at melinda.weeden@navy.mil. Applications must be received at PERS-43 by 31 August 2015. **Applications for the FY15 ADHRB will not be accepted after 31 August 2015.**

   d. ADHRB contracts will be considered binding as of the date of PERS-43 approval.
From: LCDR First Name MI Last Name, USN, 1310
To: Commander, Navy Personnel Command (PERS-435)
Via: Commanding Officer, Unit Name

Subj: REQUEST FOR FY15 ACCP (AVIATION DEPARTMENT HEAD RETENTION BONUS)

Ref: (a) FY15 Active Component ADHRB Program Information (available on NPC website)
(b) Title 37, United States Code, Sections 301b and 303a(e)
(c) DOD Financial Management Regulation, Volume 7A, Chapter 2
(d) OPNAVINST 7220.9
(e) MILPERSMAN 1920 Series

1. I have read and understand the provisions of references (a) and (d) including all provisions related to termination of payments to be made under this agreement and circumstances under which recoupment of sums paid may be required, to which I agree. I understand that if I fail to fulfill the terms of this contract, I may be subject to ACCP repayment in accordance with references (a), (b) and (c). I hereby apply for the special pay authorized by references (b) and (d).

2. Contingent upon acceptance of my application for this special pay, I agree not to resign, retire or voluntarily terminate my flight status with an effective date within five years from the completion of my undergraduate-flight-training-related active duty service obligation (ADSO) or acceptance of this request, whichever is later. I understand that I may not be eligible for redesignation prior to completion of my Aviation Department Head Retention Bonus (ADHRB) agreement, and that I am not eligible to apply for programs that would lead to redesignation until within one year of the end of my five-year ADHRB obligated service, or within one year of my projected rotation date (PRD) marking the completion of my aviation department head (DH) tour, whichever is earlier. I understand that even if my ADHRB service obligation expires prior to the end of my DH tour, that I may not be released from active duty, or from my assignment in my 1310 or 1320 designator, until my PRD, in accordance with ref (e). I understand that I will be ineligible for any other ACCP program until the expiration of my ADHRB service obligation. I understand that upon approval by PERS-43, this contract is binding, and that thereupon, as a Pilot (1310) in the HM community, I will be eligible to receive $75,000, paid out over the length of this agreement as described in reference (a).

3. By submitting this application, I acknowledge my intent and desire to participate in the DH screening process and consent to having my record reviewed, when I become eligible, by an aviation DH screen board (ADHSB). I acknowledge that I will not attempt to influence the board against selecting me (via "don't pick me" letter, etc), and that, if selected, I will accept orders to and complete a DH tour. I understand that final failure to be selected for promotion to LCDR (O-4), or final failure to be selected for DH, will terminate this contract. In either case, I will retain ACCP monies already received through the release date of results of the applicable board, but scheduled future ADHRB installments will be cancelled. I understand that if I attempt to influence the ADHSB against selecting me, if I do not accept orders to or complete a DH tour for any reason, or if I am unable to fulfill my five-year ADHRB service obligation for any reason, I will become ineligible for ACCP, scheduled future payments will be cancelled, and previous payments received may be subject to repayment in accordance with references (a), (b), (c), and (d).

4. My commercial number is XXX-XXX-XXXX. My preferred e-mail address(es) for ADHRB-related business is (enter one or more email addresses--ashore/at sea, etc).

First Name MI Last Name (with signature above)
SUBJ: FY14/FY15 AVIATION COMMAND RETENTION BONUS (ACRB)

Encl: (1) FY14/FY15 ACRB Program Information
(2) FY14/FY15 ACRB Contract Template

1. Purpose. The Department of the Navy authorizes Aviation Career Continuation Pay (ACCP) as a supplement to Aviation Career Incentive Pay (ACIP) to enhance retention of career-minded aviation officers. The ACRB is a subset of the FY14/FY15 ACCP Program. The intent of the ACRB is to retain the invaluable and irreplaceable experience and skill sets of the Navy's cadre of O-5 Commanding Officers (COs).

