DEPARTMENT OF THE NAVY
NAVY PERSONNEL COMMAND
5720 INTEGRITY DRIVE
MILLINGTON TN 38055-0000

7220
PERS-4
APR 17 2014

DISTRIBUTION GUIDANCE MEMORANDUM (DGM) #4302-1404

Subj: FY14 AVIATION DEPARTMENT HEAD RETENTION BONUS (ADHRB)

Encl: (1) FY14 ADHRB Program Information
(2) FY14 ADHRB 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 maximize retention of career-minded aviation officers.

2. Terms. "ACCP" refers to the Aviation Career Continuation Pay program in general, as governed by OPNAVINST 7220.9. The Aviation Department Head Retention Bonus ("ADHRB") is a subset of the FY14 ACCP program that offers a retention incentive to officers at or near the end of their initial winging Active Duty Service Obligation (ADSO). The intent of the ADHRB is to retain aviation-designated officers through their department head tours.

3. Points of Contact. For application questions, contact Mr. Paul Boundy at (901)874-3947 or paul.boundy@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 This DGM will remain in effect until cancelled or superseded.

J. D. ALEXANDER
Assistant Commander for
Career Management (PERS-4)

Distribution:
All PERS-43 Detailers

FY14 AVIATION DEPARTMENT HEAD RETENTION BONUS (ADHRB)

PROGRAM INFORMATION

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 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 FY14 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 initial 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 initial winging ADSO, or 2) contract approval by PERS-43. Entering into an ADHRB contract also constitutes consent to be considered by the ADHSB and, if selected, to accept DH orders and complete a DH tour. Total ADHRB contract amounts are:

HM Pilot	$75,000		
HSC Pilot	$75,000		
HSL/HSM Pilot	$75,000		
VAQ Pilot	$125,000	VAQ NFO	$100,000
VAW/VRC Pilot	$125,000	VAW NFO	$75,000
VFA Pilot	$125,000	VFA NFO	$75,000
VP Pilot	$75,000	VP NFO	$75,000
VQ(P) Pilot	$75,000	VQ(P) NFO	$50,000
VQ(T) Pilot	$75,000	VQ(T) NFO	$100,000

An officer whose MSR expires in FY2015, who signs an FY2014 ADHRB contract (i.e. an "early taker"), shall be allowed to sign a new contract worth the higher bonus amount, in the event that his or her community is offered a larger bonus next year. In these cases, ACCP obligated service will not change from the terms of the original FY2014 contract. If an early taker's community is offered a smaller bonus next year, that officer will remain under contract at the original (higher) rate.

3. Payment Program. ADHRB payments will be paid by direct deposit. ACCP installments are never tax-free, regardless of the individual's location upon receipt of initial payment or anniversary installments. The FY14 ADHRB will be paid as follows:

a. FY14 Cohort. Aviators whose initial ADSO expires in FY14 (01 October 2013 through 30 September 2014, inclusive) are members of the "FY14 cohort" and are eligible for FY14 ADHRB paid in five equal annual installments. The first installment will be deposited upon date of contract approval by PERS-43, or initial ADSO expiration, 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. FY15 Cohort. Aviators whose initial ADSO expires in FY15 (01 October 2014 through 30 September 2015, inclusive) are members of the "FY15 cohort" and are eligible for the FY14 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 on the anniversary of the officer's winging 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 2014. ***Applications for the FY14 ADHRB will not be accepted after 31 August 2014.*** Please call Ms. Melinda Weeden (contact information below) to confirm receipt of application prior to the deadline.

5. Eligibility.

a. ADSO. Officers whose initial winging ADSO expires during FY14 or FY15 are eligible to apply for the FY14 ADHRB. Officers whose initial winging ADSO expired on or before 30 September 2013, or whose ADSO will expire on or after 01 October 2015, are not eligible to apply for this year's ADHRB program.

b. Failure to select for promotion. Aviation officers in a failure of selection (FOS) status for promotion to the next higher pay grade are not eligible to apply for ADHRB. If an officer's promotion is being held in abeyance for any reason, bonus applications will be held until such a time that a final adjudication is made and officially promulgated.

c. Designator. This enclosure governs the active duty ADHRB. 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. Lateral Transfer. 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. An officer who has applied for or been selected for lateral transfer, but has not yet accepted, and subsequently signs an ADHRB contract, becomes ineligible to transfer or change designator until after completion of ADHRB obligated service.

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 complete their Navy winging obligation prior to applying for ADHRB.

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.

6. Prohibitions While Under ADHRB Contract.

a. Lateral Transfer / Redesignation.

(1) Aviation officers obligated by an ACCP contract are not eligible to apply for a lateral transfer / redesignation board or other programs that require a change of designator until they are within 12 months of expiration of ADHRB obligated service.

(2) If selected for lateral transfer, redesignation, or other programs that require a change of designator, redesignation of the

officer to the new community will not be executed, nor will the officer be released to the new community for duty, until completion of ADHRB service obligation or PRD from current orders, whichever is later.

b. Inter-Service Transfer. Officers under ADHRB contract are not eligible to apply for inter-service transfer out of the Navy until within 12 months of ACCP contract obligation expiration. The inter-service transfer will not be executed until after the ACCP obligation has expired.

