



DEPARTMENT OF THE NAVY
OFFICE OF THE CHIEF OF NAVAL OPERATIONS
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OPNAVINST 7220.8A
PERS-4/N1
16 Jan 2015

OPNAV INSTRUCTION 7220.8A

From: Chief of Naval Operations

Subj: SURFACE WARFARE OFFICER CONTINUATION PAY

Ref: (a) 37 U.S.C.
(b) CNO WASHINGTON DC 071944Z May 12 (NAVADMIN 156/12)
(c) DoD Directive 1304.21 of 31 January 2005
(d) DoD Instruction 1304.29 of 15 December 2004
(e) DoD 7000.14R, Department of Defense Financial Management Regulation (FMRS), Volume 7A, March 2011

1. Purpose. To publish policies, procedures, and guidance for the administration of the legacy surface warfare officer (SWO) continuation pay as authorized by references (a) through (e). This instruction is being reissued with a new date, updated version and signature authority to meet Chief of Naval Operations' age requirement for Office of the Chief of Naval Operations instructions.

2. Cancellation. OPNAVINST 7220.8.

3. Background. Reference (a) authorizes surface warfare officer continuation pay for eligible officers who obligate themselves to remain on active duty to complete one or more tours of duty to which officers may be ordered as afloat department heads. Reference (a) has been consolidated from section 319 to sections 331 and 355 for bonus and incentive pay purposes, depending on the skill. In 2011, the Assistant Secretary of the Navy for Manpower and Reserve Affairs (ASN (M&RA)) designated SWOs as a critical skill for critical skills retention bonus purposes; reference (b) announced the results of the 2011 SWO critical skills retention bonus re-designation by ASN (M&RA). In October 2011, the last SWO continuation pay contracts were offered and accepted. The final SWO continuation pay payments will be paid in fiscal year (FY) 18. This instruction will be, from the date of the instruction forward, for administrative purposes only.

4. Policy. The Department of the Navy authorized SWO continuation pay to meet specific afloat billet requirements. The qualification, payment, and recoupment policies set forth below are designed to retain qualified officers, and fully support the current and projected afloat department head manning requirements.

5. Authority. Navy Personnel Command (NAVPERSCOM), Director, Surface Officer Distribution Division (PERS-41) is delegated authority to administer the SWO Continuation Pay Program under this instruction.

6. General

a. SWOs became eligible to receive SWO continuation pay on 1 October 1999.

b. SWO continuation pay was designed as an incentive, paying a SWO up to a total of \$50,000, to stay in the community to complete the full afloat department head requirement. See paragraph 9 for payment details.

c. SWO continuation pay agreements were suspended in October 2011 as discussed in reference (b), and subsequently replaced by revised junior critical skills retention bonus. The revised junior critical skills retention bonus is authorized and governed by references (a) through (e).

d. All contracts terminate upon completion of the second department head tour or the single longer tour identified as a two-tour equivalent by NAVPERSCOM (PERS-41).

e. The obligation incurred by a SWO continuation pay agreement runs concurrent with any other obligated service applicable to that officer (with the exception that, as provided in subparagraph 7c, no officers are eligible for the SWO continuation pay until they have completed any service obligation incurred through their original commissioning program).

7. Eligibility. To be eligible the officer must be either active duty or full-time support Reserve Component SWOs who:

- a. Is qualified and is serving as a SWO (designation 111X).
- b. Is selected for assignment as a department head on a surface vessel and offered a contract by NAVPERSCOM (PERS-41), in conjunction with a department head or special screening board.
- c. Completed any service commitment incurred through the officer's original commissioning program.
- d. Is able to complete the afloat department head tours or a single longer tour as assigned by NAVPERSCOM (PERS-41).
- e. Is designated to fill department head sequencing plan billets. This does not apply to officers in follow-on (third tour) billets.
- f. Has applied for SWO continuation pay prior to graduation from department head school.

8. Approval Process. No new SWO continuation pay contracts will be accepted. Previously, SWO continuation pay were administratively reviewed and approved by NAVPERSCOM (PERS-41).

9. Payment. Under SWO continuation pay, approved officers are eligible to receive \$10,000 upon acceptance of the written agreement. Then at the start of department head school, or the start of the department head tour (whichever is earlier), those officers receive the first of four \$10,000 annual installments. The remaining three annual payments are paid on the anniversary date of their Department Head School or department head tour report date (date diaried on board ultimate duty station). The final Surface Warfare Continuation Pay installments will be paid in FY-18.

10. Recoupment and Repayment

a. In the event an officer receiving SWO continuation pay fails to maintain eligibility for this special pay, or fails to complete the full period of additional obligated service, no further payments shall be made. A pro-rata recoupment of the bonus shall be required under the procedures established in reference (e). Situations requiring recoupment include but are not limited to:

(1) Approved request for voluntary release from the written agreement if, due to unusual circumstances, it is determined by the Secretary of the Navy or designated representative that such release would be clearly in the best interests of both the Navy and the officer concerned.

(2) Approved voluntary request for relief.

(3) Refusal to accept orders to a department head billet.

(4) Disability resulting from misconduct, willful neglect, or incurred during a period of unauthorized absence.

(5) Misconduct.

(6) Approved detachment for cause.

(7) Failure to complete department head school.

(8) Separation by reason of weight control or physical readiness test failures.

b. If, for any of the following reasons, the officer fails to maintain eligibility for SWO continuation pay, no further payments will be made, but recoupment of payments already made will not be required:

(1) Disability not the result of misconduct or willful neglect, or not incurred during a period of unauthorized absence.

(2) Separation from the Navy Service by operation of laws independent of misconduct.

(3) Where the Secretary of the Navy or designated representative determines otherwise, per law and policy.

c. When an officer serving under a SWO continuation pay service agreement dies before receiving the full amount of the bonus due, the remaining unpaid balance is payable as a lump sum for inclusion in the settlement of the deceased officer's final military pay account.

11. Lateral Transfer from Surface Warfare. Officers receiving SWO continuation pay may not actually transfer from the surface community until completing the entire department head requirement; however, an officer may apply within 1 year of completing the department head requirement and be accepted for lateral transfer without penalty.

12. Records Management. Records created as a result of this instruction, regardless of media and format, shall be managed per Secretary of the Navy Manual 5210.1 of January 2012.



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