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Financial Management

BUDGET OPERATING GUIDANCE

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The purpose of this pamphlet is to serve as a training guide strictly to assist financial analysts and resource advisors at the AMC wings, groups, Numbered Air Force (NAF), direct reporting units (DRU), geographically separated units (GSU), and headquarters function in locating the proper authoritative or regulatory guidance on financial/budget policy and procedures, as well as specific issues dealing with federal appropriations law. In most cases it is not directive in nature for financial management policy purposes; that is the function of the applicable source document or reference. It is the financial analyst's responsibility to be familiar with the source documents referenced throughout the publication. This pamphlet will not necessarily address every topic or issue that may arise. You will encounter funding policy circumstances that require interpretation of Air Force and DoD policy as well as public law. This pamphlet is not designed for use by Air National Guard (ANG) or Air Force Reserve Command (AFRC) units. Any references to ANG or AFRC in this pamphlet are strictly to clarify funding issues for AMC organizations and to provide the applicable regulatory guidance. ***NOTE:*** HQ ANG/FMA and HQ AFRC/FMA have previously coordinated on the AMC 65-series instructions, which provide the AMC regulatory financial guidance (AMCI 65-602, Transportation Working Capital Fund (*TWCF) Budget Guidance and Procedures*, and AMC Supplement 1 (AMCS1) to AFI 65-601, Volume 1, *Budget Guidance and Procedures*) pertaining to them where referenced in this pamphlet. See **Attachment 1** for a glossary of references and supporting information.

SUMMARY OF REVISIONS

New paragraphs from the previous publication cover significant changes since the last publication date. A bar (|) indicates revision from the previous edition. See **Attachment 2** for a list of all changes by chapter and paragraph.

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Chapter 1

INTRODUCTION

1.1. Purpose and Scope. This publication contains funding guidance and consolidates most financial management and budget guidance for AMC financial managers. The provisions of these instructions apply to all AMC activities that are issued AMC funds. This publication is designed for use as a training guide to assist users in locating the proper authoritative or regulatory guidance concerning funding issues.

1.2. Policy Guidance. Answers to most Air Force financial management policy questions are found in the 65-series of Air Force Instructions (AFI). These publications provide general policy on financial issues; however, they do not necessarily address financial policy on every circumstance that may arise. Interpretation of Air Force and DoD policies, as well as public law, are necessary in many cases which often requires common sense and a general knowledge of Air Force directives, appropriations law, and United States Codes. If you are unable to resolve a financial management policy issue after researching all applicable guidance and need MAJCOM assistance, contact AMCFSS/A88I, Attn: Budget Policy and Procedures, 402 Scott Drive, Unit 1K1, Scott AFB IL 62225-5311. Provide detailed background information (who, what, where, when, why, how) to support your question. If we cannot provide the appropriate response, we will forward the issue to SAF/FMBMM (Policy and Fiscal Control) for resolution.

1.3. Distribution. This publication is available on the HQ AMC/A8 web site at the following address: *https://www.amcfm.scott.af.mil/FM_BudgetPolicy.cfm*. Select the AMCPAM 65-603 publication link from the "Policy Guidance" heading. You may download the publication at any time and reproduce in sufficient copies to allow distribution to local financial managers, as determined by the local Comptroller. AMCPAM 65-603 is also available on the AMC Publications web site, located at the following address: *https://www.amc.af.mil/pubs/hqamc.htm*. Click on the "6*5-Series* Financial Management" block and select on "AMCPAM 65-603".

1.4. Updates. HQ AMC/A88 will provide revisions through interim changes (ICs), as appropriate, and will make them available via the HQ AMC/A8 web site in paragraph **1.3.** above. Submit suggestions for updates at any time to the address in paragraph **1.2.** above, using Air Force (AF) Form 847, Recommendation for Change of Publication. Please be specific as to the purpose of your suggestion and provide as much detailed information as possible, including the benefits derived from the proposed change.

Chapter 2

GENERAL FINANCIAL MANAGEMENT CONCEPTS

2.1. Introduction. Financial management is a function of command. All commanders are challenged with maximizing military capability and accomplishing its Air Force mission within a limited level of funding. Toward that end, responsibility for financial management is delegated to, and incumbent upon, each and every manager. Financial managers should test each proposed use of resources for contribution to the mission, evaluate against other alternatives, and consider against the total size of the budget. These decisions are often difficult and require the expertise and involvement of all echelons of management.

2.2. Statement of Financial Management Policy.

2.2.1. Each Air Force commander and manager is responsible for the effective, efficient, and economical use of all resources made available to their organization. The use of all resources at operating locations is either directly controllable or influenced by commanders and managers.

2.2.2. There are positive means for a manager to directly influence the effective utilization of all resources to accomplish assigned missions. Each manager assists in the budget formulation and resource allocation by recommending the best mix of resources to secure the most efficient use of the available resources. Financial managers should take an active part in the formulation and execution of operating budgets through participatory financial management.

2.2.3. Financial management includes the use of resource advisors (RAs) and a working committee structure to advise and assist the commander in the financial decision making process. The local comptroller assists the managers by assuring the fiduciary accounting and control of obligations and provides interpretation of obligation data through the accounting system.

2.2.4. Financial managers must have timely and reliable obligation and expense data to monitor the availability of funds. Accounting data is important because this is the basis for measuring performance of the organization. Relating expenses to production for a given period tells a manager how well the manager has done compared to a standard or to past activity.

2.2.5. There are a variety of factors that influence management, but the most important factor is the proper use of public funds. Everyone who manages funds appropriated from Congress must adhere to the Antideficiency Act, addressed in the following paragraph.

2.3. Antideficiency Act (ADA).

2.3.1. Purpose. The ADA is primarily codified as Public Law (PL) in 31 U.S.C., Sections 1341, 1342, and 1517 of the United States Code. The governing regulation for the Act is DoDFMR 7000.14, Volume 14, *Administrative Control of Funds and Antideficiency Act Violations*. This regulation requires that no DoD official shall authorize or create any obligation or make any expenditure beyond the amount of funds currently available or permitted under any statutory limitation. Some examples of prohibitions or potential violations regarding this law are as follows:

2.3.1.1. Making or authorizing expenditures from, or creating or authorizing an obligation under, an appropriation or fund in excess of the amount available in the appropriation or fund unless authorized by law.

2.3.1.2. Involving the government in any contract or other obligation for the payment of money for any purpose in advance of appropriations made for such purpose, unless law authorizes the contract or obligation.

2.3.1.3. Accepting voluntary services for the United States, or employing personal services in excess of that authorized by law, except in cases of emergency involving the safety of human life or the protection of property.

2.3.1.4. Making obligations or expenditures in excess of an apportionment or reapportionment, or in excess of the amount permitted by agency regulations.

2.3.1.5. Incurring an obligation in an expired account for a contract change that exceeds $4 million in a fiscal year without prior written approval from the Office of the Undersecretary of Defense (Comptroller) (OUSD(C)). See paragraph **2.3.2.1.** below.

2.3.1.6. Incurring an obligation in an expired account for a contract change that exceeds $25 million in a fiscal year without requesting approval from Congress 30 days before the obligation is incurred. See paragraph **2.3.2.2.** below.

2.3.2. 31 U.S.C., Section 1551-1557 Application. This provides for the cancellation of appropriations after specified periods, extension of the expired status for appropriations from 2 years to 5 years, and elimination of the merged accounts, as amended by Public Law 101-510. Under certain circumstances, a payment otherwise chargeable to a canceled account-both as to purpose and amount-except that the account has been canceled, can be paid from or charged to an appropriation that, at the time of payment, is available for incurring new obligations for the same purpose as the canceled account. The total of all such payments charged to a currently available appropriation may not exceed the lesser of (1) 1 percent of the total amount originally appropriated to the current appropriation being charged, (2) the unobligated balance of the currently available appropriation, and (3) the unobligated balance of the canceled appropriation (31 U.S.C., Sections 1552 and 1553(b)).

2.3.2.1. Contract Changes Exceeding $4 Million. Under certain circumstances, obligations for contract changes exceeding $4 million in a fiscal year within a program, project, or activity of an appropriation require approval by OUSD(C) prior to incidence. See 31 U.S.C., Section 1553(c)(1).

2.3.2.2. Contract Changes Exceeding $25 Million. Under certain circumstances, obligations for contract changes in expired accounts that exceed $25 million in a fiscal year within a program, project, or activity of an appropriation require submission to Congress for at least 30 days prior to being incurred. See 31 U.S.C., Section 1553(c)(2).

2.3.3. Section 1004 of Public Law 102-484 permits, in certain circumstances, charging current appropriations when sufficient obligation authority does not exist in certain expired accounts. Amounts charged in these cases may not exceed 1 percent of the appropriation for the current available appropriation, or 1 percent of the appropriation of the expired account whichever is less.

2.3.4. Administrative Controls. The ADA requires the establishment and operation of a system of administrative controls over appropriations and other funds to regulate funding amounts, purposes, and timing. The system must also provide data on fund availability and allow determination of the individuals responsible for violations.

2.3.5. Funding Control Responsibility. All personnel whose duties require them to distribute funds, certify fund availability, and commit or obligate funds are responsible for ensuring that sufficient

funds are available in the appropriate account and administrative subdivision while performing their duties. Additionally, these individuals must be aware of and comply with any statutory limitations applicable to fund availability for specified purposes. Bottom line; *do not* make payments at some future time for goods or services unless there is enough money in the "bank" to cover the cost in full. The "bank" is the available appropriation, subdivided to various levels (apportionment and allocation) that can shrink the account at your level. If you do not have enough funds available at your level, even though there are enough funds at the MAJCOM level, for example, you may still have an ADA violation. Resolve any doubts or concerns about particular uses of funds before authorizing or incurring obligations. Whether funds are legally available for obligation or expenditure depends on three factors: (***NOTE:*** All three elements must be observed).

2.3.5.1. The purpose of the obligation or expenditure *must be authorized*.

2.3.5.2. The obligation *must occur within the time limits applicable to the appropriation*.

2.3.5.3. The obligation and expenditure *must be within the amounts that Congress has established*.

2.3.6. Timely Recording of Obligations. Once incurred, account for all obligations and expenditures accurately and promptly, as supported by documentary evidence. Furthermore, record all obligations as of the date incurred, even if such action results in a negative amount in the accounting records that existed in a subsequent period identified and recorded during that period.

2.3.7. Obligation or Expenditure in Excess or Advance of Appropriations. The two sets of prohibitions are (1) making expenditures or incurring obligations *in excess* of available appropriations and (2) making expenditures or incurring obligations *in advance* of appropriations. The following paragraphs provide further explanation.

2.3.8. Exhaustion of an Appropriation. This refers to any of several different but related situations:

2.3.8.1. Depletion of appropriation account (i.e., fully obligated or expended).

2.3.8.2. Similar depletion of a maximum amount specifically earmarked in a more general lump-sum appropriation.

2.3.8.3. Depletion of an amount subject to a monetary ceiling imposed by some other statute (usually, but not always the relevant program legislation).

2.3.9. Contract or Other Obligations in Excess or Advance of Appropriations. For example, the ADA prohibits you from obligating $700,000 when you have only $350,000 left in the account, and prohibits you from entering into a contract in September, purporting to obligate next fiscal year's unappropriated funds, unless the contract includes the appropriate "Subject to Availability of Funds" clause.

2.3.10. Indemnification.

2.3.10.1. Prohibition against Unlimited Liability. Under an indemnification agreement, one party promises, in effect, to cover another party's losses. The basic rule is that, absent statutory authority, the government may not enter into an agreement to indemnify, where the amount of the government's liability is indefinite, indeterminate, or potentially unlimited. Such an agreement would not only violate the ADA, it would violate the Adequacy of Appropriations Act (41 U.S.C., Section 11) as well.

2.3.10.2. Authorized Indemnification. Indemnification agreements may be proper only if limited to available appropriations and otherwise authorized, either expressly (to include specific authorization by law) or under the "necessary expense" doctrine. Once the legality of the indemnification agreement is determined, it becomes necessary to address the unlimited liability issue. If the government's potential liability is limited and determinable, an agreement to indemnify is acceptable if it is otherwise authorized and if appropriate safeguards are taken to protect against violation of the ADA. These safeguards may be either the obligation or administrative reservation of funds to cover the potential liability or the inclusion in the agreement of a clause that expressly limits the government's liability to available appropriations.

2.3.10.3. There is no doubt that indemnification is controversial and troublesome. Although processes may exist to structure indemnification agreements in such a way as to make them legally acceptable, they are no substitute for clear legislative authority. If you are considering such an agreement and you believe it is sufficiently in the Air Force's best interests, it is preferable that you seek specific statutory authority to do so through your command. As with any other legal issue, solicit the support of your local judge advocate office in the indemnification approval process.

2.3.11. Specific Appropriation Limitations and Purpose Violations. Violations of the purpose availability can arise in a wide range of contexts-charging an obligation or expenditure to the wrong appropriation, making an obligation or expenditure for an unauthorized purpose, violating a statutory prohibition or restriction, etc. ***NOTE:*** If the appropriation that should have been originally charged has sufficient available funds to enable the adjustment of accounts, there is no ADA violation. A violation exists if the proper account does not have enough money to permit the adjustment, and this includes cases where sufficient funds existed at the time of the error but are currently obligated or expended.

2.3.12. Amount of Available Appropriation or Fund. The available amount is the uncommitted balance of the relevant appropriation. Funds are committed (reserved and subtracted from the balance of the appropriation) whenever an AF Form 9, AF Form 616, etc., posting enters into the accounting system. When a contract is let or a purchase order issued against that commitment document, it moves into the obligation stage. Whenever an item ordered from the supply system or a memo due-out firms up, an obligation automatically occurs in the accounting system through its interface with the supply system, bypassing the commitment stage.

2.3.13. Intent and Factors Beyond Agency Control. A violation of the ADA does not depend on intent or lack of good faith on the part of contracting or other officials who obligate or pay in advance or in excess of appropriations. Although these factors may influence the applicable penalty, they do not affect the basic determination of whether a violation has occurred. An overobligation results from external factors beyond the agency's control (e.g., foreign currency fluctuation). Whether this produces an ADA violation depends on the all of the particular circumstances.

2.3.14. Exceptions. The statute prohibits contracts or other obligations in advance or excess of available appropriations, unless authorized by law. This is nothing more than the recognition that Congress can authorize exceptions to the statutes it enacts.

2.3.15. Voluntary Services Prohibition. 31 U.S.C., Section 1342, contains two distinct, although closely related prohibitions. It bans (1) the acceptance of any type of voluntary services for the United States and (2) the employment of personal services "exceeding that authorized by law." The only

authorized exceptions to this statute are (1) if a written agreement exists that the services are to be rendered gratuitously with no expectation of future payment, (2) emergencies involving the safety of human life or the protection of property, and (3) in cases involving the acceptance of voluntary services specifically authorized by law.

2.3.16. Voluntary Creditors. A voluntary creditor is an individual, government or nongovernment, who pays what he or she perceives to be a government obligation from personal funds. The general rule is that the voluntary creditor cannot be reimbursed, although numerous exceptions do exist. Consult with your local judge advocate office in the event you need to determine if a particular individual's payment for a government obligation is reimbursable.

2.3.17. Apportionment of Appropriations. All appropriations are administratively apportioned to ensure their obligation and expenditure at a controlled rate that will prevent deficiencies from arising before the end of a fiscal year. An agency must observe the limits of its apportionment just as it must observe the limits of its appropriations.

