



SECTION 11

PAY AND ALLOWANCES

ARMED FORCES PERSONNEL CENTRE
CLERICAL TRAINING WING
STUDENT HANDOUT
PAY AND ALLOWANCES

PAY VOUCHER CREATION.

1. This section covers the creation of the pay vouchers used to pay the RSLAF personnel. Currently the AFPC are responsible for the creation of this voucher in conjunction with the Unit Pay Clerk (UPC).

2. All personnel employed within the Armed Forces are paid a salary as directed by the Accountant Generals Office. The salaries are reviewed in the financial years, which is from Jan to Dec. The review of salaries is undertaken by the Armed Forces Board, which meets monthly within the Ministry of Defence (MoD). Any changes in the salary are notified to the AFPC who carry out remedial action for the next pay voucher.

3. Timelines have been implemented by the AFPC, which enables the RSLAF to be paid on the last Saturday of each month. The timelines are relevant to UPCs and should be adhered to when creating Part Two Orders (P2O). Any P2O, which reaches the AFPC after these timelines, will not be actioned until the following month.

The timelines are:

a. P2O download from Record of Service Wing (ROS) AFPC is on 10th day of the month.

b. The Database Manager downloads all the banking information, stoppages and cashiers data and created the pay voucher.

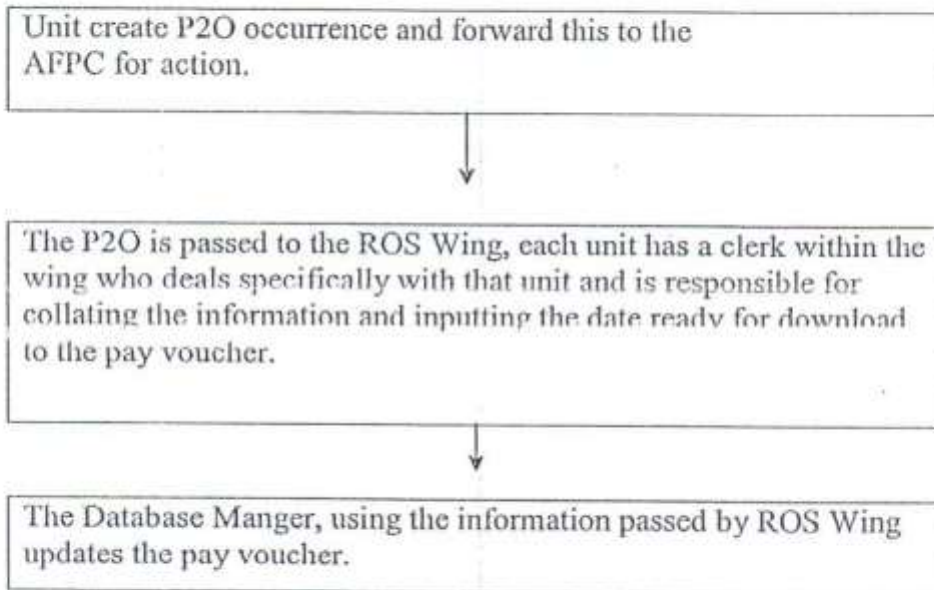
c. The Database Manager then passes the pay voucher to the Cashier, who in turn passes the voucher for audit and signature to the following personnel:

- (1) CO AFPC
- (2) SO2 J8
- (3) Comd JFC
- (4) MoD
- (5) Treasury (Accountant Generals Office)

d. On completion of audit and signature by the Treasury the salary cheque is issued and taken to the bank by the AFPC cashier. On a pre-arranged date the cash is collected and taken to the cashier's office in JFC. Arrangements are made for the UPC and shylock to collect the unit salary.

4. As outlined above the timelines have been set to establish the monthly payment of soldiers and officers salaries. The details contained in the pay voucher are accumulated from a number of sources. The Treasury in conjunction with the Armed Forces Board determines the rates and salaries shown on the pay voucher. The units using P2O's

initiate the changes that affect these rates. The system employed by the AFPC to collate and action these P2O occurrences are as follows.



ALL P2O THAT EFFECT AN OFFICER OR SOLDIERS PAY AND ALLOWANCES SHOULD BE AT THE AFPC BY THE 10TH DAY OF EACH MONTH FOR ACTION TO BE CARRIED OUT ON THAT MONTHS SALARY.

SALARY AUDIT.

5. Although the pay vouchers are created using information passed by the units, events may have taken during transition of the P2O occurrences, which may effect the final production, the AFPC, therefore, will not be aware of these events. To ensure the information on the pay voucher is current it is the pay clerk to audit the details and inform the AFPC cashier of any amendments to the pay voucher.
6. Any errors found should be amended in manuscript and the money returned or deducted accordingly.
7. The occurrences, which affect the pay voucher, are:
 - a. AWOL
 - b. Discipline (i.e. ILH & CB)
 - c. Postings
 - d. Promotion
 - e. Death
8. Any occurrences, which have been initiated by the UPC, which cannot be rectified on collection of salaries, should be notified to the Sectional Head or the AFPC cashier for further action. Where possible all occurrences should be rectified prior to the UPC departure from the AFPC.