2. Terms. The FY14/FY15 ACRB offers eligible officers $35,000 in return for a commitment to remain on active duty as a Naval Aviator or Naval Flight Officer through 22 years of commissioned service, or for two years from contract approval date, whichever is later. Details are contained in enclosure (1).

3. Points of Contact. For application questions, contact Mr. Paul Boundy at (901) 874-3947 or paul.boundary@navy.mil; or Ms. Melinda Weeden at (901) 874-3964 or melinda.weeden@navy.mil. For policy questions, contact LCDR Greg Jonic at (901) 874-3484 or gregory.jonic@navy.mil.

4. This DGM will remain in effect until cancelled or superseded.

K. R. WHITESELL
Assistant Commander for
Career Management (PERS-4)

Distribution:
All PERS-43 Detailers
FY14/FY15 AVIATION COMMAND RETENTION BONUS (ACRB)

PROGRAM INFORMATION

1. Introduction. The Department of the Navy authorizes Aviation Career Continuation Pay (ACCP) in addition to Aviation Career Incentive Pay (ACIP) to enhance retention of career-minded aviation officers. The Aviation Command Retention Bonus (ACRB) has been reestablished as part of the Navy’s FY14/FY15 ACCP Program that offers a retention incentive to O-5 Commanding Officers (COs). The intent of the ACRB is to retain the invaluable and irreplaceable experience and skill sets of the Navy’s cadre of O-5 COs.

2. Contract Terms. The FY14/FY15 ACRB offers eligible officers $18,000 per year for two years of obligated service. If an officer's ACRB contract is approved by PERS-43 prior to that officer completing 20 years of commissioned service (YCS), then that officer's two-year ACRB obligation period is his or her 21st and 22nd years of commissioned service. If an officer's ACRB contract is approved after that officer has completed 20 YCS, then that officer's ACRB obligation period begins on the date of contract approval, and ends two years later. In either case, the ACRB will be paid in two installments of $18,000 (pre-tax amount). The first installment will be issued immediately upon contract receipt and approval by PERS-43. The second installment will be paid on the first anniversary of contract approval.

3. Eligibility.

   a. ACRB applicants must be currently serving as CO of an eligible operational (OP), operational training (OP-T), or Special Mission (SM) O-5 command in order to apply. Eligible commands are those OP, OP-T, and SM O-5 commands for which the annual Aviation Command Screen Board selects and slates officers to serve as CO, excluding second-in-grade/sequential/bonus/Fleet Replacement Squadron (FRS) commands. Eligibility to apply for the ACRB ends on the last day of command.

   b. ACRB applicants must be active duty unrestricted line aviators with a 1310 or 1320 designator.

   c. ACRB applicants must not be obligated under a current ACCP agreement.
d. Reserve aviators who are recalled to active duty, mobilized reserve officers, and officers under Active Duty Special Work (ADSW) orders are not eligible to apply for ACRB.

e. An officer who has been selected for and has accepted transfer to another community is not eligible to apply for ACRB.

f. All requirements for ACCP participation delineated in OPNAVINST 7220.9 apply. Final determination of an officer’s ACRB eligibility shall be made by PERS-43.

6. Lateral Transfer / Redesignation. Aviation officers obligated by an ACRB contract are not eligible to apply for any lateral transfer or redesignation board, or any program that would lead to a change of designator, until they have completed their two-year ACRB service obligation as described in paragraph 2 above.

7. Repayment Policy.

a. In order to maintain ACRB eligibility while under contract, officers must remain on active duty in aviation service in their 1310 or 1320 designator and continue to meet all eligibility requirements listed in this memo and in OPNAVINST 7220.9. Officers who fail to fulfill the terms of the contract will be subject to the repayment stipulations delineated in the DOD FMR Volume 7A Chapter 2 and OPNAVINST 7220.9.

b. In addition, an individual who is detached for cause (DFC), relieved, is removed from an assigned billet for adverse reasons, declines promotion to O-6, or submits a retirement request is no longer eligible for the ACRB. Scheduled future payments will be cancelled, as of DFC date, relief date, removal date, declination of promotion date, or retirement request date. Additionally, the unearned portion of ACRB will be repaid. “Unearned portion” means the pro-rated dollar amount corresponding to that part of the two-year ACRB service obligation (as defined in paragraph 2 above) that was not served. If ACRB eligibility is terminated for DFC or other adverse circumstances, eligibility for any future ACRB offering will not be reinstated for any reason.