2.3.17.1. The authority to apportion funds is 31 U.S.C., Section 1512, which states in part, "...an appropriation for obligation for a definite period shall be apportioned to prevent obligation or expenditure at a rate that would indicate a necessity for a deficiency or supplemental appropriation for the period."

2.3.17.2. 31 U.S.C., Section 1513 gives the authority to apportion executive branch funds to the President stating, "The President shall apportion in writing an appropriation available to an executive agency (except the Commission [Federal Trade Commission]) that is required to be apportioned under Section 1512 of this Title [31 U.S.C.]." The President exercises this authority through the Office of Management and Budget (OMB), which is part of the Executive Office of the President.

2.3.17.3. OMB Circular A-11, *Preparation and Submission of Budget Estimates*, section 120, paragraph 120.5 [What Accounts are Apportioned?] states, "All accounts will be apportioned, using the SF 132 (see section 121.1), including special foreign currency program appropriation accounts, unless OMB determines otherwise and informs you (or has informed you) in writing, except those listed under section 120.6." Air Force O&M 3400 is not listed in section 120.6; therefore, it is subject to apportionment.

2.3.18. Penalties and Reporting Requirements. By law (31 U.S.C., Sections 1341, 1349-50, and 1517-19), any Air Force member or employee who violates the ADA statutes is subject to appropriate administrative discipline including, when circumstances warrant, suspension from duty without pay or removal from office. A willful violation is a criminal offense, subjecting the offender, upon conviction, to a fine of not more than $5,000 or imprisonment up to two years, or both. Whenever there is an ADA case, an in-depth investigation is required, along with reporting to Congress.

2.3.19. ADA Prevention. Violations of DoDFMR 7000.14, Volume 14, reflect poorly on the Air Force's ability to manage public funds entrusted to it. The following suggestions will help prevent violations:

2.3.19.1. Follow the procedures of the Air Force accounting systems.

2.3.19.2. Be familiar with the limits in directives and regulations that affect your activities.

2.3.19.3. Record obligations promptly and keep available balances up to date.

2.3.19.4. Assign costs to the correct project or account.

2.3.19.5. Perform required reconciliation and adjustments on a timely basis.

2.3.19.6. Request and receive an increase in budget authority before incurring additional costs.

2.3.19.7. If in doubt, research the projected results of a planned transaction.

2.3.20. References. For more information on the ADA see DoDFMR 7000.14, Volume 14, DoDD 7200.1, *Administrative Control of Appropriations*, AFI 65-608, *Antideficiency Act Violations*, and *GAO: Principles of Federal Appropriations Law, Volume II*, chapter 6.

2.4. Bona Fide Need Rule (BFNR).

2.4.1. Definition. The BFNR is based on statutory law (31 U.S.C., Section 1502(a)) although it has never been completely solidified by Congress into fiscal law. Basically, the BFNR establishes that an appropriation may be obligated only to meet a legitimate, or bona fide need arising in, or in some cases arising prior to but continuing to exist in, the fiscal year for which the appropriation is authorized. If a funding issue occurs at your base that in your opinion could possibly violate the BFNR, contact the local JAG for assistance and public law clarification. The following paragraphs describe the BFNR application in more detail but are not meant to be all-inclusive on the subject.

2.4.2. Future Years' Needs. Do not use an appropriation for the needs of some time period subsequent to the expiration of its period of availability. As most appropriations are annual appropriations, a more common statement of the rule is that an appropriation for a given fiscal year is not available for the needs of a future year.

2.4.3. Prior Years' Needs. There are situations in which it is not only proper but also mandatory to use currently available appropriations to satisfy a need, which arose in a prior year. This is referred to as the "continuing need." If a need arises during a particular fiscal year and the agency chooses not to satisfy it during that year, due to insufficient funds or higher priority needs, and the need continues to exist in the following year, the obligation to satisfy that need must be charged to the later (current) year's funds.

2.4.4. Delivery of Materials beyond the Fiscal Year. You may not obligate funds when it is apparent from the outset there will be no legitimate requirement until the following fiscal year. Where materials cannot arrive in the same fiscal year required and contracted for, the provisions for delivery in the subsequent fiscal year do not violate the BFNR, as long as the time intervening between contracting and delivery is not excessive (within 90 days or three months) and the procurement is not for standard commercial items readily available from other sources. For instance, a base may contract in one fiscal year for delivery in a subsequent year if the material contracted for is not available on the open market at the time needed for use, provided the intervening period is necessary for production or fabrication of the material. Also, an order for replacement of bench stock is legitimate to meeting the bona fide need of the year the contract is let, as long as the intention is to replace stock used in that year, even though the replacement items will not be consumed until the following year.

2.4.5. Services Rendered Beyond the Fiscal Year. Services are generally (but not always) viewed as chargeable to the appropriation current at the time services are rendered. There are two types of service contracts under the BFNR; they are "severable" or "entire." Paragraphs **2.4.5.1.** and **2.4.5.2.** below describe the BFNR application to each one.

2.4.5.1. Severable Type Contract. The service is continuing and recurring in nature. The FY98 Authorizations Act (P.L. 105-85) has expanded the authority in 10 U.S.C., Section 2410(a) to permit any 12-month contract for severable services, beginning at any time during the fiscal year, to extend into the next fiscal year, using the funds available at the time of the contract award. ***NOTE:*** The contract must be fully funded at the time of the award. The contract period cannot exceed one year and any option to extend or renew the contract beyond that time is funded with current year dollars available at the time of the exercised option (see AFI 65-601, Volume 1, chapter 4, paragraph 4.48). This new authority does not restrict the type of service procured as the previous authority did. ***ADDITIONAL NOTE:*** Per the FY04 Defense Authorization Act (P.L. 108-136, H.R. 1588), Section 1005, 10 U.S.C., Section 2401(a) is amended to include the authority of short-term leases for real and personal property to cross fiscal years, using funds available at the time of the contract award, not to exceed 12 months,

2.4.5.2. Entire Type Contract. The service represents a single unseverable requirement. Charge to the fiscal year of the contract award or obligation. Primary examples of this (but not necessarily limited to) are facility projects or one-time repair efforts.

2.4.5.2.1. The actual contract performance need not begin before the end of the fiscal year of the contract obligation, but it should start without any unnecessary delay and within a reasonable time (60 days) after award of the contract. In no case should the delay of contract performance start beyond the end of the fiscal year exceed three months; that is, performance *must* begin before 1 Jan.

2.4.5.2.2. Performance begins when the contractor incurs a cost or an obligation for work or effort specified in the contract and payment is remitted by DFAS to the contractor under the terms of the contract, citing the organization's O&M-type funds.

2.4.5.2.3. Contractor planning and scheduling are not normally considered contractor performance except when a design or construction contract calls for a specific design, planning, or scheduling performance milestones.

2.4.5.2.4. A performance bond by itself is not evidence of contract performance.

2.4.5.2.5. The ordering of materials, mobilization, or actual work at the project site is evidence of performance for BNFR purposes. However:

2.4.5.2.5.1. The contractor must have in fact incurred an obligation or made an actual payment for the materials.

2.4.5.2.5.2. The act of moving supplies and storing material that the contractor already has in inventory is not satisfactory evidence of contract performance in and of itself. Evidence of such an obligation by the contractor is generally presented in the form of a request for a progress payment or some other acceptable evidence to support the incidence of an obligation through the ordering of these supplies and materials. Consider contract performance valid in cases where the contractor has actually made payment to the supplier for the supplies and materials stored on the project site.

2.4.6. Penalties and Reporting Requirements. A violation of the BFNR could result in criminal or administrative actions. A BFNR violation can also lead to an ADA violation. For instance, by deobligating funds from one fiscal year because the supply or service was not, or is no longer a bona fide

need of that fiscal year, you may need to obligate a later year's funds. If there are insufficient funds remaining in the correct fiscal year, an ADA violation may result.

2.4.7. The BFNR is not applicable to no-year, or nonappropriated funds. This means the TWCF is not bound by the BFNR in terms of obligations and expenditures for goods and services in support of the airlift mission.

2.4.8. References. For more information on the BFNR, please refer to DoDFMR 7000.14, Volume 14, DFAS-DE interim guidance, *Accounting for Obligations* (formerly DFAS-DE 7000.4-R), section 2, paragraphs 2.a. and 2.b., or *GAO: Principles of Federal Appropriations Law, Volume I*, chapter 5, section B.

2.5. The "Necessary Expense" Doctrine. The following are excerpts from the *GAO: Principles of Federal Appropriations Law, Volume I*, chapter 4, section B, and establishes the primacy of 31 U.S.C., Section 1301(a) in any discussion of purpose availability. This statute does not require, nor would it be reasonably possible, that every item of expenditure be specified in the appropriation act. While the statute is strict, apply it within reason.

2.5.1. Concepts. The spending agency has reasonable discretion in determining how to carry out the objectives of the appropriation. This concept is known as the "necessary expense doctrine," and has existed around almost as long as the statute itself. This doctrine, or rule, is really a combination of two slightly different but closely related concepts:

2.5.1.1. An appropriation made for a specific object is available for expenses necessarily incident to accomplishing that object unless prohibited by law or otherwise provided for. An example would be to use a specific appropriation for the purpose of building a particular monument and constructing a fence around it where administratively deemed necessary for protection.

2.5.1.2. Appropriations, even for broad categories such as salaries, frequently use the term "necessary expenses." As used in this context, the term refers to "current or running expenses of a miscellaneous character arising out of and directly related to the agency's work." Although the theory is identical in both of these situations, the difference is that expenditures in this category relate to somewhat broader objects.

2.5.2. Application. The Comptroller General has never established a precise formula for determining the application of the necessary expense rule. In view of the vast differences among the various government agencies, any such formula is almost certainly unworkable. The application is essentially on a case-by-case basis. To justify expenditures under this rule requires the following three tests:

2.5.2.1. The expenditure must bear a logical relationship to the appropriation being charged. In other words, it must make a direct contribution to carrying out either a specific appropriation or an authorized agency function for which more general appropriations are available.

2.5.2.2. Public Law must not prohibit the expenditure.

2.5.2.3. The expenditure must not be otherwise provided for, that is, it must not be an item that falls within the scope of some other appropriation or statutory funding scheme.

2.5.3. The first test (paragraph **2.5.2.1.** above) is the one that generates the majority of questions. The rule does not require that a particular expense be "necessary" in the strict sense that someone could not accomplish the objective of the appropriation without it. The expense does not have to be the only way to accomplish a given object, nor does it have to reflect the GAO's perception of the best way to

do it. However, the expense in question has to be more than merely desirable or even important. An expense is not justifiable because some agency official thinks it is a good idea.

2.5.3.1. The key is not the significance of the proposed expense itself or its value to the government or to some social purpose in abstract terms, but the extent to which it will contribute to accomplishing the purpose of the appropriation the agency wishes to charge.

2.5.3.2. A decision on a "necessary expense" question involves (1) analyzing the agency's appropriations and other statutory authority to determine the authorized purpose, and (2) evaluating the adequacy of the administrative justification, to decide whether the agency has properly exercised, or exceeded, its discretion.

2.5.3.3. Specific statutory authority is not essential when determining the authorization of a particular expense. If participation directly relates to and is in furtherance of the purposes of a particular appropriation, and an appropriate administrative determination has been accomplished to that effect, the appropriation is available for the expenditure in question.

2.5.3.4. In the absence of either statutory authority or an adequate justification under the necessary expense doctrine, the expenditure is illegal.

2.5.4. For the second test (paragraph **2.5.2.2.** above), as a general proposition, neither a necessary expense rationale nor the "necessary expense" language in an appropriation act is applicable to overcome a statutory prohibition. There are exceptions where applying the rule would make it impossible to carry out a specific appropriation. A very small group of CG decisions regarding this issue stand for the proposition that, when Congress issues a specific appropriation for a specific purpose, an expenditure which is "absolutely essential" to accomplishing the specific object is allowable even though the expenditure is otherwise prohibited. In order for this exception to apply, the expenditure must literally be "absolutely essential" in the sense that someone could not accomplish the object of the appropriation without it. Also, this rule would not apply to the use of a more general appropriation.

2.5.5. The third test prohibits any expenditure otherwise provided for under a more specific appropriation or statutory funding mechanism. The fact that the more specific appropriation may be exhausted is immaterial. The existence of a more specific source of funds, or a more specific statutory mechanism for obtaining them, is the governing factor and overrides the "necessary expense" considerations.

2.5.6. References. Consult the GAO publication referenced in paragraph **2.5.** above for additional information on the "necessary expense" doctrine.

2.6. Participatory Financial Management. This provides the structure to prioritize resource demands in an order that best accomplishes the overall mission. Conventional economics dictate there are unlimited demands with only scarce financial resources to meet them. This theory holds true in all organizations but is offset by the concept of cost versus benefit. Isolation of programs competing for limited financial resources often leads to poor decisions when measured against the total mission. Through the corporate committee approach, the wing or group commander and supporting staff determines the most effective way to set priorities or to reduce, defer, or eliminate programs not critical to the overall mission operation. This collective effort provides the commander with the most balanced application of financial resources. To provide collective management action, each base establishes a Financial Management Board (FMB) and a Financial Working Group (FWG). **Chapter 3** of this instruction provides additional discussion on the FMB and FWG.

2.7. Managerial Responsibilities. While the commander of an organization has the overall responsibility for its effective management, it becomes necessary to delegate financial responsibilities from a functional perspective. The commander assigns primary responsibility for managing programs to line managers who head responsibility centers and are given control of resources to do the job. The comptroller is assigned concurrent responsibility to provide sound financial management and advice through the development and use of financial reports and analysis.

2.7.1. Commander. The commander sets the tone for the local financial management process. Through participatory financial management, the commander asks questions regarding program condition, causative factors, weighing alternatives, and directing required action. Commanders play an active role in reviewing subordinate responsibility center programs. This duty includes formulation and approval of the wing's financial plan as well as balancing of resource expenditure to mission accomplishment.

2.7.2. Comptroller. The comptroller operates the infrastructure necessary to provide all phases of financial management, including resource allocation and budgeting, cost estimating, and accounting. The comptroller organization estimates, accounts, and reports the financial costs incurred in sustaining the mission. The financial management analysis/services offices accomplish these duties.

2.7.3. Financial Management Analysis (FMA).

2.7.3.1. The FMA office works with other base organizations by providing budgetary services, assisting in estimating program costs, developing budget estimates and financial policies, guiding and directing budget justifications. It also provides financial management training, support agreement costing, and assists commanders in administering all available funding for available programs.

2.7.3.2. FMAs assist managers in estimating the financial needs for programs and translating those requirements into financial plans and operating budgets. This includes the cost validation of proposed alternatives to meet mission objectives. FMAs ensure proposed actions do not exceed the installation's resource capability and provide the advice necessary on the propriety of the use of funds.

2.7.3.3. FMAs distribute budget and expense authority to managers based on the approved financial plan. In coordination with the RAs and through the use of available financial products, FMAs compare the actual execution of programs against planned execution. When deviations occur, FMAs and RAs work jointly to determine the cause.

2.7.3.4. FMAs develop and ensure training is provided to all financial managers. Local conditions may warrant coordination with other resource management elements (e.g., supply transportation, and contracting) for supplemental training. See AMCI 65-601, *AMC Financial Management for Operations*, paragraph 15., regarding RA training.