9. The pay voucher should be taken from the AFPC cashier and reviewed before any collection of cash from the main cashier office in JFC.

10. In summary the pay clerk in conjunction with the shylock is responsible for ensuring the details entered on the pay voucher coincide with the current pay situation of all their soldiers under command. If after investigation it appears that a pay clerk has failed in his duties disciplinary action may be taken and the individual removed from post.

DUTIES OF A PAY CLERK.

11. The UPC is the focal point of all financial occurrences that effect an ~~officer/soldiers pay and allowances~~. The UPC is acting on behalf of the Commanding Officer of the unit he is attached to and the Commanding Officer of the AFPC. These appointments are the authorizing officers for any occurrences that take place. Both parties have delegated the responsibility of the day-to-day running of the officers/soldiers pay accounts to the UPC and consequently they have been placed in a position of trust.

12. It is imperative that a UPC understands the duties he has been given and the damage to the moral and welfare of the officers/soldiers if he fails in his duties.

13. To assist to UPC in understanding these duties this section outlines the main responsibilities of a UPC. This list is not exhaustive and both CO's may increase the duties undertaken by the UPC as deemed necessary for the good and benefit of the service.

- a. Assist the shylock in carrying out all financial matters within a unit
- b. Monitor and audit the pay vouchers on receipt from the AFPC
- c. Create P2O action for financial occurrences that affect both officers/soldiers.
- d. Ensure that no fraudulent action is being taken by personnel involved in the administration of pay matter.
- e. Counsel soldiers of their entitlement to allowances and salary.
- f. Counsel soldiers on the Armed Forces Banking Section.
- g. Counsel soldiers on financial issues, which may cause indebtedness.
- h. Assist the AFPC in the development of a soldiers pay account.
- i. Ensure that the correct soldier is paid the correct salary.
- j. Ensure any money not issued for salary payment is returned to the AFPC.
- k. Any other tasks as detailed by the AFPC or employing officer.

ALLOWANCES

15. There are several allowances that servicemen are entitled to. However, some of these allowances are issued with salary and are endorsed on the pay voucher, whilst others are in issue but not funded and others are only relevant when a serviceman is attached or posted overseas.

16. The UPC should be fully aware of these allowances, their method of payment and the system employed to claim them. The UPC is the first point of contact at unit level for

all servicemen and should be in a position to advise personnel accordingly. Whenever there is doubt advice should be sought from a higher formation (i.e. the AFPC).

17. An allowance is an amount an individual receives; tax free, for a specific purpose. The allowances are not part of the salary but are specific to the circumstances of the serviceman. A summary of the key allowances that are available is as follows:

a. **Loans.** A loan is an amount granted to personnel to assist them to solve a pressing welfare problem. The loan is an advance of salary that is deducted directly from source once authorised. The serviceman, in writing stating the amount required, should make application of advance. The application should be passed to the applicant unit commander who will assess the circumstances of the application, ensure it is genuine and if supported by the unit commander the application should be passed to the Army Loans Committee in JFC who sit monthly. If they agree to the circumstances of the loan an advance will be paid to the individual through the unit Imprest account. Subsequent deductions will be made through the individual's salary, until the loan has been repaid.

b. **Traveling Allowances.** This allowance is paid to facilitate the refund of the cost of transportation incurred by personnel who travel to perform their duty using private means. Personnel are eligible for this allowance when he is on change of permanent unit, temporary duty, and leave and on discharge to his permanent residence. The allowance should be claimed through the local unit imprest account. The claimant should submit his claim in writing to the CO who will authorise any payment to be made by the imprest holder. The rate paid is the actual expenditure incurred by an individual and must be supported by a receipt or letter of authority from an employing Officer.

c. **Daily Travel Allowance.** This allowance is intended to augment personnel who travel daily from their place of residence to their place of duty. Personnel who are resident out of barracks without provision of official transport are entitled to this allowance. Currently all personnel receive a set allowance which is paid in-conjunction with salary payments and is on the pay voucher. The Treasury sets this rate.

d. **Medical Allowances.** This allowance is intended to assist the servicemen and his spouse and the first 4 children to medical treatment in-conjunction with the use of 34 Mil Hosp. All servicemen are eligible to this allowance, which has been set by the treasury and is paid with salary payments on the pay voucher.

e. **Rice Allowance:** This allowance is paid to all serviceman and is intended to enable each individual to purchase 1 bag of rice to supplement the family diet. Payment is made with the individuals' salary and is include on the pay voucher.

f. **Housing Allowance:** This allowance is paid to all servicemen WO1 and above. It is intended to assist the officer/soldier in the payment of rent on his property. Payment is made with the individual salary and is include on the pay voucher.

g. **Advances:** An allowance is an amount paid to a soldier in advance of the following months salary. Advances are paid around the 5th or 6th of the month and anyone can apply. The soldier submits a letter after salary run (20-30 of the month) and is passed via the UPC to the AFPC where the SO2 will decide if the cause is worthy or not. If the advance is agreed the letter will be signed and passed to the cashier ready for payment. Advances and loans cannot be in issue together.