8. Application Procedures. Email a signed copy of the ACRB contract (enclosure 2 of this DGM) to Ms. Melinda Weeden at melinda.weeden@navy.mil and LCDR Greg Jonic at gregory.jonic@navy.mil and mail the original to Commander Navy Personnel Command, PERS-435, 5720 Integrity Drive, Millington, TN 38055-4300. Applications must be received at PERS-43 while the applicant is still eligible or the application will be rejected. The ACRB constitutes a binding legal
contract, and will be considered binding as of contract approval date by PERS-43. As such, applicants must sign and submit the FY14/FY15 ACRB contract exactly as written in enclosure 2 of this DGM, verbatim. Applications containing language or content deviations will be rejected. Please use the Microsoft Word template provided at:


9. PERS-43 is the Program Manager for all ACCP program execution issues to include policy, eligibility, and termination. Upon acceptance of an officer’s agreement by the Program Manager, the amount of the bonus becomes fixed and the officer will incur a firm service obligation.

10. Points of Contact. For application questions, please contact Ms. Melinda Weeden at (901) 874-3964 / DSN 882-3964 / email melinda.weeden@navy.mil or Mr. Paul Boundy at (901) 874-3947 / DSN 882-3947 / email paul.boundary@navy.mil. For policy questions please contact LCDR Greg Jonic at (901) 874-3484 / DSN 882-3484 / email: gregory.jonic@navy.mil.
From: CDR First Name MI Last Name, USN, 1310
To: Commander, Navy Personnel Command (PERS-435)

Subj: REQUEST FOR FY14/FY15 AVIATION COMMAND RETENTION BONUS (ACRB)

Ref: (a) FY14/FY15 ACRB Program Information (PERS-4 DGM 4304-1409, Encl 1)
(b) Title 37, United States Code, Sections 301b, 303a(e), and 373
(c) DOD Financial Management Regulation, Volume 7A, Chapter 2
(d) OPNAVINST 7220.9
(e) MILPERSMAN 1920 Series

1. I have read and understand the provisions of references (a), (b) and (c) including all provisions related to termination of payments to be made under this agreement and circumstances under which repayment of sums paid will be required, to which I agree. I understand that if I fail to fulfill the terms of this contract, I will be subject to ACRB repayment in accordance with references (a) through (d). I hereby apply for the special pay authorized by references (a) and (b).

2. Contingent upon acceptance of my application for this special pay, I agree not to resign, retire, or voluntarily terminate my flight status with an effective date prior to the completion of my 22nd year of commissioned service, or two years from the date this contract is approved by PERS-43, whichever is later. I understand that I am not eligible to separate, retire, change my designator, or apply for programs that would lead to a change of designator until I have completed my two-year ACRB service agreement as defined in the previous sentence and in reference (a). I understand that even if my ACRB service obligation expires prior to the end of my post-command tour, that I may not be released from active duty, or from my assignment in my 1310 or 1320 designator, until my projected rotation date (PRD) in accordance with ref (e).

3. I understand that I will be ineligible for any other ACCP program until the expiration of my ACRB service obligation. I understand that upon contract approval by PERS-43, this application is binding, and that thereupon I will receive $36,000 paid out in two installments of $18,000 as described in reference (a).

4. I understand that if I am unable to fulfill my two-year service obligation for any reason, I will become ineligible for ACRB, all scheduled future payments will be cancelled, and previous payments received may be subject to repayment in accordance with references (a) through (d).

5. Any questions concerning my application can be directed to:
   DSN/commercial number: DSN phone #/Comm phone #
   Email address: email address

First Name MI Last Name w/ Signature above

PERS-4 DGM 4304-1409 Enclosure 2