2.7.3.5. FMAs provide the above services to tenant organizations in accordance with the terms of existing support agreements.

2.7.3.6. Trend Analysis. FMAs and RAs are responsible to review obligation (O&M) and expense (TWCF) trends, to determine if program execution is on track as planned and the reasons behind the over-execution or under-execution. This responsibility meets the financial managers' need to comprehend the overall financial status of his or her program.

2.7.3.6.1. If financial programs track as planned, then the financial manager knows that no action is needed. If financial reports indicate the program expenditure or obligations are at an accelerated rate or not consumed at the anticipated level, the appropriate manager determines and investigates the cause of the deviations. The analysis performed by the FMA office and RAs is the basis for recommendations given to the manager for action, as well as supporting unfunded requirements to the command.

2.7.3.6.2. The ability to identify deviations is not as simple as it sounds. In order to do so, one must have a good understanding of how the accounting system works and how to use the available financial management tools. RAs and financial analysts who understand how the accounting system operates are better prepared to perform trend analysis.

2.7.4. Financial Service Office (FSO) Responsibilities.

2.7.4.1. The FSO acts as an intermediary between base-level activities and the DFAS regional field sites. The FSO ensures their base provides all products required by the field sites, as well as providing any financial information required by their base-level customers.

2.7.4.2. The FSO is the base focal point for all transactions requiring fund certification. The FSO certifies fund availability and propriety for all travel orders as well as AF Form 9, **Request for Purchase**, AF Form 616, **Fund Cite Authorization**, AF Form 406, **Miscellaneous Obligation Reimbursement Document**, AF Form 4009, **Government Purchase Card Fund Cite Authorization**, and Defense Department (DD) Form 448, **Military Interdepartmental Purchase Request (MIPR)** funding documents.

2.7.4.3. The FSO is responsible for timely and accurate follow-up for all commitment documents. This includes follow-up on all outstanding travel orders and advances.

2.7.5. The duties of resource advisors, responsibility center managers, and cost center managers are explained later on in **Chapter 3** of this publication.

2.8. Centrally Managed Programs. It is not uncommon to hear someone refer to an end item or program as "centrally managed," usually indicating that it is free to the issued organization. The base or wing does not budget or execute centrally managed programs. The MAJCOM/Air Force/DoD-assigned functional manager budgets and executes these types of programs. Examples are military pay and benefits, various depot-funded items, vehicles, and Meals, Ready to Eat (MRE). The base-level manager does not control the allocation of funds for these programs; however, many times the consumption of Air Force resources on these programs prevents funds from being reprogrammed to other areas within the control of base-level managers. A casual attitude toward a centrally managed program can very easily carry over to a locally managed program.

2.9. Budget Planning. The basic financial planning tool used to aid decision-making is the budget; a written plan expressed in dollars. In the past, a budget was regarded primarily as an instrument to limit expenditures. A more useful approach is to view the budget and budgeting process as tools for obtaining the most efficient use of an organization's resources. Possibly the most important asset of budgeting is that it requires managers to look ahead. Budgeting is an integrating activity enabling each unit to see the impact of its actions and requirements as compared to the entire organization's objectives. The establishment of standards and realistic budget estimates requires a comprehensive and clear-cut knowledge of the organization and its activities. A conscientiously applied budget process can improve internal coordina-

tion and impress on all managers that financial decisions cannot be made in isolation, because all decisions involve many considerations and affect the total organization. This command places a great deal of emphasis on the budget process and relies heavily on comprehensive, complete field budget submissions. The budget should be your primary financial tool.

2.10. Validation of Commitments and Obligations (ODL Certification). DoDFMR 7000.14, Volume 3, *Budget Execution Availability and Use of Budgetary Resources*, chapter 8, paragraph 080403.E, and DFAS-DE 7220.4-G, *Tri-Annual Review Program*, provides guidance for the validation of open commitments and obligations on the ODL (Open Document Listing) through the Tri-Annual Review process. Effective FY04, each review will focus on all obligations exceeding $50,000 for O&M-type appropriations (e.g., 3400, 3600, 4930 (TWCF)) and $200,000 in the investment-type appropriations (e.g., 3010, 3011,3020, 3080). Additionally, the 1st review of the fiscal year targets those obligations in accounts canceling at the end of the fiscal year, the 2nd review targets those obligations in accounts expired but not canceling, at the end of the fiscal year, and the 3rd review targets those obligations in accounts expiring at the end of the fiscal year. For all reviews, Miscellaneous Obligation Reimbursement Documents (MORDs) with no activity greater than 120 days are also included. Unit resource advisors must validate and confirm transactions for their accuracy, completeness, and timeliness for each review in accordance with the instructions contained in DFAS-DE 7220.4-G. A Tri-Annual Review checklist is available on the Air Force Accounting and Finance Office (AFAFO) page of the SAF/FM web site at *https://www.saffm.hq.af.mil/* to assist resource advisors and base Financial Service Office (FSO)/FMA personnel in completing the review. Select the "Accounting" button under "AFAFO" to access the checklist.

2.10.1. Obligations are to be recorded promptly in the official accounting system at the time of legal obligation incidence, or as close as possible. Per DoDFMR 7000.14, Volume 3, chapter 8, paragraph 080301.A, record obligations no later than 10 days following the date an obligation is incurred and record new obligations $100,000 or greater within 10 days or the end of the month of obligation incidence, whichever is earlier.

2.10.2. Record all obligations incurred on or before 30 September prior to the completion of year-end close-out process.

2.11. Negative Unliquidated Obligation (NULO)/Unmatched Disbursement (UMD) Transactions. DFAS-DE/ANAA handout entitled *Revised Guide for Researching and Correcting Unmatched Disbursement (UMD) and Negative Unliquidated Obligation (NULO) Transactions (Problem Disbursements),* dated 10 Jul 97 contains policy guidance for processing NULO and UMD transactions. If you do not have a copy of this guide, please contact DFAS-DE/ANAA, 6760 E. Irvington Place, Denver CO 80279, and ask them to provide you a copy. This is a very important document to have on file, as it provides detailed instructions on all NULO/UMD procedures. The following Air Force ESP codes are established to identify disbursements resulting in a NULO or UMD if the obligation of these amounts is not resolved within 180 days after the disbursement date.

2.11.1. ESP Code YA. Use to identify a disbursement unmatched to an obligation (UMD) incurred by the accounting station whose funds were charged or where disbursements exceed obligations (NULO).

2.11.2. ESP Code 1A. Use only to identify and report UMDs posted temporarily to accounting records for unsupported cross-disbursing transactions referred back to the disbursing office for addi-

tional documentation. These disbursements or collections made by other services for the Air Force are unidentifiable by the accounting station charged because of missing documentation.

2.11.3. ESP Code 2A. Use to identify amounts temporarily obligated under the 90/120-day rule, and for which research efforts by the funds holder to resolve or correct will continue.

2.11.4. ESP Code 3A. Use to identify amounts obligated when the funds holder (in most cases, the local resource advisor) authorizes suspension (discontinuance) of research for payments, not balances, of $2,500 or less. For payments, not balances, greater than $2,500, SAF/FMBMM must provide the approval to discontinue unsuccessful research on particular items. These amounts become permanent obligations against the funds charged. See Section 7 of the DFAS handout for further guidance.

2.11.5. ESP Code ZC. Use only to code current year appropriation records when charging current year appropriations to fund obligations or expenditures that otherwise would apply to a closed appropriation account.

2.11.6. ESP Code PA. Use only to record in Fund Type "X" (closed account obligation records) the liquidation of a closed account obligation using current year funds coded with ESP code ZC. This allows reconciliation of the current year and closed accounts to verify the entry, posted in the current and closed accounts.

2.11.7. ESP Code XC. Use only to record in Fund Type "X" (closed account obligation records) or "Z" (closed account reimbursement records) collections received applicable to a closed account refund receivable or reimbursement receivable deposited in miscellaneous receipt account 573200.0001 (refunds) or 573200.0002 (reimbursements) because the proper credited account is closed. This allows reconciliation between 573200.0001 and ESP code XC in Fund Type "X" or between 573200.0002 and ESP code XC in fund type "Z" to verify the entry, posted in the current and closed accounts.

2.12. Prior Fiscal Year (PFY) Management.

2.12.1. The responsibility for managing funds after completion of close-out continues under PFY management. Liquidate PFY funds as you would for current year funds, through the processing of invoices and receiving reports. The quality of work done by RAs, financial analysts, and accountants during the year when the funds were current determines the level of required work when the funds move into the prior year category.

2.12.2. By accurately recording all obligations and expenses when incurred in the current year, the liquidation of these obligations by accountants minimally impacts resource advisors and financial analysts. When the FMA office or the individual RAs inaccurately record obligations either through erroneous postings or through non-identification, then PFY management becomes a difficult issue. This lack of quality work can cause over-obligations and result in significant increased workloads for all involved.

2.12.3. Prior year obligation adjustments are not always the result of the RA, FMA office, or accountant oversight. Sometimes they are due to real world changes to the monetary value of contractual obligations. These changes fall into one of three categories: (***NOTE:*** These categories do not apply to the TWCF - see paragraph **2.12.5.**)

2.12.3.1. Upward Obligation Adjustments. These types of adjustments are usually the result of award and incentive fees (target to ceiling incentive contracts), price inflation adjustments, and

claims. Obligation adjustments resulting from administrative or accounting error corrections also fall into this category. Charge these adjustments to the O&M fund cite provided on the original contract. If the O&M appropriation on the original contract is not available for additional obligations, use current year O&M funds (see paragraph **2.12.4.** below). All personnel involved with issues that involve/require an upward obligation adjustment should be familiar with the policies and procedures set forth in AFI 65-601, Volume 1, chapter 6 and Air Mobility Command Supplement 1 (AMCS1) to AFI 65-601, Volume 1, paragraphs 6.33. and 6.3.7.4.

2.12.3.2. Within-Scope Contract Changes. This condition identifies contract modifications or changes by the requesting activity that require additional within-scope work, differing site conditions, and contract defaults resulting in reprocurement actions. Such adjustments are properly chargeable to the prior year O&M appropriation cited on the original contract if the bona fide need rule is satisfied. If the O&M appropriation on the original contract is cancelled, use current year O&M funds (see paragraph **2.12.4.** below)

2.12.3.2.1. For within-scope contract adjustments attributable to antecedent liability (that is, enforceable under a provision of the original contract) charge the adjustment increase to the appropriation current at the time the contract was originally executed (unless the prior year funds have expired – see paragraph **2.12.4.** below). A primary example is a mandatory or legal requirement (e.g., regulation, law, state/federal code) that existed at the time the contract was awarded (i.e., a bona fide need) and was erroneously omitted. This circumstance is considered a "defective specification" case, which is cognizable under the "Changes" clause of the contract and is occasionally referred to as the doctrine of "relation back". ***EXCEPTION:*** In cost-reimbursement contracts where discretionary cost increases (not enforceable by the contractor) exceed funded ceilings established by the Limitation of Funds or Limitation of Cost clause of the contract, use current year funds when the contracting officer grants the discretionary increase. (Reference the *GAO: Principles of Federal Appropriations Law, Volume 1*, chapter 5, pages 5-32, 5-33.)

2.12.3.3. Change (Increase) in Contract Scope. If the required change in obligation does not fall into the previous two categories, then the increase is due to a change in contract scope. When this occurs, fund the additional requirement from the current year O&M appropriation.

2.12.3.4. All upward adjustments for prior year *must* be approved in the Obligation Adjustment Reporting System (OARS). OARS requests *must stand-alone* and contain *all* the essential facts for making the bona fide need determination. Any prior year upward adjustment entered into the accounting system without a corresponding OARS request is subject to an ADA investigation.

2.12.3.5. For prior year upward obligation adjustments and within scope contract changes that require SAF/FM and OUSD(C) approval before the actual release of funds, *do not* pay it (i.e., cash flow) from current year funds in anticipation of receiving prior year funding approval, with the intention of adjusting the accounting records to move the obligations to the prior year appropriation upon receipt of additional funding.

2.12.4. Funding of prior year adjustments for O&M appropriations can occur up to five years after the funds have expired. After that time, the appropriation is "canceled" and not available for funding prior year adjustments. Do not process obligations against cancelled year funds. Upon receiving approval through the OARS system, charge all upward adjustments for canceled year funds to the current fiscal year using ESP code ZC (Zulu Charlie) with an A10 limitation for tracking purposes. Additional

information concerning O&M prior year management and upward obligation adjustments are found in AFI 65-601, Volume 1, *Budget Guidance and Procedures,* chapter 6, paragraph 6.3.

2.12.5. Replacement Contracts. AFI 65-601, Volume 1, chapter 6, paragraph 6.3.6.14., sets conditions when a contractor defaults and reprocurement action is required to initiate a replacement contract, utilizing the same fiscal year's O&M funds as was provided on the original contract. They are:

2.12.5.1. There is a continuing bona fide need for the goods or services.

2.12.5.2. The original contract was made in good faith.

2.12.5.3. The original contract was terminated for default or cause by the Air Force, based on a determination that the contract award was improper.

2.12.5.4. The replacement contract is substantially of the same size and scope as the original contract; executed within "100 days after the date on which the final ruling is made on the protest or other action" (see 31 U.S.C., Section 1558).

2.12.6. TWCF PFY Management. The TWCF does not utilize prior year funds as is done for O&M 3400 funds. It appears from an accounting perspective that prior year TWCF uncommitted funds are available in the accounting records to make upward adjustments or pay prior year bills not previously established as accruals (accrued expenditures unpaid (AEU) - Operating) or set up as obligations (UOO - Capital). However, you cannot use prior year available TWCF balances for this purpose. There is no PFY management in the TWCF. Before paying a prior year bill from prior year TWCF funds, you must determine that a corresponding payable (AEU - Operating) or obligation (UOO - Capital) still exists in the accounting records. Any payments for prior year bills not previously accrued (Operating) or obligated (Capital) must be paid against current year expense (Operating) or obligation (Capital) authority only. See AMCI 65-602, chapter 2, paragraph 2.4.8.

2.13. Feed and Forage Act.

2.13.1. This Act is codified in Section 3732 of the Revised Statutes (41 U.S.C., Section 11). Under this law, DoD may incur obligations in excess of available appropriations to ensure necessary funding to support members of the U.S. Armed Forces. This support is strictly limited to clothing, subsistence, fuel, quarters, transportation, and medical/hospital supplies, not in excess of the necessities of the current year. While DoD can incur obligations for these requirements above what they have the authority to spend, no disbursements can be made until the funds are appropriated. The Undersecretary of Defense (Comptroller) is responsible to issue instructions to implement the Feed and Forage Act.

2.13.2. Prior to incurring any obligations under this Act, each Service is required to identify to OSD the specific requirements, by appropriation, which will exceed its current funding authority. OSD, in turn, must grant specific "overspending" authority by appropriation to incur these obligations. Consequently, it is entirely possible for OSD to invoke the Feed and Forage Act and the Air Force will not be authorized to incur obligations in excess of its spending authority if they have not previously identified to OSD any "overspending" requirements. The mere fact that Feed and Forage has been declared does not automatically give AMC units the authority to spend in excess of its current O&M 3400 or TWCF (Fund Code 68) funding authorities.