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, 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 seek repayment of the unearned portion of the bonus (e.g., service member misconduct), allow the service member to keep bonus monies paid with no further payments (e.g., medical reasons not due to misconduct); or 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. ACCP earned through that date will be kept by the officer; however scheduled future payments will be cancelled and the unearned portion (as of the release date of board results) of ACCP already received will be recouped. Officers who attempt to influence the DH board against selecting them (via a "don't pick me" letter, etc), or who attempt to decline DH orders once selected, are considered to be in breach of contract and will be subject to full recoupment of all ADHRB installments received.

b. Detached for Cause (DFC), Etc. An individual that is detached for cause, relieved, or removed from an assigned billet for adverse reasons, is no longer ACCP eligible. Scheduled future payments will be cancelled and the unearned portion (as of DFC date) of ACCP already received will be recouped. If ACCP eligibility is

terminated for DFC or other adverse circumstances, eligibility for any future ACCP offering 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. Application Procedures.

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

(1) Signed ADHRB contract (enclosure 2 of this DGM). Please use the Microsoft Word template available at http://www.public.navy.mil/ bupers-npc/officer/Detailing/aviation/OCM/Pages/ACCP.aspx

(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.

b. ***The ADHRB constitutes a binding legal contract.*** As such, applicants must sign and submit the FY14 ADHRB contract exactly as written in enclosure 2 of this DGM, verbatim. Please use the template provided on the ACCP website. Applications containing language or content deviations will be rejected.

c. Eligible candidates may submit applications via their Commanding Officer or reporting senior to:

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

d. Application via fax or email is authorized, but hard copy of the original application must be submitted to the PERS-435 address above. If desired, please fax applications to (901) 874-2721 to the attention of Ms. Melinda Weeden, or email to melinda.weeden@navy.mil. Applications must be received at PERS-43 by 31 August 2014. ***Applications for the FY14 ADHRB will not be accepted after 31 August 2014.***

e. ADHRB contracts will be considered binding as of the date of PERS-43 approval.

9. PERS-43 is the final adjudication authority for all ACCP program execution issues to include policy, eligibility, 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.

10. Points of Contact

For application questions:

Mr. Paul Boundy at (901) 874-3947 / DSN 882-3947
E-mail: paul.boundy@navy.mil

Ms. Melinda Weeden at (901) 874-3964 / DSN 882-3964
E-mail: melinda.weeden@navy.mil

For policy questions:

LCDR Greg Jonic at (901) 874-3484 / DSN 882-3484
Email: gregory.jonic@navy.mil

FY14 AVIATION DEPARTMENT HEAD RETENTION BONUS CONTRACT

From: RANK First Name MI Last Name, USN, Designator
To: Commander, Navy Personnel Command (PERS-435)

Subj: REQUEST FOR FY14 ACCP (AVIATION DEPARTMENT HEAD RETENTION BONUS)

Ref: (a) FY14 ADHRB Program Information (PERS-4 DGM 4302-1404, Encl 1)
(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 initial winging active duty service obligation (ADSO) or acceptance of this request, whichever is later. I understand that I am not 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 ADHRB obligated service. I further understand that even if my ADHRB service obligation expires prior to the end of my department head (DH) 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). I further understand that I will be ineligible for any other ACCP program until the expiration of my ADHRB service obligation. I also understand that upon contract approval by PERS-43, this application is binding, and that thereupon I will be eligible to receive (*note 1*) as a (*note 2*) in the (*note 3*) community, 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 department head screen board (ADHSB). I further 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 keep that portion of ACCP that I earned, from beginning of ACCP obligated service through the release date of results of the applicable board; future payments will cease, however, and unearned portions of ACCP already received will be recouped. 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 service obligation for any reason, I will become ineligible for ACCP, that all scheduled future payments will be cancelled, and that previous payments received may be subject to repayment in accordance with references (a), (b), (c), and (d).

4. Any questions concerning my application can be directed to:
DSN/commercial number: xxx-xxxx /(xxx)xxx-xxxx
Email address:

(signature)
Typed name

FY14 AVIATION DEPARTMENT HEAD RETENTION BONUS CONTRACT INSTRUCTIONS

Note 1: ADHRB eligible aviators must enter the maximum contract amount for which they are eligible based on their designator and community. Enter as follows:

Pilot: Enter contract value as follows:

HM:	$75,000
HSC:	$75,000
HSL/HSM:	$75,000
VAQ:	$125,000
VAW/VRC:	$125,000
VFA:	$125,000
VP:	$75,000
VQ(P):	$75,000
VQ(T):	$75,000

NFO: Enter contract value as follows:

VAQ:	$100,000
VAW:	$75,000
VFA:	$75,000
VP:	$75,000
VQ(P):	$50,000
VQ(T):	$100,000

Note 2: Enter Pilot or NFO as applicable.

Note 3: Enter your applicable community:

HM/HSC/HSL/HSM/VAQ/VAW/VRC/VFA/VP/VQ(P)/VQ(T)

FY-14 ACCP applications must be received by PERS-435 no later than close of business on 31 August 2014.

If there are any questions on the status of your application, please contact PERS-43 prior to the deadline.