



DEPARTMENT OF THE NAVY
BOARD FOR CORRECTION OF NAVAL RECORDS
701 S. COURTHOUSE ROAD, SUITE 1001
ARLINGTON, VA 22204-2490

■
Docket No. 6072-22
Ref: Signature Date

From: Chairman, Board for Correction of Naval Records
To: Secretary of the Navy

Subj: REVIEW OF NAVAL RECORD ICO [REDACTED]
[REDACTED]

Ref: (a) Title 10 U.S.C. § 1552
(b) DODFMR, Vol 7A, Chapter 35
(c) MILPERSMAN 1920-060

Encl: (1) DD Form 149 w/attachments
(2) Subject's naval record

1. Pursuant to the provisions of reference (a), Subject, hereinafter referred to as Petitioner, filed enclosure (1) with the Board for Correction of Naval Records (Board), requesting that his naval record be corrected to receive full Involuntary Separations Pay (ISP) entered on his Certificate of Release or Discharge from Active Duty (DD Form 214) dated 6 January 2015.

2. The Board, consisting of [REDACTED] reviewed Petitioner's allegations of error and injustice on 28 September 2022 and, pursuant to its regulations, determined that the corrective action indicated below should be taken on the available evidence of record. Documentary material considered by the Board consisted of the enclosures, relevant portions of Petitioner's naval record, and applicable statutes, regulations, and policies.

3. The Board, having reviewed all the facts of record pertaining to Petitioner's allegations of error and injustice, found that, before applying to this Board, he exhausted all administrative remedies available under existing law and regulations within the Department of the Navy. The Board made the following findings:

a. Petitioner served on active duty from 13 July 1994 through 18 January 2002. At time of discharge, Petitioner was a Hospital Corpsman Second Class/E-5 with 7 years, 6 months, and 6 days of active service.

b. Petitioner commissioned and entered active duty on 15 May 2006.

c. On 31 January 2015, Petitioner was discharged as a result non-selection for permanent promotion. At the time of discharge, Petitioner completed 16 years, 2 months, and 22 days of total active duty service, received a Separation Code of "JGB," and authorized a separation payment computed at \$128,057.46.

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d. On 29 January 2015, Petitioner was issued a DD Form 215, Correction to DD Form 214, correcting Block 4b to read "O3E" vice "O3" on his DD Form 214 dated 6 January 2015.

e. Petitioner transferred to the Selected Reserve effective 1 February 2015, and on 2 February 2015, Petitioner was issued payment of ISP in the amount of \$97,243.26.

f. On 29 April 2015, Defense Finance and Accounting Service (DFAS) issued Petitioner a letter of indebtedness in the amount of \$24,715.86 indicating it was "due to a separation payment of \$97,243.26 dated 02/02/2015. This payment was an over-projected settlement amount that was paid during your month of separation."

g. Petitioner transferred to the Retired Reserves without pay effective 1 June 2021, and on 1 July 2022, DFAS issued Petitioner a subsequent notification of indebtedness for the same \$24,715.86 balance with accumulated interest bringing the new balance to \$36,784.91.

CONCLUSION

Upon review and consideration of all the evidence of record, the Board finds the existence of an injustice warranting the following corrective action. The Board concluded based on Petitioner's 16 years and 2 months of total active duty service at the time of his 31 January 2015 discharge, and references (b) and (c),¹ he was entitled to ISP in the amount entered on his DD Form 214. It appeared to the Board that DFAS computed Petitioner's ISP incorrectly, which generated an erroneous debt. Although Petitioner did not submit DD Form 827, application for arrears of pay in a timely manner, the Board felt had he been aware of the proper procedures he would have taken the appropriate steps, therefore, under these circumstances, partial relief is warranted.

RECOMMENDATION

That Petitioner's naval record be corrected, where appropriate, to show that:

Petitioner submitted DD Form 827, application for arrears of pay to DFAS within 6 years of his release from active duty on 31 January 2015 for payment of full ISP for \$128,057.46.

Note: DFAS will complete an audit of Petitioner's pay records and re-compute full ISP entitlement based on discharge date of 31 January 2015, pay grade Lieutenant/O3-E and 16 years, 6 months and 22 days active service to determine if there is a difference of entitlement due.

The part of Petitioner's request for corrective action that exceeds the foregoing is denied. The Board does not have the ability to direct payments and an audit of Petitioner's pay account is required.

¹ References (b) and (c), involuntary is computed with active service time. Fractions of a year will be computed by counting each full month of active service, in addition to the number of full years of active service, as half of a year. Remaining fractional part of a month will be disregarded. Full separation pay is computed at 10 percent of 12 months of basic pay multiplied years and fractions of a year based on additional full months of active service (0.10 x active service x 12 months x monthly basic pay).

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[REDACTED]

A copy of this Report of Proceedings will be filed in Petitioner's naval record.

4. It is certified that a quorum was present at the Board's review and deliberations, and that the foregoing is a true and complete record of the Board's proceedings in the above-entitled matter.

5. Pursuant to the delegation of authority set out in Section 6(e) of the revised Procedures of the Board for Correction of Naval Records (32 Code of Federal Regulations, Section 723.6(e)), and having assured compliance with its provisions, it is hereby announced that the foregoing corrective action, taken under the authority of the reference, has been approved by the Board on behalf of the Secretary of the Navy.

10/7/2022

[REDACTED]

Deputy Director

[REDACTED]