

MANUAL: Personnel
Chapter Series CC--Commissioned Corps Personnel Manual
Part 2--Commissioned Corps Personnel Administration

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE
Public Health Service

Chapter CC22--Pay and Allowance Administration
Subchapter CC22.6--Allotments
Personnel INSTRUCTION 1--Allotments

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Section A. Purpose and Scope

This INSTRUCTION establishes the conditions and procedures under which commissioned officers of the Public Health Service (PHS) may allot a portion or all of their pay and allowances to a qualified individual or institution. (See Section C, on applicability of this INSTRUCTION to retired officers and survivors of deceased officers receiving an annuity from PHS.)

Section B. Authority

1. As authorized under 37 U.S.C. 704, PHS commissioned officers who are on active duty may, under regulations of the President, make allotments from their pay. Authority to prescribe these regulations has been delegated to the Secretary of Health, Education, and Welfare (predecessor to Health and Human Services) under Executive Order 11140 dated February 1, 1964.
2. Regulations authorizing the allotments as stated in this INSTRUCTION are contained in Subchapter CC42.6, INSTRUCTION 1, of this Manual.

Section C. Applicability

Except as provided in Section D.g, below, this INSTRUCTION applies only to officers serving on active duty under orders which do not specify a tour of active duty of less than six months.

Section D. Types of Allotments

For purposes of this INSTRUCTION, an allotment is defined as a definite portion of an officer's pay and allowances which is voluntarily authorized by an officer to be paid to a qualified individual or institution. Allotments are limited to the following:

1. Support of Dependents, Relatives, or a Divorced Spouse. Up to four such allotments may be made payable to such individuals (or to a bank) for their support. Payment may not be made to a mentally incompetent person or a child under 16 years of age. The allotments may be made payable to a guardian or custodian of the mentally incompetent person or minor child.
2. Payment of Life Insurance Premiums. Up to five allotments may be made for life insurance. Allotments are limited to the payment of premiums on the life of the officer, except for (1) family group coverage which, with the payment of a single premium, covers the entire family and (2) health, accident, and hospitalization insurance which, as a secondary or incidental feature, includes insurance on the life of the officer.
3. Purchase of U. S. Savings Bonds. Up to three allotments may be made for this purpose. Each allotment will identify only one inscription.
4. Payments to Savings Institutions. Up to two allotments may be made payable to a banking institution or association for credit to a savings account of the officer without restricting the use of the funds allotted. This includes building and loan associations, as well as credit unions.
5. Net Pay and Allowances to Financial Institution. All officers, active duty and retired, and all survivors of deceased officers receiving an annuity from PHS may authorize payment of the amount due each month to a financial institution. The payment authorization would represent the net amount due the officer or surviving annuitant after all deductions, including allotments from an officer's active duty pay and allowances, have been made.
6. Contributions to the Combined Federal Campaign (CFC). An officer contributing to community charity drives under CFC may authorize one allotment for monthly payments for a 12-month period beginning in January of the year following the campaign. An officer who is

planning separation before the end of that 12-month period may authorize the allotment for the number of months of active duty preceding the date of separation from active duty.

7. Voluntary Liquidation of Debts to the United States. This allotment may include indebtedness incurred by defaulted notes guaranteed by the Veterans Administration or the Federal Housing Administration, amounts due under the Retired Serviceman's Family Protection Plan by retired officers serving on active duty, delinquent Federal income taxes, or any other indebtedness to the U. S. Government.

Section E. Application Procedures

1. General. Except as provided below, an officer must complete Form PHS-6173, "Application for Allotment of Pay," to start and stop an allotment from his/her pay and allowances. The completed form should be submitted to:

Pay and Allowances Section
Compensation and Benefits Branch, CPOD/OPM/OM
Parklawn Building, Room 4-38
5600 Fishers Lane
Rockville, Maryland 20857

2. Contributions to CFC. Form OPM-804, "Combined Federal Campaign," is used to initiate this allotment. The amount of this allotment may not be less than \$1.00 and cannot be changed. The allotment will automatically stop at the end of the authorized withholding period, unless the officer requests that it be stopped before that time. Once the allotment is stopped, it cannot be reinstated during that calendar year.
3. Payments to Savings Institutions. Form HHS-648, "Request by Employee for Allotment of Pay for Credit to Savings Account with a Financial Organization," is used to initiate and stop this allotment. The allotment must be requested in whole dollar amounts. The officer completes the form and requests the designated financial institution representative to sign the form accepting the conditions of the allotment. The signature of the financial institution official is not required when changing or stopping the allotment but the proper financial institution information should be shown on the form to insure that the correct allotment is cancelled or changed. The officer should then forward the "payroll copy" to the address listed in Section E.1, above, for processing.
4. Purchasing U. S. Saving Bonds. SF-1192, is used to start, change, or stop allotments for U. S. Savings Bonds (Note: Form HHS-357, "Notification of U. S. Savings Bond Action," will not be accepted). The allotment to start, change, or stop will be effective the month

of receipt of SF-1192 by CPOD, unless it is received subsequent to "payroll" cutoff or if a later effective date is specified. If the request is received after the "payroll" cutoff and a future effective date is not specified, the allotment will be effective the following month.

Each block on SF-1102 must be completed when starting, changing, or stopping an allotment. If the action requested is to "change" or "stop" an allotment, an officer should check "other action" and indicate in item E either the remark "To stop allotment" or exactly what action is being requested, i.e., change beneficiary, change amount of deduction, etc. It is very important that all items on the form be completed, even though it is a request to make a change or stop an allotment, to be sure that the requested change can be made to the right allotment.

Allotments are automatically terminated on the first day of the month in which an officer is retired or separated from active duty.

U. S. Savings Bonds purchased by allotment are mailed by the Treasury Department to the officer at the address indicated by the officer for receipt of his/her earnings statement.

5. Net Pay and Allowances to Financial Institution. SF-1199A, "Authorization for Deposit of Federal Recurring Payments," is used for payment of an officer's net pay and allowances to a financial institution. The officer should complete the upper half of the form and have the appropriate financial institution complete and sign the lower half. The copy marked "program agency copy" should be forwarded to CPOD (see address listed in Section E.1, above). To stop payment to the financial institution, the officer should notify CPOD in writing of the cancellation, the effective date, and the address where his/her pay check should be forwarded after the cancellation becomes effective.