2.14. Operational Risk Management. AFI 90-901, *Operational Risk Management*, defines ORM as a decision-making process to systematically evaluate possible courses of action, identify risks and benefits, and determine to best course of action for any given situation. It enables commanders, functional manag-

ers, supervisors, and individuals to maximize operational capabilities while limiting all dimensions of risk by applying a simple, systematic process appropriate for all personnel and functions, both on- and off-duty. ORM has four main principles: (1) accept no unnecessary risk; (2) make risk decisions at the appropriate level; (3) accept risks when the benefits outweigh the cost; and (4) integrate ORM into operations and planning at all levels. AMC/A8 has directed the implementation of the ORM fundamentals and philosophy into all aspects of our financial management culture in accordance with AFI 90-901. See also AFPAM 90-902, *Operational Risk Management (ORM) Guidelines and Tools*, for additional information concerning ORM.

Chapter 3

THE AMC PROGRAM

3.1. General Information. In an effort to maximize and facilitate the general management process, AMC has developed an aggressive approach to financial management. The cornerstone of this approach is flexibility. Therefore, we issue Operation and Maintenance (O&M), Transportation Working Capital Fund (TWCF), Military Family Housing (MFH), and capital investment funding by budget activity (BA), budget project account code (BPAC), and project/sub-project codes, as applicable, and allow flexibility, with very few exceptions (centrally managed programs) to utilize the funds as necessary to accomplish the assigned mission. The bases/funding points determine how much to allocate to the various commodities, i.e., civilian pay, TDY, purchased service contract, etc. Centrally managed program funding, when issued to the base/unit, such as Sustainment, Restoration, and Maintenance by Contract (SRMC) is issued on a line item basis and requires HQ AMC approval to reprogram. Motivated, well-trained financial managers, and strong financial management committees are other key tenets of AMC financial management.

3.2. O-1 Line Item Structure.

3.2.1. Public Law established the requirement for O-1 line items in the O&M appropriation. O-1 line items, which are a part of BAs and include Activity Groups or Sub Activity Groups (AG/SAG), are essentially groupings of program elements, which replaced the Major Force Programs (MFP). A list of those applicable AGs/SAGs and their relationship to Program Element (PE) codes is published on the HQ AMC/A8 web site listed in paragraph **1.3.** of this publication.

3.2.2. The O-1 budget structure for O&M (Fund Code 30) is a three-tiered hierarchy that aggregates program elements (PE) from various mission-oriented categories.

3.2.2.1. Budget Activity (BA). This is the funds control point. BAs combine PEs from various MFPs into four broad mission categories. They are: 01 – Operating Forces; 02 – Mobilization; 03 – Training and Recruiting; and 04 – Administrative and Service-Wide Activities. ***NOTE:*** Congress holds the Air Force accountable on how 3400 funding is executed by BA and has established a $15M ceiling for the Air Force on reprogramming by BA. *Therefore, you cannot use funding available in one BA to cover requirements in another BA, even though it is all in appropriation 3400. To do this constitutes an augmentation of appropriations and could potentially lead to an ADA.* If you are faced with a funding shortfall in one BA and have requirements that exceed available funding and you want to use available funding from another BA, you must first submit a reprogramming request to HQ AMC/A88, who will forward it to SAF/FMBO for approval. SAF/FMB will realign funds between the applicable BAs (as long as it does not exceed the $15M congressional ceiling) and issue HQ AMC/A88 a funding document reflecting the change

3.2.2.2. Activity Groups (AG) or O-1. These are shreds of BAs into more specific mission or functional categories. The O-1 Line Item structure is for O&M only. See AFI 65-601, Volume 2, *Budget Management for Operations*, Attachment 3, and AFMAN 65-604, *Appropriation Symbols and Budget Codes*, under the category of 3400/Fund Code 30 funds, for a detailed description of each activity group under the BAs listed in the above paragraph.

3.2.2.3. Sub-Activity Groups (SAG). These are additional shreds of the AGs into even more specific mission and functional alignments. SAGs are not funding control points nor do we explain

funding realignments at this level. SAGs are aggregations of PEs that relate to specific missions or functions and will provide Congress more visibility on funding of specific missions.

3.2.3. Budget Project Account Codes (BPAC) for TWCF. The TWCF (Fund Code 68) utilizes BPACs to track funding and execution of its Operating and Capital programs. They include: 101 – Operating – (all other); 102 – Commercial Augmentation; 103 – Military Augmentation; 210 – Minor Construction (MC) equal to or greater than $100,000; 220 – ADPE Equipment; 230 – Equipment, non-ADPE; 240 – ADPE Software Development; and 3XX – Maintenance and Repair, and Minor Construction (less than $100,000) work – Contract and In-House. Each BPAC may contain shreds to further identify costs by specific programs within the BPAC. All 1XX and 3XX BPACs are funded and executed within the TWCF Operating program and all 2XX BPACs are funded and executed within the TWCF Capital program. See AMCI 65-602, chapter 8, for further discussion on the TWCF Capital program.

3.2.4. Project/Sub-Project Codes for MFH. Specific project/sub-project codes, i.e., 728, 72810, 72262, etc., are used by MFH to track funding and execution of their funds (FC 3Y). See **Chapter 24** of this publication for further discussion.

3.3. Financial Managers.

3.3.1. Responsibility Center Manager (RCM). Before discussing the role of the RCM, we need to define a Responsibility Center (RC). Generally the first two digits of the Responsibility Center/Cost Center (RC/CC) code determine the RC, the third, fourth, and fifth positions determine the Cost Center (CC), and the sixth position determines the Cost Account (CA):

236600	RC
23**661**0	CC
23661**1**	CA

3.3.1.1. There are several exceptions to this rule, such as tenant units. Refer to the RC/CC code list on the Air Force Data Dictionary (AFDD) (see paragraph **3.3.1.2.** below). AMC bases should normally have the following RCs:

FUNCTION	RC
Wing Commander	20
Commander for Operations Group	21
Commander for Maintenance Group	23
Commander for Mission Support Group	24
Base-Wide Requirements	26
Medical Treatment Facility (MTF)	35

3.3.1.2. HQ AMC/A88 generally establishes the use of the first two digits (the RC) of the RC/CC code. A list of these codes is available on the HQ AMC/A8 web site at the following address: *https://www.amcfm.scott.af.mil/FM_BudgetPolicyNotices.cfm,* entitled *AMC Responsibility Struc-*

ture (RC) for the 1st and 2nd Positions of the RC/CC Code. The base FMA may establish other RC codes with HQ AMC/A88 approval. The basic cost center codes (last four digits) are available on the AFDD at *https://www.afbudsys.disa.mil/afdd.htm* and all AMC organizations must adhere to this list. The base FMA office does have the flexibility to change the last digit of the RC/CC to further define local needs or requirements. As a reminder, there can be only one PE per RC/CC. HQ AMC/A78 must approve any additions, changes, and deletions to base level established CE RC/CCs.

3.3.1.3. The commander of each of these organizations is an RCM. Please note this is not an additional duty. The RCMs are responsible for effective financial management by virtue of their position.

3.3.1.4. The RCM should know what the financial requirements of the organization are and be continually aware of any deficiencies. This may involve reprogramming of resources from one commodity to another (remember, each RCM normally has complete flexibility to reprogram resources between Element of Expense and Investment Codes (EEICs)). This can only be accomplished through coordination with the RA. The RCM should appoint a RA that has the capability to be the RC's money manager. Additionally, the RA should be expected to maintain the additional duty for at least two years.

3.3.2. Resource Advisor (RA). Each RCM should appoint a RA in writing to the FMA Office. Resource "advising" is usually an additional duty, but should not be taken lightly. This individual is the focal point of the AMC financial management system and requires proper training to accomplish these assigned duties. It is for this reason that specialized one-on-one training for each newly appointed RA (primary and alternate) is essential, in accordance with AFI 65-601, Volume 2, chapter 10, paragraph 10.2.5., and AMCI 65-601, paragraph 15.

3.3.2.1. The RAs are the “budget officers” for their particular organizations. Their responsibilities include preparation of operating budget estimates; representing their RCM at the Financial Working Group (FWG); recommending initial distribution of funds and reprogramming actions to various CCs (if applicable); and ensuring the proper training of all subordinate cost center managers (CCM) in financial management procedures.

3.3.2.2. Appoint alternate RAs in all RCs. This facilitates the transition between old and new RAs and fills a void during the absence of the primary RA.

3.3.3. Cost Center Manager (CCM). The CCM is the lowest level in the RCM resource management chain, yet potentially one of the most important. The CCM is not appointed, because it is not an additional duty. The work center supervisors assume CCM responsibility by virtue of their positions. The degree to which a CCM becomes involved in the organization's financial program depends largely on the desires of the RCM and RA. However, as a minimum, CCMs should budget for and manage their supply and equipment programs. Provide CCMs both annual and quarterly targets in the base-level supply system or by a memorandum from the RA. ***NOTE:*** The RA is responsible to train the CCM.

3.3.3.1. We encourage CCMs to participate in other areas besides supplies and equipment to the maximum extent possible for two reasons: (1) the more people involved in the program, the stronger the program should be and (2) CCMs help the RA and can serve to subdivide their workload. Remember, the RA position is usually an additional duty on top of their normal day-to-day job responsibilities.

3.3.3.2. Normally, an RC/CC that is subordinate to the RC and ends in "0" is designated as a CC. The following are CC examples:

246600	Logistic Readiness Squadron (RC)
246630	Traffic Management Flight Operations (CC)
246640	Vehicle Management Flight (CC)
246641	Vehicle Management Flight - Operations (CC)
246642	Records and Licensing (CA)

3.3.3.3. To relate these examples back to CC management, identify a CCM for CCs 234210, 234220, and 234240 if these particular CCs consume supplies or expendable equipment items. ***NOTE:*** In the case of the Transportation Working Capital Fund (TWCF) organizations, consider certain work centers CCs though technically defined as a cost account (CA). This is especially true for the aerial port function. Continue to treat these exceptions as CCs.

3.3.3.4. In the case of CC 234242, a CCM is unnecessary regardless of supply and equipment issues. This is a CA rather than a CC. Technically, the CCM is responsible for several CAs within the organization.

3.4. Financial Management Board (FMB).

3.4.1. Frequency. FMB meetings convene at the call of the chairperson. We highly recommend that the FMB meet at least quarterly. Refer to AMCI 65-601, paragraph 7., for detailed guidance.

3.4.2. Applicability. This pertains to all AMC host bases and tenant units.

3.4.3. FMB Membership.

3.4.3.1. Host Wings. Commanders and managers have various opinions on FMB membership. Some believe the senior line managers should guide the financial destiny of the wing while others feel both line and staff membership is absolutely essential. We recognize these views and realize both versions can work effectively. Therefore, we suggest a minimum composition (see AMCI 65-601) and encourage additional membership at the chairperson's discretion.

3.4.3.2. AMC Tenant Units Funded Directly From This Headquarters. The same membership logic applied to host or wing groups applies to these units. As a minimum, appoint the commander of the tenant unit and the equivalent deputy commander as FMB members.

3.4.3.3. We also advise you publish a local supplement to AMCI 65-601, identifying voting, non-voting, and advisory FMB membership.

3.4.3.4. FMA will publish minutes, signed by the Wing Commander, for all FMB meetings.

3.5. Financial Working Group (FWG).

3.5.1. Frequency. Convene FWG meetings at least monthly to support each FMB meeting and training to RAs and CCMs.

3.5.2. Applicability. Recommend organizations issued funds directly by this headquarters establish a FWG. This excludes AMC tenant units, if FWG membership would be essentially the same as the FMB.

3.5.3. Membership.

3.5.3.1. Host Wings. RAs and technical advisors generally comprise the FWG. The key question when forming a FWG is, "What composition can provide the wing with the most comprehensive and competent management?" In some cases, small FWGs with only general knowledge of key organizations sometimes overlook important factors and cannot provide optimum management. Extremely large FWGs sometimes take substantial time in reaching decisions and are encumbered by minute details. Each unit should strike a balance between these two extremes. A FWG should be an aggressive, active body, challenging the requirements presented by the chairperson or other members. A FWG that merely "rubber stamps" the recommendations of the chairperson is a waste of time and not in the best interest of the wing. It should be a group effort. One or two individuals cannot effectively manage the entire wing's financial program. We realize each wing has its own personality and characteristics. We also realize a FWG composition for each and every unit is not in the command's best interest. AMCI 65-601, paragraph 7.5.1., identifies the minimum membership requirement for your FWG. Each FWG member should have the authority to make decisions affecting their organization. This is an essential ingredient for a viable FWG.

3.5.3.2. Other AMC Units. Units wishing to establish a FWG may determine their own membership.

3.6. The Budget Life Cycle. The wing's budget process is part of a much larger system. This system is called the Biennial Planning, Programming, and Budgeting System (BPPBS). The BPPBS is extremely complex and matches military missions to national security, force requirements to military missions, programs to force requirements, and budgets that are in balance with programs. From the installation point of view, the budget process begins with the Financial Plan (Fin Plan) Call, continues with initial distribution and execution, becomes an expired appropriation after close-out, and finally lapses into the canceled year account.

3.7. O&M Financial Plan (Fin Plan) and TWCF Budget Estimate Submission (BES).

3.7.1. HQ AMC/A88 usually sends out the O&M Fin Plan Call in the January-February time frame. This allows around four to six weeks to prepare the Fin Plan and submit it back to HQ AMC. Considering the amount of detail required, this would not normally allow enough time to accomplish the required work. To allow more time, the local FMA office should send an installation level Call to the RAs several weeks before the anticipated date of receipt of the HQ AMC Call. This gives the RAs more time to compile their requirements and submit them to the local FMA office. It also allows the FMA office enough time to compile the RA requirements and obtain any additional information requested in the command Call.

3.7.2. The Call contains specific guidance on how to prepare the Fin Plan submission and what programs to include in the plan. The Call includes a "bogey" figure that indicates the anticipated funding provided next year by budget activity. The wing level FMA office, in turn, issues a bogey to the units that comprise the local financial structure. In the vast majority of cases, this tentative funded dollar amount is less than actual requirements. The wing's participatory management process develops an

O&M Fin Plan that funds the most critical requirements and identifies the rest as unfunded requirements.

3.7.3. Although the techniques for preparing the Fin Plan and TWCF BES have changed over the years, the budget process still relies on the building block approach for preparation and consolidation. The process starts at the lowest practical level and flows upward to each commander, who approves the unit's submission and sends it to the FMA office. Generate required narrative justification and other supporting data from the lowest financial reporting level, which is the basic foundation of any base level budget.

3.7.4. The narrative justification is the "meat" of the Fin Plan/BES and should bring to life the mission programs that the requested funds will accomplish. The primary purpose of the Fin Plan/BES is to tell the MAJCOM not only how much money you need to carry out the objectives, but also why you need it. Good justifications sell valid requirements. The unit closest to the requirement is in the best position to provide the proper justification. The submission should strive to be of such quality that there should be little need for further explanation or narrative justification by the FMA office or the comptroller, once submitted. Try to answer the following question with your narrative: *What will happen to the wing's mission if the money does not arrive?*

3.7.5. After the FMA office receives and consolidates all of the data, the FWG and FMB reviews the total requirements in detail to identify, price out, and include in the submission the accomplishment of the overall mission. The commander is the final approval authority for the installation's O&M Fin Plan as well as the TWCF BES.

