DEFENSE FINANCE AND ACCOUNTING SERVICE
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SEP 13 2000

DFAS-HQ/FMM

MEMORANDUM FOR DIRECTOR, DEFENSE FINANCE AND ACCOUNTING SERVICE
CLEVELAND CENTER
DIRECTOR, DEFENSE FINANCE AND ACCOUNTING SERVICE
DENVER CENTER

SUBJECT: Update to the DoDFMR, Vol 7B, Settlement Of Arrears for Retirees (DFAS Item J-30)

Attached is DFAS Interim Change Number **R09-00** to the DoDFMR, Volume 7B. This change is effective immediately.

We have evaluated your comments on the draft change to the DoDFMR, Volume 7B. The attached final version of the change includes your comments where appropriate. Assignment of an interim change number is your authority to initiate a procedural modification to facilitate this change. For the Denver Center, use the attached to initiate the formal change to the DoDFMR, Volume 7B.

For Gloria D. Harris
Jerry S. Hinton
Acting Director for Finance

Attachment:
As stated

cc: DASD (MMP) (COMP)
OUSD (C) ODCFO (FD)
ODGC (F)
DFAS-DE/DG
Services Liaisons
USCG/NOAA/PHS Liaisons

1. Change section **3103** (as revised by Interim Change R4-99) to add a new last sentence as follows:

   "For the purpose of payment of the arrears of an annuity under this section, the provisions of subparagraphs 300104C, D and E apply, and all references to a "retiree" in subparagraphs 300104A2 through A6, C, D, and E should be considered as referring to the deceased annuitant rather than a retiree."

2. Change paragraph **300104.C** to read the following:

   "**C.** Where payment is to be made to the person entitled under the law of the domicile of the deceased individual under paragraph 300104.A.6, above, the person due the arrears under State law in many cases will be the person who paid the funeral expenses of the decedent. In these cases, obtain a claim from that person, together with a receipt showing that funeral expenses have been paid, a copy of the cancelled check to the funeral home, or other documentation establishing that the bill has been paid."