

PSD JACKSONVILLE  
STANDARD OPERATING PROCEDURE

**ALLOTMENTS**

Reference: (a) DODFMR, Chapter 41  
(b) DJMS PTG, Part 6

Point of Contact: Customer Service Section

Document(s) required:

- (1) Authorization to Start, Stop or Change an Allotment for Active Duty (DD Form 2558)
- (2) Savings Bond Allotment Authorization (DD 2559)

**Background:**

The allotment system is provided to help service members balance their personal and family finances. It is a convenience and privilege not to be exploited or abused.

**Information:**

Voluntary allotments of military pay and allowances of service member on active duty are limited to discretionary and non-discretionary allotments.

Discretionary Allotments - members are authorized no more than six (6) purely discretionary allotments. Examples of discretionary allotments:

- Commercial Life Insurance premiums on member or family member
- Payment to family member or relative (EFT only)
- Deposits to financial institutions
- Payment of car loans
- Payment of mortgage or rent
- Payment of a loan to repay consumer debt

Non-discretionary Allotments - these allotments are limited to:

- Purchase of U. S. Savings Bonds
- Repayment of loans to Navy Relief or Red Cross
- Various instances of voluntary liquidation of indebtedness to the U.S. Government

- Payment for pledges to Combined Federal Campaign or Navy Relief
- Payment of delinquent taxes

#### **COMMAND/CPC RESPONSIBILITY**

- Ensure member's request is complete, states clearly and precisely what the member wants, and is signed by the member.

Note: A Special Power of Attorney (SPA) is acceptable to establish, change, or stop allotments. The SPA must explicitly state allotment authority, be current, and signed by the member.

- Since all allotments to financial institutions are transmitted through EFT. Company code and routing number for the financial institution must be provided in order to register the allotment.

- Ensure that the allotment request is received via TOPS to detachment no later than the 17<sup>th</sup> of the month to start the deduction the following month. Note: Half of the allotment will be taken from the 15<sup>th</sup> payday and the other half from the 1<sup>st</sup> payday. EFT payment will be sent to payee by DFAS-CL on the 1<sup>st</sup> day of the month.

#### **DETACHMENT RESPONSIBILITY**

- Verify application for completeness
- Submit appropriate NSIPS Pay transaction