3.7.6. TWCF Budget Estimate Submission (BES). HQ AMC/A88 sends out the TWCF BES Call normally in the March-April time frame (depending upon the USTRANSCOM (USTC) BES requirement date), allowing four-six weeks to prepare and provide a consolidated BES submission to USTC/TCJ8. Each base level TWCF BES should reflect the most accurate portrayal of estimated costs to provide airlift services at the particular location. The following is applicable to the base level submission of the TWCF BES to HQ AMC:

3.7.6.1. Each TWCF base/funding point sends an estimate of anticipated new requirements for the budget years along with one-time unique requirements spent on the prior and current years for all TWCF organizations under its control. Submit the general statements, schedules, and exhibits in accordance with the command budget call instructions issued by HQ AMC/A88. See chapter 7 of AMCI 65-602 for additional guidance.

3.8. Initial Distribution.

3.8.1. Depending on the passage of the appropriations bill, initial distribution normally occurs in the November-February time frame, except for the TWCF, which is usually accomplished at the beginning of October. HQ AMC/A88 issues TWCF and O&M general initial distribution guidance to the bases at the beginning of the new fiscal year. The command TWCF and O&M initial distribution contains the funded dollar amounts and other applicable fiscal guidance.

3.8.2. For O&M, the funded amount is based on the installation's financial plan. The amount is increased or decreased, depending on known changes from the time of the base Fin Plan submission to when the command approves and issues initial distribution to the bases. The amount includes funding for centrally managed programs such as flying hours and civilian pay. Changes to the foreign cur-

rency budgeted rate also affect the funded distribution. HQ AMC/A88 accomplishes initial distribution by budget activity, program element, and element of expense/investment code.

3.8.3. The command's fiscal guidance contains detailed information for use in managing the wing's financial program. It is designed to allow flexibility to reprogram funds to meet the local commander's mission priorities within established guidelines. It discusses special funding procedures, required reports, and describes what constitutes centrally managed programs. The fiscal guidance also contains the "rules" of how bases may execute the funds allocated to them.

3.9. Budget Execution.

3.9.1. Budget execution occurs at the installation level and begins with the distribution of TWCF and O&M funds. The installation accomplishes its initial distribution to resource managers using the participatory management process. You should convene a FWG to make changes to the Fin Plan distribution based on changes in requirements from the time of the Fin Plan development. The FWG submits a proposed annual (all appropriations) and quarterly (O&M appropriations only) operating budget for review and approval. The FMA office distributes the approved operating budget, expense authority, to the RCMs with the annual and quarterly authority, as applicable. The RCMs develop their own operating budgets for subordinate units and identify their plans back to the FMA office as "targets".

3.9.2. Targets are a translation of planned mission requirements into dollar values required to perform the missions. Targets serve as guidelines for the consumption of resources, provide the measurement tool to determine planning effectiveness, and provide the control mechanism to manage their budgets. There are two types of targets that make up this tracking system - annual and quarterly.

3.9.2.1. Annual. Annual targets (also known as annual authority) reflect the approved amount of funds that an organization can commit or obligate during the year. Annual authority is a legal limitation; do not exceed this funding level. Therefore, each organization must plan its requirements accordingly. Make adjustments to the targets during the year due to mission change reprogramming or receipt of additional funding for unfunded requirements.

3.9.2.2. Quarterly. Quarterly targets (also known as quarterly authority) reflect the amount of funds that an organization can commit or obligate within a specific quarter. The intent of quarterly targets is to avoid over-obligating an annual program by accelerated spending early in the fiscal year. Quarterly authority is a legal limitation dictated by public law for appropriated funds. Quarterly determination is very important because it reflects the phased way to plan and execute your annual programs. Funding of $100,000 or more issued for facility projects will be issued with an associated increase in quarterly authority. ***NOTE:*** For the TWCF, quarterly targets are unnecessary. Normally, the annual amount is input into the quarterly field in the accounting system.

3.9.2.3. Local conditions dictate the level of detail of your target establishment. However, at a minimum, you should establish targets at points where financial managers can make funding decisions. The usual practice is to align the amounts at the level required to maintain program element identification and to support other command directed actions. They should be sufficient to compare planned execution to actual execution.

3.10. Unfunded Requirements (Budget Execution Report (BER)). These are submitted over the Internet through the HQ AMC/A8 web site. HQ AMC/A88 provides the rules governing AMC BER policy in the annual BER guidance package, normally disseminated during the month of January.

3.11. Training.

3.11.1. One of the most important jobs of the FMA office is to train financial managers. More details on the type and amount of training required are found in AFI 65-601, Volume 2, chapter 11. A key element contained in this guidance is the specialized treatment of the primary and alternate RAs.

3.11.2. Equally important is to identify those individuals who need training and to train them soon after identification and within 90 days of appointment. Frequently, the quality of Resource Management System (RMS) training programs is tainted by poor documentation. See AMCI 65-601, paragraph 14. for additional information on RA training.

3.11.3. To ensure that your RMS training is current and beneficial, you may want to establish a trainee feedback sheet to assess the quality and depth of your training. As the RMS structure evolves to accommodate changes within the DoD, your training must change to maintain currency.

3.12. Target Loading.

3.12.1. Because budget targets are estimates, they are admittedly inaccurate. This fact does not negate their usefulness or importance. All military economical decisions involve forecasting with few exceptions. However, the inherent risks involved in forecasting cannot and do not stop decisions. The budget does not remain fixed and is by necessity a continuing process of monitoring, reviewing, evaluating, and adjusting. Flexibility is an important key to effective resource management.

3.12.2. RCMs should ensure these are consistent with your annual and quarterly programs. Identify funding shortages and overages as quickly as possible. Additionally, RCMs must continually assess actual cost versus services provided or outputs produced.

3.12.3. Comptroller personnel must not arbitrarily change targets without the approval of the RA and RCM and must ensure they do not exceed base-wide restrictions or limitations. This includes, but not limited to, quarterly programs and legal or administrative targets. You should ensure target loads agree with the limitations stated on your funding document. Each RCM has the responsibility and flexibility to reprogram funds within their respective RC unless there is a specific command limitation on reprogramming within that area. You must continuously review and analyze actual expenses versus approved programs.

3.12.4. Targets are one of the principal concerns of financial committees. Do they reflect the correct priority allocation of available resources? Are reprogramming actions necessary to accomplish mission requirements? The FWG should identify reprogramming actions between organizations that exceed the FMB approved dollar threshold. The FMB should approve (or deny) these requested reprogramming actions on a case by case basis.

3.12.5. General Accounting and Finance System (BQ). Distribute targets to the RC in which the expenses or obligations incur. Targeting to cost or work center level is optional and left to the discretion of the RCM. This applies to O&M as well as the TWCF.

3.12.6. Standard Base Supply System (SBSS). Normally, the Logistics Readiness Squadron (LRS) assigns each RC a Project Funds Management Record (PFMR) to record all organizational supply and equipment transactions. LRS also assigns subordinate CCs, at least one Organization Cost Center Record (OCCR or ORG code), linked to the PFMR. Load targets to this ORG code level. For CCs assigned several ORG codes, load targets to only one ORG code. The only exception applies to the Services and Civil Engineering PFMRs where target loading to more than one ORG code is optional.

3.13. Legal and Administrative Limitations. See funding documents for specifics. "A" limitations are legal, based on public law and "B" limitations are administrative, based on DoD or Air Staff guidance.

3.13.1. Floors. Floors are an administrative or legal limitation identified in your funding document. Floors represent a minimum level of funding executable in the respective program. You can spend more than the established floor, but not less.

3.13.2. Ceilings. Ceilings are an administrative or legal limitation identified in your funding document. Ceilings identify a maximum limit of spending; do not exceed these ceilings without prior approval from HQ AMC/A88.

3.13.3. Fences. HQ AMC/A88 establishes fences to preclude units from reprogramming funds into or out of a particular area. Examples are utilities, facility projects, and A-E services commodities.

3.13.4. Listed below are the legal and administrative limitations currently used in AMC as of the FY 2004, to include the limitation type and associated SAG/DoDEE/applicable PE (if applicable). All "A" and "R" (new effective FY04) limitations are legally binding as directed by Congress while "B" limitations represent targets but should be closely monitored. "M" and "T" limitations represent fences imposed by HQ AMC/A88. ***NOTE:*** You may internally reprogram between EEICs for the flying hour fences. "A" and "B" limitations shown below do not represent all established Air Staff limitations.

3.13.4.1. A-05 Environmental Restoration Account (ERA) (PE 78008) – Floor.

3.13.4.2. A-20 Emergencies and Extraordinary Expenses (Official Representation Funds, PE 91515) – Ceiling.

3.13.4.3. A-40 Counternarcotics – Floor.

3.13.4.4. A-96 Depot Maintenance – Air Operations (BA 01, DoDEE 10) – Floor. ***NOTE:*** This carries both an "A" limitation and a readiness tracking requirement.

3.13.4.5. B-10 JCS Exercises (PE 28011) – Floor.

3.13.4.6. B-30 Forestry Management Program – Ceiling.

3.13.4.7. B-60 AG Outleasing (Grazing & Cropland) – Floor.

3.13.4.8. M-40 Flying Hour Funding (All O&M Flying Hour PEs – EEICs 60902, 609ER, 644, 61952, 644ER, and 699 only)) – Fence.

3.13.4.9. M-50 AMC Band – Floor.

3.13.4.10. R01 Primary Combat Forces (SAG 011A, excluding DPEM) – Floor.

3.13.4.11. R02 Primary Combat Weapons (SAG 011B, excluding DPEM) – Floor.

3.13.4.12. R03 Combat Enhancement Forces (SAG 011C, excluding DPEM) – Floor.

3.13.4.13. R04 Air Operations Training (SAG 011D, excluding DPEM) – Floor.

3.13.4.14. R05 Combat Communications (SAG 011E, excluding DPEM) – Floor.

3.13.4.15. R06 Facilities, Sustainment, Repair, and Maintenance (SAG 011R, excluding DPEM) – Floor.

3.13.4.16. R07 Base Support (SAG 011Z, excluding DPEM) – Floor.

3.13.4.17. R08 Airlift Operations (SAG 021A, excluding DPEM) – Floor.

3.13.4.18. R09 DPEM – Air Operations (SAG 011M) – Floor. ***NOTE:*** This carries both a readiness tracking requirement as well as an "A" limitation.

3.13.4.19. T-40 Flying Hour Funding (All TWCF Flying Hour PEs – EEICs 40934, 60902, 644, and 699 only) – Fence.

3.14. Funding Distribution System.

3.14.1. HQ AMC/A88 accomplishes initial distribution of funds to all AMC funding points at some time on or after the beginning of each fiscal year. The comptroller is the primary focal point for the administration of funding programs, dissemination of major funding guidance, and funding decisions made through HQ AMC coordinated staff actions. HQ AMC staff agencies have the responsibility of monitoring the funding programs and making recommendations within their areas of interest.

3.14.2. Funding Documents. The funds control section of HQ AMC/A88 issues one Command Budget Automated System (CBAS) funding document per month with three exceptions: (1) an emergency funding situation exists which requires the issuance of an additional funding document, (2) end-of-year close-out that requires the issuance of multiple documents, or (3) month of initial distribution. However, Program Budget Accounting System (PBAS) funding documents (Treasury Index 97-appropriations, excluding Fund Code 68 – TWCF (97X4930.FD40)) are issued on a daily basis, if required.

3.14.2.1. HQ AMC/A88 accepts funding changes from the individual base/OBAN financial analyst in A88 for the current month's CBAS document through close of business on the last working day of the month less three workdays. For example, if the last workday of the month falls on the 29th, funds control should receive all funding changes for the month by COB on the 26th unless it happens to fall on a weekend or holiday, in which case funds control should receive all funding changes by COB on the preceding workday. Beginning the <u>following</u> workday, funds control will issue all funding changes on the following month's document. The bases/OBANS should not have any funding changes for the current month called down after the 3rd workday from the end of the month. This helps to facilitate the end of month balancing of your funding targets. After that time, do not identify any funding change requests to HQ AMC/A88I (Funds Control section), unless they are emergency in nature.

3.14.2.1.1. Each HQ AMC/A88 base or OBAN analyst will balance the current month CBAS funding document for all BAs, BPACs, and limitations prior to the last day to issue funding changes. You must research and correct any funding discrepancies between the base and HQ AMC at that time.

3.14.2.1.2. The HQ AMC/A88, funds control section, will run the monthly CBAS funding document on the 2nd workday of the subsequent month, and will mail to each base or OBAN on the following 3rd workday.

3.14.2.2. Command CBAS funding documents generated as a result of funding actions are dated for the first of the month issued rather than the actual date of issue, with the exception of PBAS funding documents, which are issued on the actual date received from the HQ AMC/A88 analysts. Funds control issues all Treasury Index accounts 97XX through PBAS, excluding TWCF. This provides for a means of sequencing the control of accumulated PBAS funding actions.

3.14.2.3. CONUS units will receive funding changes via telecom only. Messages will be sent for changes to overseas units unless the AMC analyst is able to make contact with the FMA Office.

3.14.2.4. The funds control section issues TWCF funding authorities for the Operating Budget, to include Maintenance and Repair (MR), as follows:

3.14.2.4.1. Expense authority for the Operating Budget finances accounting stages Accrued Expenditures Unpaid (AEU) and Accrued Expenditures Paid (AEP). Undelivered Orders Outstanding (UOO) and commitments do not count against expense authority. All UOO accounting data at the end of the fiscal year carries forward to the new fiscal year. All commitments, except contingent liabilities, must be obligated or canceled in the yearend close-out process. The new fiscal year expense authority applies against these UOOs when they become expenditures (AEU and AEP).

3.14.2.4.2. Because the Air Force accounting systems are based on obligations and commitments, not expenses, HQ AMC/A88, funds control section, will issue UOO authority to avoid manual tracking systems. The total of expense and UOO authorities will equal "direct" funds, defined under O&M-funded programs.

3.14.2.4.3. HQ AMC/A88 issues program authority for the TWCF Capital Budget and provides funding for commitments as well as all stages of obligation, similar to the O&M appropriation. However, unlike O&M, it does not expire. You must ensure the obligation of TWCF Capital funds in the year of execution. The inability to obligate the TWCF Capital program may impact future year funding. See AMCI 65-602, chapter 2, paragraph 2.4.8. on funding restriction using prior year TWCF Capital funds.

3.14.2.4.4. Reprogramming Authority. HQ AMC/A88 grants reprogramming authority only within the TWCF Operating Budget, BPAC 101. The only exception to this authority within the TWCF Operating Budget is funding issued for utilities, CE service contracts, and A-E services. Funding for these commodities cannot be reprogrammed without approval of HQ AMC/A78/A88. Do not reprogram into, out of, or between TWCF Capital program categories without HQ AMC/A78/A88 approval. Also, you may not reprogram any funding authority from the Operating (BPAC 101) to MR (BPAC 3XX) (or vice versa) unless approved by HQ AMC/A78/A88. Additionally, do not reprogram TWCF funding into, out of, or between MR (BPAC 3XX) projects without HQ AMC/A78/A88 approval.

3.15. Military Health Service. The resource allocation and financing mechanisms for the Military Health Service (MHS) is available to encourage improved efficiency and effectiveness. The MHS resources are allocated based on a capitation-based methodology that allocates O&M dollars for direct care. The central Defense Health Program distributes these funds, established to improve overall management of military health services programs.