18. In summary there are numerous allowances available to personnel within the RSLAF. UPCs should be aware of these allowances and should advise personnel whose circumstances meet the allowance criteria as to their entitlement. They should ensure the correct steps are taken for these allowances to be issued.

19. Annex A shows the current rates of allowances and salary deductions.

FINANCIAL INTEGRITY AND THE EFFECTS OF CORRUPTION.

20. The UPC is responsible for ensuring all personnel under their charge are in receipt of the correct pay and allowances. It is of the utmost importance that the UPCs understand the need for the highest financial integrity and the effects a lack of this integrity may have on a unit's morale and operational effectiveness.

21. The UPC should at all times be aware of the correct issue of cash and should ensure that all those soldiers under his charge receive the correct amount at pay parades and through their salaries. Further to this it is also up to the UPC to ensure any salaries unclaimed due to AWOL or death are returned to the AFPC so that they can be repaid to the Treasury for reuse on other issues such as equipment, transport, housing, training and the increase in allowances.

22. In essence every salary that is taken fraudulently is one salary less to be used for the good and benefit of all those members of the RSLAF.

23. The effect of corruption on morale and welfare along with operational effectiveness can be devastating. Personnel who abuse the public system and ensure that they line their pockets with government money are robbing the whole nation. **It is the UPCs duty all instances of corruption to the AFPC for further action.** The sanity of the Armed Forces and the whole nation requires UPCs have the highest degree of financial integrity.

24. All UPCs will be expected to make a declaration of financial integrity. This declaration states quite clearly that they understand their duties as a UPC and that they realize that if they fail to comply with those duties they may be subject to military discipline. It also states that they have been trained in the pay and allowance system employed by the RSLAF and that if they failed to implement these systems they may be liable for disciplinary action. A copy of the declaration is at Annex B.

25. It cannot be stressed enough how responsible the job of UPC is. You are acting on behalf of the CO of your unit and the CO AFPC who in turn is acting on behalf of CDS.

FINANCIAL COUNSELLING

26. As the UPC you are responsible for the financial counseling of all those servicemen within your unit. It should be made clear that an individual may not fully understand the systems used to ensure the money received is correct or indeed that the misuse of money paid could cause debt problems which ultimately will effect morale and operational effectiveness.

27. Where you are approached by an individual who requests guidance regarding any matters relating to pay and allowances, or you see a serviceman who is falling into debt, due to bad financial management you have a responsibility to counsel the serviceman on behalf of the CO. You should take the following steps.

- a. Identify the individual's problem.
- b. Where necessary give guidance on the requisite system used and explain the rates and method of calculating the salary and allowances.
- c. Always ensure you give guidance based on fact, never make it up.
- d. If you are unable to advise the individual seek guidance from the AFPC and brief the individual accordingly.
- e. If you see a soldier who is heading towards debt problems where possible advise the soldier accordingly and if necessary take steps to report the soldier's actions through the chain of command.

28. In summary where possible any financial problem should be resolved at unit level. No soldier should report to the AFPC with a financial problem unless he has been directed to do so by the UPC or the Shylock. Any soldier who reports to the AFPC directly without consulting the UPC highlights a failure by the UPC to carry out his duties correctly.

PAY PARADE ADMINISTRATION.

29. It is the role of the UPC to assist the shylock in the administration of the pay parade. The UPC is to carry out the following duties during the pay parade.

- a. Check that the soldier reporting for pay is who he says he is, by requesting to see his RSLAF ID card. Confirm the details and find the soldier's name on the pay voucher.
- b. Get the soldier to sign for the pay next to his name ensuring he is aware of the amount of money he should be collecting.
- c. Inform the shylock of the amount the soldier is drawing and that he has signed the pay voucher. The shylock will make the payment.

d. If the soldier's name does not appear on the pay voucher the shylock should be informed immediately and in turn the Company OC for further investigation.

30. In summary the UPC is to assist the shylock in the payment of all monies during the pay parade and assist in the investigation of soldiers who have not been included on the pay voucher.

**ANNEX A TO
STUDENT HANDOUT**

ALLOWANCES	RATE	NOTES
RICE ONLY	41000	
TRAVEL	20000	DAILY
MEDICAL	2500	
HOUSING	1000	WO1 AND ABOVE
TRAVEL	4500	

STOPPAGE	RATE	NOTES
IHL (PTE)	6000	
IHL (LCPL)	6500	
IHL (CPL)	7000	
CB	NIL	ALL RANKS

AWOL- pay stops after 75 days when the soldier is transferred to the A list.

**ANNEX B TO
STUDENT HANDOUT**

DECLARATION OF FINANCIAL INTEGRITY.

Number.....Rank.....Name.....

I understand that whilst I am employed as a Unit Pay Clerk or involved with the administration of the RSLAF pay and allowances I am expected to fully understand all regulations in use and implement the highest standards of financial integrity possible.

I also understand that failure to implement Government policy of direct lawful command from my chain of command regarding all matters relating to my duties will result in disciplinary action being taken or removal from post.

Signature:.....Dated.....