

# Navy Civil Engineer Corps (CEC) Officers

## Pay and Benefits

Comparing compensation packages can be tricky and it is important to consider all of the variables. Evaluating the differences between private sector compensation packages and the Navy's is especially complicated because the Navy has a lot more than just a basic salary. First of all, our compensation consists of pays (taxable) and allowances (non-taxable). To really appreciate the Navy's whole compensation package, you need to add up its pays and allowances and understand how much tax that saves you each year. You must also consider the Navy's incredible retirement package and many other benefits.

1. **Basic Pay** -- increases with rank and length of service. (<http://www.dod.mil/dfas/militarypay/2006militarypaytables.html>) In this pay table, you will see what entry level Officers (Ensigns or O-1s) earn in basic pay on the "O-1" row (O-1 meaning 1<sup>st</sup> level in the Officer ranks) and the "Under 2" column (meaning less than 2 years in the service). Don't get overwhelmed by all of the information on pages 2-8 of this link. The other pays (sea pay, drill pay, special pay, etc.) do not apply to Civil Engineer Corps Officers.
2. **Basic Allowance for Housing (BAH)** -- a tax-free allowance that is based on local housing costs wherever you are stationed. Also varies by rank and whether you are single or married. The fact that this allowance is non-taxable is significant – it saves you thousands of dollars each year in taxes, which means that money stays in your pocket! See the example below to see how significant this is. To see what the Basic Allowance for Housing is for your area, visit: <https://secureapp2.hqda.pentagon.mil/perdiem/bah.html>. Just type in the year, zip code (for the area you will be assigned) and rank, then click on "execute".
3. **Basic Allowance for Subsistence (BAS)** -- another tax-free allowance that augments base pay. This is shown on the second page of the military pay chart (the link in #1).
4. **Medical/Dental** -- full medical and dental coverage for you and your family. No expensive insurance premiums to pay out of pocket.
5. **Retirement** – Receive 50% of your basic pay for the rest of your life after 20 years of service. That means most Officers can retire around age 42-44, with plenty of time for a second career. However, if an Officer chooses to stay in longer than 20 years, his/her retirement percentage goes up 2.5% for every year beyond 20, up to a maximum of 75%. So an Officer that retires with 30 years of service will receive 75% of his/her basic pay for the rest of his/her life. That means that a retired Captain (O-6) with 30 years will receive approximately \$80k a year for the rest of his/her life.
6. **Vacation** -- 30 days paid vacation each year. Private sector can't touch this.
7. **Moving expenses** -- all moving costs are paid by the Navy.

### **So, let's talk real numbers:**

August 2006, you are a brand new Naval Officer, married, living in San Diego, CA and your starting salary would be \$51,368.28 per year (\$4,280.69/mo) plus a comprehensive medical/dental plan and 30 days paid vacation per year. That's \$2,416.20 per month basic pay; plus \$1,677.00 per month housing allowance for zip code 92132 with dependents (spouse); plus \$187.49 per month as a subsistence allowance. And remember, the housing and subsistence allowances are tax-free, which means that only 56% of your compensation is taxable. ( $\$2,416.20/\$4,280.69 = .5644$ ). That means you pay taxes on a smaller amount, and you stay in lower tax brackets longer. That saves you thousands of dollars every year!

Location, rank, length of service, and whether you have dependents (spouse and/or children) or not are all variables that determine your total compensation. There are many other benefits as well, such as Tuition Assistance, which pays for 100% of your tuition if you choose to take additional college courses or work towards another degree while on active duty. You get to shop on base, where food and gas prices are lower than out in town and you don't pay sales tax. Many of the movie theaters on base are free and bases often offer free dance classes and lots of other opportunities. There are simply too many benefits to list.

Money is important, but it's just one of many factors. You should also consider professional growth and leadership opportunities, ability to really make a difference in our society, world-wide exposure and travel opportunities, post-graduate education, and other factors when deciding what's best for you.

### **Related Links**

**CEC Accessions Officers** (similar to recruiters, email addresses as of August 2006):

**Western United States:** [LT Jonathan Witham](mailto:jonathan.witham@navy.mil)

(jonathan.witham@navy.mil)

**Central United States:** [LT Max Sisson](mailto:max.sisson@navy.mil)

(max.sisson@navy.mil)

**Eastern United States:** [LT Christine Cawayan](mailto:christine.cawayan@navy.mil) (christine.cawayan@navy.mil)

**Navy Civil Engineer Corps Recruiting and Scholarships** – [www.cec.navy.mil](http://www.cec.navy.mil)

**US Navy** -- <http://www.navy.mil/>

**US Navy Recruiting** – <http://www.navy.com/>

**Navy's Core Values** -- <http://www.chinfo.navy.mil/navpalib/traditions/html/corvalu.html>

**Naval Facilities Engineering Command** – made up of CEC officers and civilians who manage the Navy's facilities. <http://www.navfac.navy.mil/>

**Seabees** – <http://seabee.navy.mil/>

### **Who to Contact**

The best place to start is by emailing the CEC Accessions Officer in your region (see links above). They can tell you more about the CEC and can get you in touch with your college's Officer Recruiter.