Chapter 4

WORKING CAPITAL FUNDS (WCF)

4.1. Background.

4.1.1. The DoD expanded the use of business financial management practices through the establishment of the Defense Business Operating Fund (DBOF) on 1 October 1991 (FY92). Defense Management Report Decision (DMRD) 971, DoD Financial Systems, provided the foundation for the DBOF operational policies and procedures. The DBOF operated with financial principles that provide improved cost visibility and accountability to enhance business management and improve the decision making process. The DBOF evolved on revolving fund concepts previously used for industrial and commercial-type activities.

4.1.1.1. The establishment of the DBOF did not change previous organizational reporting structures or command authority relationships. The combining of business activities under a single treasury code (97X4930) originally allowed consolidation of cash management, while functional and cost management responsibilities remained with the military departments and defense agencies. Effective FY95, cash management was again relegated to the military departments and defense agencies.

4.1.2. Working Capital Fund (WCF) Establishment. On 11 Dec 96, the Undersecretary of Defense (Comptroller) OUSD(C) signed a decision paper eliminating the DBOF and established the WCF in its place, granting the Services the authority to manage them. This action created five divisions of the WCF, with the Air Force Working Capital Fund (AFWCF) designated as the responsible agent for DBOF-T (now TWCF - see subsequent paragraph **4.2.2.**), for administrative and cash purposes only.

4.1.2.1. The primary purpose of each division of the WCF is to provide a business management structure that encourages managers and employees of DoD support organizations to provide quality products and services at the lowest cost. A major feature of this business management structure is the emphasis on business operations. This business operation structure identifies each business area, the products or services, and the total cost of operations within that business area.

4.1.2.2. Under this structure, customers establish requirements and are charged, through the rate structure, for the cost of industrial and commercial-type services and products provided. Providers, in turn, produce quality goods and services that satisfy customer requirements at the lowest cost. Support organizations incur costs based on customer orders. This linkage of support costs to customer funding assures better communication between the customer and the provider. By making the producing organization responsible for all costs associated with delivering the goods or service, those managers will identify cost drivers and can focus their management improvement efforts accordingly. Increased cost visibility enables managers at all levels to make informed decisions.

4.1.3. Additional guidance on WCF and the former Air Force stock and industrial funds may be found in DoDFMR 7000.14, Volume 12, *Special Accounts, Funds and Programs*, DoDFMR 7000.14, Volume 2B, *Budget Presentation and Formulation*, and DoDFMR 7000.14, Volume 11B, *Reimbursable Operations, Policy and Procedures Working Capital Funds (WCF)*.

4.2. Concept of Operations.

4.2.1. The primary goal of each division of the WCF is to provide a business management structure that encourages managers and members of DoD organizations to provide quality products and services at the lowest cost while still meeting mission objectives. The focus is to reduce costs in the DoD to allow a greater percentage of the DoD budget to go to operational requirements. To achieve this goal, the WCF expands the relationship between the customer and the provider.

4.2.2. Although the former Military Airlift Command (MAC) operated an industrial fund (Airlift Services Industrial Fund (ASIF)) for over 20 years, by design, it did not totally recover all costs through rate structure revenue. The difference between the revenue collected and costs incurred was covered by direct appropriations through the O&M account. This concept carried over into DBOF-T, now called the Transportation Working Capital Fund (TWCF).

4.2.3. IN FY97, the TWCF evolved out of the DBOF-T (which absorbed the ASIF in FY93) and continues operations through USTRANSCOM. All budget and accounting policies, practices, and procedures previously applicable to DBOF-T remain the same for TWCF. The military components for the TWCF are Air Mobility Command (AMC) for airlift, Military Sealift Command (MSC) for sealift, Surface Deployment and Distribution Command (SDDC) for surface transportation, and the Defense Courier Service (DCS). USTRANSCOM will continue to be responsible for managing the functional and financial aspects of DCS supported functions and activities through HQ AMC. USTRANSCOM still remains the single manager for all DoD transportation. AMC wings with a transportation airlift mission receive a combination of TWCF and O&M funding support.

4.2.4. For additional guidance on TWCF concepts regarding the organizational Operating and Capital budget and execution processes as well as specific TWCF funding policy issues, consult AMCI 65-602, specifically chapters 2, 6, 7, and 8.

Chapter 5

REVENUE AND REIMBURSEMENTS

5.1. General Information. Revenue and reimbursements frequently cause problems, mainly because they are misunderstood. Financial analysts and financial managers must fully understand reimbursements and carefully manage them throughout the year. Read AFI 65-601, Volume 1, *Budget Guidance and Procedures*, chapter 5, and incorporate this subject in your financial training program.

5.1.1. The functional manager should, with the help of the financial analyst, recognize revenue requirements, properly budget for them, and continuously manage the program from the time of anticipated revenue to the time collected. The functional managers should determine what is reimbursable and ensure the proper documentation and billing of required support. The failure of an organization to bill for reimbursable support consumes direct program authority to support someone else's requirements. In other words, your organization's funds are financing the operational costs of another organization that has the funding responsibility for it. This should provide sufficient incentive for proper administration of the revenue program.

5.1.2. A significant part of your revenue program consists of civilian pay. If your civilian pay program is centrally managed by the Civilian Employment Cost Management Committee (CECMC), it is inconsistent to decentralize the civilian pay revenue program to the RC level. However, this does not eliminate the necessity for the functional manager to properly document and bill civilian labor support. If you decentralize the base's total civilian pay program to the RC level, then decentralize the civilian pay revenue program to the same level as well.

5.1.3. The TWCF or Military Family Housing (MFH) is responsible for a large part of your reimbursement. For this reason, it is helpful for budget and appropriate FSO liaison personnel to obtain a working knowledge of the Integrated Work Information Management System (IWIMS). Both the HQ AMC/A8 and A7 staffs recommend two procedures to properly identify reimbursable support.

5.1.3.1. Functional area chiefs (users), CE, and financial analysis should jointly prepare a complete list of reimbursable facilities and update this list prior to preparation of the O&M, MFH, and the TWCF budgets. You should reconcile this list with the IWIMS records to ensure proper coding in the CE system, which should also reflect the items reimbursed by the customer, i.e., utilities, facility maintenance and repair, custodial services, etc.

5.1.3.2. Because of frequent changes to utility prices, compute utility billings monthly. Additionally, CE should provide the base FSO with monthly utility estimates for all reimbursable customers.

5.2. Reimbursements from Tenant Units. Services provided to tenant units earn part of your reimbursement program. Your local host-tenant support agreements identify these services and annual anticipated reimbursements. Refer to AFI 65-601, Volume 1, chapter 7 and DoDI 4000.19, *Interservice, Interdepartmental, and Interagency Support* for financial guidance.

5.3. Support Agreements.

5.3.1. Support agreements are formal agreements that define recurring services provided by the supplier to the receiver and define the basis for calculating the reimbursable charges. Supplying units identify costs incurred in providing services, the FMA office determines or reviews the cost factors,

and the agreements are staffed, controlled, and monitored by HQ AMC/A45. Support agreements are usually valid for two years and reviewed annually by FMA. RAs are routinely the unit's point of contact for agreements and are responsible to identify earned reimbursable costs to the FM.

5.3.2. At times the required support is not continuing and recurring. The issue and acceptance of a **Military Interdepartmental Purchase Request (MIPR)** (DD Form 448 and DD Form 448-2) is the vehicle to establish appropriate support reimbursement. The requesting activity sends the providing activity the DD Form 448 and the providing activity formalizes the two-party agreement by completing the DD Form 448-2 acceptance, on a reimbursable basis. This form is also applicable to provide the funding mechanism to some existing support agreements.

5.3.3. Once a reimbursable agreement is in effect, the supplying activity must track support costs and ensure they identify to the supporting DFAS field site any reimbursements earned in accordance with the agreement. At the end of each month, the supplying activity identifies actual costs incurred in the previous month and the estimated costs for the coming month (quarterly estimates can be used in lieu of monthly estimates). The memorandum must identify the support agreement, any other pertinent information, and must also contain sufficient detailed costs to satisfy the billed agency. Once the supplying activity provides the proper supporting documentation, the DFAS field site's accounts receivable section is responsible for ensuring the receiver pays the full amount in a timely manner, unless authorized to cross disburse the receiver's funds.

5.3.4. See **Chapter 20**, paragraph **20.4.** of this publication for further discussion on support agreements.

5.4. The Economy Act.

5.4.1. 31 U.S.C., Section 1535, otherwise known as the Economy Act, authorizes government agencies to enter into contracts with one another when it is in the government's best interest. For AMC, this solely involves the financing of orders between an AMC Air Force activity and other United States government departments or agencies outside the DoD. AFI 65-601, Volume 1, chapter 7, Section D. and DoDFMR 7000.14, Volume 3, paragraph 080603.B., discuss orders placed under the Economy Act. You must downwardly adjust any obligations recorded against annual or multi-year appropriations at the end of the period authorized for the appropriation to obligate, to the extent the performing agency has not incurred valid obligations to complete the order. Amend the order to reflect a current year fund cite to complete the procurement in the new fiscal year. The following paragraphs highlight other key points of the Economy Act.

5.4.2. Financing and Executing Economy Act Orders. To the maximum extent possible, AMC units will finance Economy Act orders received from or issued to non-DoD government agencies using the direct citation or reimbursement method. If you run into a case where these financial methods are not acceptable, advise HQ AMC/A88 in writing and we will submit it to SAF/FMBM. Provide details as to why you cannot finance the Economy Act order using these methods. SAF/FMBM will determine the appropriate financing method and advise HQ AMC/A88 accordingly.

5.4.3. Most non-DoD government agencies have agreed to use the reimbursement method of financing Economy Act orders to the Air Force. However, some agencies, by agreement, require payment in advance from the ordering agency. See AFI 65-601, Volume 1, chapter 7, paragraph 7.25.3. for agencies authorized to receive advance payments to finance all Economy Act orders received. If another

non-DoD government agency not listed therein requests advance payment for the delivery of goods services, advise HQ AMC/A88 who will obtain SAF/FMBM approval.

5.4.3.1. Don't authorize or make advance payments from Air Force O&M appropriations that exceed the estimated cost of goods or services provided by the performing agency during the fiscal year the advance payment is made.

5.4.3.2. Continue to monitor all aspects of advance payments to authorized non-DoD government agencies. You must require the performing agency to (1) return estimated 30 September unobligated balances by 15 August of the FY in which you make the advance payment and (2) return unexpended balances upon completing the Economy Act order.

5.4.4. Because other government agencies who provide goods or services to the Air Force via Economy Act orders may operate on limited financial resources, it is imperative that you submit their bills to your supporting DFAS field site promptly to accomplish payment in a timely manner. The same holds true of goods or services you provide to other government agencies--submit billing data to the DFAS field site promptly in order to expedite reimbursement.

5.4.5. Determining Charges for Economy Act Orders from Non-DoD Government Agencies. Follow guidance in DoDFMR 7000.14, Volume 11A, chapter 3, as well as AFI 65-601, Volume 1, chapter 7, paragraph 7.17. to determine the appropriate charges for materiel, work, services, and overhead. Administrative overhead is part of actual costs under the Economy Act, and properly chargeable to non-DoD government agencies. You may suspend reimbursement (except for orders provided to or received from Working Capital Funds) if the accumulated value of goods and services provided is less than $1,000 until the end of the fiscal year, or until the total bill exceeds $1,000. However, the total amount must be billed at the end of the fiscal year even though it is less than $1,000.

5.4.6. Suspended Billings of Small Amounts to DoD Agencies. See paragraph **5.4.5.** above.

5.5. Orders Required by Law.

5.5.1. These constitute orders required under specific legal authority (e.g., the Information Technology Fund. established under 40 U.S.C., Section 757, codified under Public Law 104-106). Record these orders placed with non-DoD government agencies as obligations when issued in accordance with DoDFMR 7000.14, Volume 3, chapter 8, paragraph 080704. See AFI 65-601, Volume 1, chapter 7, paragraph 7.2.5. for a list of those federal agencies whose orders are required by law.

5.5.2. Any order required by law with another government agency is not subject to the Economy Act. Fiscal year-end deobligation requirements in paragraph **5.4.1.** above do not apply. The uncontracted portion of the MIPR may remain with the agency providing the goods or services beyond the end of the period of availability until the account closes to cover anticipated operating needs relating to the ordering unit's basic requirement.

5.5.3. If the requesting organization's appropriation on the order (i.e., MIPR, Project Order, etc.) has expired, the agency providing the goods or services cannot use any remaining unexpended balances to apply against new requirements (CG Decision B-286929, 25 April 01). Under the BFNR, the balance of a fixed-term appropriation is available only for payment of expenses properly incurred during the period of availability or to complete contracts made within that period. Once the obligation period has expired, new obligations are chargeable to current year funds even if a continuing need arose during the prior period, except for within-scope changes to the original contract.

5.6. Other Types of Air Force Orders. Per DFAS-DE 7010.1-R, *General Accounting and Finance Systems at Base Level*, Chapter 17, these include orders placed with another DoD component that has single service acquisition responsibility and binding agreements between government agencies, or orders placed by law.

5.6.1. Reimbursable Order. This is an order for services, supplies, material, or equipment placed by an Air Force component to a procuring component that obligates its own funds to fill the order and obtains reimbursement from the requiring component. Record these orders as an obligation when the procuring component accepts the reimbursable order in writing. See paragraph **5.5.1.** for exceptions.

5.6.2. Direct Cite Order. Same as paragraph **5.6.1.** above except the procuring agency obligates the requiring Air Force component's funds. Record these orders as obligations when notified in writing the execution of the procuring component's contract, project order, or purchase order, or when you receive a copy of such orders from the requiring agency.

5.6.3. Project Orders. Consider these orders, specifically identified as project orders on the order itself, as a contract, and are issued on a reimbursable basis. Record these orders as obligations for the amount stated on the order when accepted in writing by the performing agency. 41 U.S.C., Section 23 (Project Order Law) applies. ***NOTE:*** DoDFMR 7000.14, Volume 11A, chapter 2, paragraph 020303 and DFAS-DE 7010.1-R, chapter 17, paragraph 17-12., define agencies that are authorized to receive project orders as government-owned and government-operated (GOGO) establishments. Within AMC, there are no GOGO establishments; therefore AMC organizations cannot receive project orders from outside agencies for any required support. However, AMC organizations may issue project orders to GOGO agencies (e.g., range facilities, AFMC bases that operate specifically for providing support to other Air Force command organizations) whenever their services are required. Follow guidance in DFAS-DE 7010.1.R, chapter 17, for the proper recording of projects orders in the accounting system.

5.7. Reimbursement Targets. Load reimbursement targets to the extent you anticipate earnings. You will receive no fund target from this headquarters for reimbursements; however, you may load any valid amount and adjust the target up or down based on your actual reimbursement earnings throughout the year. ***NOTE:*** At the end of the fiscal year, your reimbursement target should match exactly (rounded to the nearest $100 if you prefer) to your earned reimbursements.

5.8. Medical Reimbursable Program. DoD 6010.15-M, *Military Treatment Facility Uniform Business Office (UBO) Manual* contains billing procedures for medical and dental care received in military MTFs. HQ USAF/SGMC annually provides MTFs, by message, the reimbursement rates for the upcoming fiscal year. MTFs and Aeromedical Evacuation Units are involved in the movement of those DoD and non-DoD category patients who are authorized to travel in the aeromedical evacuation system. The cost of movement of these authorized patients is reimbursable by HQ AMC/SG; the cost of medical care is reimbursable to HQ AMC/SG. MTFs will ensure the proper identification of patients and non-medical attendants and will also provide addresses to the Global Patient Movement Requirements Center (GPMRC) for billing and collections.

5.9. The "Miscellaneous Receipts" Statute. Codified in 31 U.S.C., Section 3302(b), this statute basically states that any United States government agent or official who receives money for the United States government from any source shall deposit the money in full to the Treasury. This means deposited into the general fund of the Treasury and not into the agency's own appropriations, even though the agency's

appropriations may be technically still "in the Treasury" until the agency actually spends them. The term "miscellaneous receipts" does not refer to any single account in the Treasury, but to a number of receipt accounts under the heading of "General Fund" listed in the Treasury Department's "Federal Account Symbols and Titles" publication. Absent from statutory law to the contrary, you should process reimbursement transactions as a miscellaneous receipt. To receive the money back requires a direct appropriation from Congress.

5.9.1. The Comptroller General (46 CompGen 31 (1966)) has ruled that if an agency retains and credits its own appropriation any funds it should have deposited to the General Fund of the Treasury, this would amount to an improper augmentation of the agency's appropriation (31 U.S.C., Section 1301(a)), even though the agency uses a no-year appropriation (excluding revenues received by Working Capital Funds for the sale of goods or services). Exceptions to the miscellaneous receipts rule fall into two broad categories, statutory and nonstatutory:

5.9.1.1. Statutory. An agency may retain funds it receives if it has the statutory authority to do so.

5.9.1.2. Nonstatutory. Credit to an appropriation any receipts that qualify as "repayments" to an appropriation, and not to the General Fund of the Treasury as a miscellaneous receipt.

5.9.2. Repayments. The term "repayments" fall into two classes: (1) reimbursements from outside sources for goods or services furnished, or furnished at a later date, and by law credited directly to appropriations, and (2) refunds to appropriations from outside sources for payments made in error, overpayments, or adjustments for previous amounts disbursed, including returns of authorized advances.

5.9.3. Excessive Reprocurement Costs. In contract issues, excessive reprocurement costs include two factually different but conceptually related situations:

5.9.3.1. When the original contractor defaults and the work is still required, and a second contractor completes the work at a cost higher than the original price. The original contractor is liable to the government for the cost increases, or "excessive reprocurement costs."

5.9.3.2. Additional costs are incurred to correct defective work performed by the original contractor, for which the contractor is liable.

5.9.4. Disposition of Amounts Recovered. This depends upon the timing of recovery in relation to the reprocurement or corrective action and the status of the applicable appropriation. The object is to avoid the depletion of currently available appropriations to obtain what the government is to receive under the original obligation. A summary of the rules follows and applies equally to default and defective work situations:

5.9.4.1. If, at the time of recovery from the original contractor, the additional expense has not transpired, the agency retains the amounts recovered to the extent necessary to fund the reprocurement or corrective measures. Credit the collection to the appropriation obligated for the original contract, without regard to the status of that appropriation.

5.9.4.2. If, at the time of recovery from the original contractor, the additional reprocurement or corrective obligation has already occurred, credit the recovery amounts to the applicable appropriation, to the extent necessary to reimburse itself, if that appropriation is still available for obligation. If the appropriation is no longer available for obligation, deposit the recovery into miscellaneous receipts.

5.9.4.3. For no-year appropriations (e.g., TWCF), retain amounts recovered as a refund regardless when the recovery was made. Do not deposit excess reprocurement cost recoveries related to no-year appropriation activities into miscellaneous receipts.

5.9.5. Damage to Government Property and Other Tort Liability. Do not credit amounts recovered for loss or damage to government property to the appropriation available to repair or replace the property. Deposit these recoveries to the General Fund of the Treasury as miscellaneous receipts, unless statutory exceptions exist to the contrary (see last sentence of this paragraph for depositing recoveries for damages to real property). Public Law 104-106 amended 10 U.S.C., Section 2782 (Damage to Real Property; Disposition of Amounts Recovered) to allow for amounts recovered for claims resulting from damage to real property to be credited to the appropriation account of the organization responsible for the repair or replacement of the real property at the time of recovery. However, legislative restriction still prevents the availability of these collections for future obligation or expenditure until specifically authorized by Congress in an appropriation, pending a change in public law. This means you cannot utilize these funds unless Congress reappropriates them to the Air Force (as a general rule, this does not occur). DFAS-DE/ALA provided the proper collection procedures of claims for real property recoveries in their message, 041500Z Nov 97 (Subject: Amounts Recovered for Damage to Real Property: Exceptions).

5.9.5.1. For claims recoveries relating to loss, damage, or destruction to Military Family Housing (MFH) caused by abuse or neglect, deposit these amounts to the DoD MFH Management Account (57*7045) as a refund in accordance with AFI 51-502, *Personnel and Government Recovery Claims*, chapter 4, paragraph 4.14.2., and AFI 65-601, Volume 1, chapter 5, paragraph 5.12.22.

5.9.5.2. If the damaged real property is a TWCF-assigned facility, and the repair will be accomplished by contract (not in-house), deposit the funds received for the claim into TWCF as an appropriation refund in accordance with AFI 51-502, chapter 4, paragraph 4.14.3. and AFI 65-601, Volume 1, chapter 5, paragraph 5.12.21.

5.9.6. For all other non-real property claims recoveries, deposit these amounts to the General Fund of the Treasury as a miscellaneous receipt, except for those that involve property under the control of TWCF. ***NONSTATUTORY EXCEPTION:*** When a private party responsible for the loss or damage to government non-real property agrees to replace it in kind or have it repaired to the satisfaction of the appropriate authorities and to make payment directly to the party making the replacement or repairs, the arrangement is permissible and the agency (Air Force unit) is not required to transfer an amount equal to the cost of replacement or repair to miscellaneous receipts. If the private party makes payment directly to the installation in lieu of replacement in kind or repair, deposit these funds as a miscellaneous receipt.

5.9.7. The mere failure to deposit any applicable funds into the General Fund of the U.S. Treasury, Miscellaneous Receipts Account, does not create an antideficiency act (ADA) violation because such a credit entry to the base O&M account can be treated as an accounting error and corrected. However, if these receipts are erroneously deposited to the O&M account and subsequently spent to cover annual O&M expenditures, an ADA violation may have occurred if the base O&M expenditures/obligations exceeded the amount properly available to the O&M account.

5.9.8. Please refer to the *GAO: Principles of Federal Appropriations Law, Volume II*, chapter 6, Section E. (Augmentation of Appropriations), for further information regarding the “miscellaneous receipts” statute.

5.10. Joint Use Agreements with Civilian Airports. AMC bases who are responsible for maintaining aircraft runways under a joint use agreement with a civilian airport authority must not permit the reduction of the Air Force's share of revenues from anticipated civil aircraft landing fees (credited as a reimbursement to the Air Force appropriation available for that fiscal year for the operation and maintenance of the airfield) to offset costs for the airport authority to directly contract for any maintenance or repair of the joint use runway. Since AMC bases would be responsible for these sustainment costs from its own O&M 3400 appropriation, it is not considered an improper augmentation of these funds in accordance with the FY 2001 National Defense Authorization Act (NDAA), Section 387. Use PE 41896 and sales code 90C to record these reimbursements into the accounting system. (See AMCS1 to AFI 65-601, Volume 1, paragraph 7.12.4.)

5.11. Acceptance and Use of Landing Fees from Civil Aircraft at AMC Bases. The FY 2001 NDAA, Section 387 (referenced in paragraph **5.10.** above) reauthorized and extended from FY2000 to FY2010 the pilot program for acceptance and use of landing fees collected from civil aircraft at domestic military airfields, whether prescribed in a fee schedule (see AFI 10-1001, Civil Aircraft Landing Permits, paragraph 12, table 3.) or imposed under a joint-use agreement, to recover costs incurred for use by civil aircraft of an airfield of the military department in the United States or its territories or possessions. These amounts will be credited as a reimbursement to the appropriation available for that fiscal year for the operation and maintenance of the airfield and shall be made available to the base for the same period and purpose, as the appropriation is available. Use PE 41896 and sales code 90C to record these reimbursements in the accounting system. AMC bases will report these collections annually through FY2010 to HQ AMC/A88O in accordance with guidelines provided in AMCFSS/A88I FY01 Policy Message #22 dated 8 Feb 01, Subject: Acceptance and Use of Landing Fees. For AMC bases with a TWCF operation, do not collect these landing fees into the TWCF appropriation. (See AMCS1 to AFI 65-601, Volume 1, paragraph 7.12.4.)

5.12. Gifts to the Air Force. Gift offers from private agencies/individuals are presented as either conditional or unconditional and may be rejected if it is clearly in the best interests of the Air Force. Accepted unconditional monetary gifts are deposited into Miscellaneous Receipt Account 571299 and accepted conditional monetary gifts are deposited into Trust Fund Receipt Account 578928. DFAS-DE/ADRA, through SAF/FMB, will issue a funding document citing appropriation 57X8928, Fund Code 75, when reallocating conditional monetary gifts to the MAJCOM for which the gift is intended. AMCFSS/A88I will issue a separate funding document to the appropriate base. AFI 51-601, *Gifts to the Department of the Air Force*, provides additional guidance on the proper acceptance of gifts. (See AMCS1 to AFI 65-601, Volume 1, paragraph 4.65.)

5.13. TWCF Sale of Services Other than Airlift. See AMCI 65-602, chapter 3, paragraph 3.2.

5.14. Anticipated Reimbursements. Establish a reimbursable MORD (AF Form406, **Miscellaneous Obligation Reimbursement Document**) in the accounting system for anticipated uncollected reimbursements, regardless of the source (government or contractor), as a Filled Customer Order Uncollected (FCOU). This stage of accounting provides a budgetary resource. When the actual reimbursement is collected by DFAS, the transaction will move from FCOU to Filled Customer Order Collected (FCOC). Do not process an anticipated reimbursement as a negative MORD (negative AEU) in the accounting system.

Chapter 6

MILITARY PERSONNEL

6.1. General Information. There are two ways to account for costs associated with the Military Personnel Appropriation (MPA); HQ USAF manages the actual payments charged to the MPA (i.e., pay, permanent change of station (PCS) travel) and charging each work center at base level for military labor based upon a standard rate. These are composite rates that provide for basic pay, incentive and special pay, PCS costs, retirement costs, and certain allowances and miscellaneous expenses for active duty personnel. DFAS-DE 7010.1-R, Chapter 30, contains the standard rates for each military rank.

6.1.1. Use these standard rates to compute military costs as a cost element for DoD programming, budgeting and accounting, and for reimbursements from non-DoD agencies. Once you determine that military labor is properly reimbursable (reference DoDI 4000.19), apply these standard rates accordingly. For nonfederal reimbursable customers, these standard rates are accelerated to recover retirement, leave and holiday, and other personnel costs (quarters, subsistence, medical, etc.). The acceleration factor for leave and holiday costs is applicable only when you determine the reimbursements on time actually worked (i.e., when the receiving activity does not otherwise pay for the personnel costs incurred by DoD during leave and holiday periods). DFAS-DE 7010.1-R, chapter 30, contains these accelerated factors. Record all reimbursements for military labor to the MPA. Use available cost accounting systems to compute billings, such as IWIMS, in lieu of the standard costs.

6.1.2. Include military personnel costs relating to base support you provide to tenants in your support agreement costs. Use AFI 65-503, *US Air Force Cost and Planning Factors*, for military personnel composite rates in your cost allocation calculations.

6.1.3. Expense authority for standard military rates is automatically provided in amounts equal to actual expenses. Do not establish targets for base level purposes.

6.1.4. Although base-level managers infrequently apply the MPA to finance operating costs, you may use it under the following circumstances:

6.1.4.1. PCS with TDY En Route. Charge TDY costs directly related to PCS movement to the MPA provided the TDY does not exceed 15 days and the TDY is for M-16 training, briefings, or special instructions.

6.1.4.2. Escorts for Military Prisoners/Inmates. Per AFI 31-205, *The Air Force Correction System*, chapter 9, paragraph 9.9., when an organization is required to provide an escort for a military inmate/prisoner for the purpose of transferring the member from an Air Force installation to a regional corrections facility for continued confinement, the inmate's parent unit is responsible to provide a travel/per diem fund cite to the escort member's unit. If an organization is required to provide an escort to bring an apprehended military member to an Air Force installation pending further sentencing, the escort's unit of assignment will fund the travel/per diem costs of the escort and the MILPERS centrally managed allotment (CMA) account (591.01) will fund the travel and expenses for apprehended Air Force members and the MILPERS of the appropriate military department will fund travel and expenses for their assigned apprehended members (see also AFI 65-601, Volume 1, chapter 12, paragraph 12.7.4.).

6.1.4.3. Payment for Rewards and Apprehension, Detention, and Delivery of Absentees, Deserters, and Escaped Prisoners. Under Title 10 U.S.C., Section 956, charge these costs to the appropri-

ate Service MILPERS appropriation of the apprehended member's military department (i.e., Army, Navy, Air Force, Marines; for Air Force, charge to CMA account 591.02) in accordance with AFI 65-601, Volume 1, chapter 12, paragraph 12.7.5., AFI 36-2911, *Desertion and Unauthorized Absence*, chapter 3, paragraph 3.5., and DoDFMR 7000.14, Volume 10, *Contract Payment Policy and Procedures*, chapter 12, paragraph 120110. The latter reference provides additional payment guidance and the Service appropriations to charge for these rewards, or reimbursement for actual expenses not to exceed $75.00.

6.2. Clothing Allowance. Clothing Allowance for Air Force Officer and Enlisted Members:

6.2.1. Civilian Clothing Monetary Allowance. Air Force policy is that enlisted personnel work in uniform, but there are times when they must wear civilian clothes while on duty (AFI 36-2903, *Dress and Personal Appearance of Air Force Personnel*). When wearing civilian clothes is optional, a civilian clothing allowance is not paid. Civilian clothing allowances are payable when required in the performance of official duties, while TDY, and at designated permanent duty stations outside the CONUS. Do not use civilian clothing allowance as an incentive, compensation, or an inducement to solicit volunteers for a duty requirement. AFI 36-3014, *Clothing Allowances for Air Force Personnel*, covers the types, quantities, conditions, and requirements for payment of the civilian clothing allowance.

6.2.2. Uniform Clothing Allowances. DoD Directive 1338.5, *Armed Forces Monetary Allowance Policy*, establishes the clothing monetary allowance system. This system provides uniform clothing to active duty enlisted members of the Armed Forces and Reserve components on an Issue-In-Kind System. When clothing items are not issued to members, initial clothing monetary allowance is payable, which only covers the dollar value of required enlisted initial item clothing. Annual cash allowances are then payable to active duty enlisted members during the month (Total Active Federal Military Service Date (TAFMSD)) of entry on active duty. The Department of Defense Pay Manual (DoDPM) contains the annual amounts. Military personnel assigned to special duties may be authorized extra clothing allowances. You should perform a careful review of AFI 36 3014 and AFMAN 23-110, Volume 1, part 1, *Basic Air Force Supply Procedures*, chapter 17, and part 3, chapter 2, to determine entitlement to initial clothing allowances, clothing maintenance allowances, and extra clothing monetary allowances.

6.3. Resource Augmentation Duty (READY) Program. The normal clothing issue should suffice to support the READY program. Provide any specialized articles from the on-hand assets of the augmented agency. For items not on-hand or those deemed necessary by the training agency, the augmented agency funds in lieu of the permanently assigned organization of the trainee.

6.4. Mass Transit Subsidy. OSD Memorandum dated 13 Oct 00, Subject: *Department of Defense Transportation Incentive Program*, Attachment 2, provides funding guidance and payment procedures concerning the mass transit subsidy, inside and outside the National Capital Region (implements Executive Order 13150, 4/21/00). For qualifying military personnel, this subsidy is budgeted and paid from the MILPERS appropriation.

6.5. Lodging for Mission Essential Personnel. If the wing commander determines that certain military personnel (e.g., group/squadron commanders, medical personnel) who reside off-base are mission essential and directs them to temporarily reside on the base due to a national emergency or other appropriate circumstance, the base civil engineer can approve a temporary change to a VAQ, VOQ, or other lodging

facility whose construction was initially financed with appropriated funds (i.e., Military Construction (MILCON)) in accordance with AFI 32-9002, *Use of Real Property Facilities*, chapter 2. The rooms will be designated as a contingency dormitory and the members will not be required to pay for lodging and will continue to retain their housing allowance. The Lodging Office will not provide any services (i.e., the members will be responsible to clean the room, wash towels and linens when required, etc.). Per diem is not allowable and members will continue to use their basic allowance for subsistence (BAS) allowance to pay for meals consumed.

6.6. Partial Dislocation Allowance (PDLA or Partial DLA). See the JFTR, Volume 1, paragraph U5630-B.15. Authorized payments are made from the MILPERS (3500) appropriation for Air Force military personnel. Other Services (e.g., Army, Navy, Marines) and ANG/AFRC personnel residing in Air Force base housing and who are entitled to PDLA are paid from their respective Service MILPERS account.

Chapter 7

CIVILIAN PERSONNEL

7.1. Civilian Resource Management. AFI 36-502, *Managing Civilian Personnel Resources*, describes responsibilities regarding civilian cost management. Installation commanders are responsible to manage their total civilian force structure. This instruction provides commanders flexibility to program funds to meet overall requirements in relation to civilian manpower requirements and competing priorities. With civilian pay representing a high percentage of the total AMC dollar allocation, utilize all available management techniques to ensure the proper use of civilian resources.

7.2. Civilian Pay Program. The two factors that determine a civilian pay program are authorizations and workyear costs. The methodologies used for determining authorizations are:

7.2.1. Air Staff Methodology. SAF/FMBO determines workyears based on the number of authorizations in the Future Year Defense Plan (FYDP). They average end-strengths for the current and succeeding fiscal year to come up with AMC's workyears. This average provides half-year funding for any deletions or additions that occur during the fiscal year and provides the basis for the AMC workyear target provided by SAF/DPC.

7.2.2. AMC Methodology. AMC calculates workyears using the SAF/FMBO formula except the AMC Unit Manpower Document (UMD) is used in lieu of the FYDP to determine the workyears for each AMC unit. HQ AMC/A88 uses the end of August UMD to average authorizations in the 4th quarter of the current fiscal year with authorizations in the 4th quarter of the succeeding fiscal year to arrive at the workyears for the new approaching fiscal year. This provides the latest data on unit authorizations before initial distribution or planning numbers go out to the field.

7.2.3. Workyear Cost. The workyear cost represents the employee's salary plus the following benefits:

7.2.3.1. Continuation pay.

7.2.3.2. Cash awards.

7.2.3.3. Night differential.

7.2.3.4. Holiday pay.

7.2.3.5. Sunday premium pay.

7.2.3.6. Overtime pay.

7.2.3.7. Suggestion and invention awards.

7.2.3.8. Severance pay.

7.2.3.9. Clothing allowance.

7.2.3.10. Moving allowance.

7.2.3.11. Hazard pay.

7.2.3.12. Environmental pay.

7.2.3.13. Annual premium pay.

7.2.3.14. Overseas differential.

7.2.3.15. Quarters allowance.

7.2.3.16. Lump sum leave.

7.2.3.17. Retirement benefits (FICA, TSP, Annuity).

7.2.3.18. Federal employee health benefits.

7.2.3.19. Federal life insurance.

7.2.3.20. Mass transit subsidy (if applicable).

7.2.4. Since the workyear cost used in calculating initial distribution is based on your previous year's actual expenditures, funding for these benefits is in your workyear cost only to the extent incurred. ***NOTE:*** HQ AMC/A88 does not include one-time costs such as Voluntary Separation Incentive Program (VSIP) in your workyear costs. You must record these costs to EEIC 384, or we will include them in your workyear cost, forcing us to estimate the reduction to your average workyear cost to arrive at a realistic number. It is extremely important you ensure proper expenditures and hours are input into the payroll system. Incorrect factors will skew your calculated workyear cost.

7.2.5. HQ AMC/A88 will work with each base to arrive at an acceptable workyear cost. This eliminates unfunded requirements in the civilian pay line except VSIP payments or other one-time requirements beyond the base's control. Each base is responsible for managing their civilian pay within the funded program.

7.3. Civilian Pay and Work-Year Utilization.

7.3.1. The Air Staff tracks civilian pay and work-year utilization by command. They have established that any under-utilization of work-years or diversion of civilian pay is taken into consideration in determining command allocations of civilian pay and work-years for subsequent years. Avoid underutilization of work-years or civilian pay, and diversion of civilian pay to accommodate other perceived shortfalls. You must carefully monitor the utilization of work-years and civilian pay.

7.3.2. It is essential for bases to manage this critical program from the beginning of the fiscal year. The management of a base's civilian hiring program is the responsibility of the Civilian Employment Cost Management Committee in conjunction with local funding policies established by the FMB.

7.3.3. The civilian pay program is not a "fenced" program and bases are given reprogramming authority to cover higher priority requirements. Managers are able to use this flexibility in civilian pay funding in the areas of lapse rates and position fill management. However, local management decisions to reprogram civilian pay funding could have a serious impact on future years. Use extreme caution if you must reprogram funds from your civilian pay program.

7.3.4. In calculating a base's civilian pay funding for any given year, the two source documents are the Unit Manpower Document (UMD) and the 1092 report. The information contained in the UMD is usually beyond the control of the FMA office, but not the data on the 1092 report.

7.4. Civilian Manpower and Funding Report. The Air Force Standard Civilian Automated Pay System (AFSCAPS) produces the RCS DD-COMP(AR)1092, Civilian Manpower and Funding Report, required to meet civilian employment cost reporting requirements. This report is a significant tool in order to manage the civilian pay program. The accuracy of the 1092 report is essential because it contains the

base's data incorporated into the command's civilian workyear cost, funded by SAF/FMB. Similarly, SAF/FMB uses this data to document civilian pay requirements contained in the President's Budget. To the extent workyear costs are understated, SAF/FMB will under fund the command's O&M program, resulting in a decrease to the base's O&M funding. HQ AMC also uses this report to validate bases' unfunded civilian pay requirements, for TWCF and O&M. Therefore, it is essential that all data reflected in the 1092 report be as accurate as possible.

7.5. Civilian Employment Cost Management Committee (CECMC).

7.5.1. The objectives of the CECMC include (1) advising commanders on how to eliminate unnecessary civilian personnel costs and to determine the number of employees to hire based on mission requirements within funding availability, (2) identify potential personnel funding problems, and (3) present appropriate funding recommendations to the FMB.

7.5.2. The CECMC ensures the use of civilian resources efficiently and effectively. This corporate board is responsible for making decisions in regard to lapses (the length of time vacated positions are normally vacant), overhire requirements, etc., by taking into consideration manpower authorizations, funding priorities, employment capability, salaries, and intended cash award payments.

7.5.3. The base commander or designated representative chairs the committee and its membership includes functional managers as well as representatives from civilian personnel, financial management, and manpower communities. Responsibilities of the CECMC include:

7.5.3.1. Review of civilian resource operating budgets.

7.5.3.2. Periodic review of employment plans and comparison of civilian pay expenses against budgetary targets, to include any reallocation or redistribution of funds.

7.5.3.3. Establishment and continuous review of local civilian resource management.

7.6. TWCF Manpower Criteria. Refer to AMCI 65-602, Attachment 5, for a TWCF manpower criteria decision process to determine if TWCF PE coding is applicable to AMC manpower positions.

7.7. Mass Transit Subsidy. OSD memorandum dated 13 Oct 00, Subject: *Department of Defense Transportation Incentive Program*, Attachment 2, provides funding guidance and payment procedures concerning the mass transit subsidy, inside and outside the National Capital Region (implements Executive Order 13150, 4/21/00). For qualifying civilian personnel, this subsidy is budgeted and paid from the same appropriation and PE code used to pay their salaries. Use EEIC 38201 for mass transit subsidy payments inside the National Capital Region (NCR) and EEIC 38202 for payments outside the NCR. For nonappropriated fund (NAF) employees, the employing nonappropriated fund instrumentality (NAFI) will reimburse the cost of the mass transit subsidy and seek appropriated fund reimbursement at the installation level (see HQ USAF/DPRCE message 081847Z Dec 00, Subject: *DoD Transportation Incentive Program for Outside the National Capital Region*). ***NOTE:*** At this time, SAF/FM does not consider any AMC base applicable to this subsidy.

7.8. New Manpower Authorizations for Reimbursable Activities. New authorizations for reimbursable activities, like Military Family Housing (MFH), *must* have MAJCOM POC concurrence prior to approval of the authorization. This allows the functional area to ensure they have funds available to properly reimburse the O&M account without having a negative effect on their funding programs.

Chapter 8

TEMPORARY DUTY (TDY) TRAVEL, PER DIEM, CIVILIAN PERMANENT CHANGE OF STATION (PCS), AND VEHICLE RENTAL

8.1. General Information. TDY costs consist of per diem (meals, lodging, and incidental expenses), transportation (mileage, air fare (commercial or TWCF), bus fare, etc.), and other authorized reimbursable expenses (rental vehicle, toll charges, parking fees, etc.). There is no definitive set of rules on what is considered a legitimate valid TDY versus an invalid one. That is the organizational commander's call – prudent judgment is the key. Each organizational commander has the responsibility to ensure the productive use of TDY funds and must answer the auditors in the event a question surfaces concerning the propriety of a particular TDY. Commanders should encourage their travelers to turn in copies of their paid travel vouchers, noted with air transportation costs, to the organization's TDY funds manager. Funds managers are encouraged to track TDY expenses, specifically note the reasonableness of actual expenses and rental costs as compared to estimates, and reconcile obligations shown on RCM Cost Center Report with the FSO records.

8.1.1. See AFI 65-103, *Temporary Duty Orders*, chapter 2, paragraph 2.1.2., for guidance concerning the need for TDY travel.

8.1.2. See AFI 33-328, *Administrative Orders*, for guidance concerning the procedures for processing travel orders.

8.1.3. To aid in reconciling transportation obligations for movement by TWCF, ensure you include the proper customer identification code (CIC) on all travel orders. See DFAS-DE interim guidance, *Procedures for Travel Accounting Operations*, July 2001 (formerly DFAS-DE 7010.3-R), section 5, or the AMC/A8 web page (select "A87" then "A87D" for the CIC guidance download) for further guidance and CIC examples.

8.2. TDY Per Diem Policy Overview. HQ USAF/DPP message 160910Z Mar 98 contains the basic TDY per diem policy, provided as follows:

8.2.1. The State Department establishes per diem rates for foreign OCONUS locations; the General Services Administration (GSA) establishes per diem rates for CONUS locations; and the Per Diem, Travel and Transportation Allowance Committee (PDTATAC) establishes per diem rates for non-foreign OCONUS locations. GSA reviews CONUS rates annually and usually releases new rates effective the 1st of January of every year. The State Department reviews overseas rates monthly to compensate for currency or data changes. Data is compiled from surveys completed by country and embassy representatives. If any per diem rate is inadequate, the local commander requests a review of the current per diem rate by following the instructions in the *Joint Federal Travel Regulations, Volume 1* (JFTR), paragraph U4140.

8.2.2. The order approving official authorizes or approves TDY based on mission requirements (JFTR, paragraph U2115.). The order approving official is responsible for determining the required transportation mode (JFTR, paragraph U3002.), whether additional authorizations are necessary (e.g., rental car (JFTR, chapters 3 and 4)), availability of government quarters and meals (JFTR, chapter 4, Part E), and other specific reporting instructions. Based on this information, the order approving official directs order preparation and authorizes the appropriate meal option and transportation require-

ments. Order approving officials can obtain service provided government quarters and dining facility availability information by contacting their resource advisor (RA), Financial Services Office (FSO), or by visiting the PDTATAC at ***http://www.dtic.mil/perdiem/*** web page address.

8.2.3. TDY Options. Per JFTR, chapter 4, the three most common options are:

8.2.3.1. Regular TDY. The order approving official selects one of the following meal options based on meal availability listed in AFMAN 34-255, *Directory of Government Quarters and Dining Facilities.* ***NOTE:*** Meal availability is not based on the member's rank, position, or desires.

8.2.3.1.1. Government meals are available and directed.

8.2.3.1.2. Government meals are not available or directed.

8.2.3.1.3. Use of proportional per diem rate (PPD) directed (only if government dining facilities are available at the TDY location). ***NOTE:*** If mission requirements preclude eating one or two meals a day in the dining facility, then PPD is appropriate. Full or PPD should never be authorized for the purpose of traveler convenience. See HQ AMC/A8 memorandum dated 19 Dec 03, Subject: *Proper Use of Proportional Per Diem (PPD) for TDY Travel*, for additional guidance.

8.2.3.2. Field Duty. Members under this option receive no per diem everything normally associated with per diem provided at no charge to the member.

8.2.3.3. Essential Unit Messing (EUM). When the Service Secretary concerned or, for a Joint Task Force (JTF), the CINC or JTF commander determines that government messing is essential to accomplish training and readiness, EUM is declared (JFTR, paragraph U4125-A3E.). This entitles members to receive the incidental expense rate CONUS $2.00 per day, for OCONUS, the incidental expense rate listed in the JFTR, Appendix B, or $3.50 per day when the order issuing authority determines $3.50 is adequate for anticipated incidental expenses.

8.2.4. Changes to Meal Option. The order issuing official is responsible for selecting the appropriate meal option prior to preparation of the TDY orders. However, there may be circumstances where the meal option selected turns out to be inappropriate and, in these cases, the order approving official may change the meal option. It is important to remember a meal option resulting in a reduced entitlement cannot be made retroactive, except for a deductible meal. See JFTR, paragraph U4125-AG3. for additional guidance.

8.2.4.1. Meal Option Change that Results in an Increased Per Diem Rate. If, at any point the meal option selected was insufficient, change it to reflect the proper meal option. Base this change on the nonavailability of meals (missed meals), e.g., the traveler's orders direct government messing; however, due to the work schedule they miss a meal. Upon return, the order issuing official would annotate the order with the appropriate meal option, in this case the proportional meal rate. If a deployed member is in support of a JTF, missed meals are tracked using the AF Form 2282, **Statement of Adverse Effect – Use of Government Facilities**. The deployed commander approved nonavailability of directed meals. The member submits this information when filing their travel voucher.

8.2.4.2. Meal Option Change that Results in a Decreased Per Diem Rate. If, during the TDY, a different meal option becomes applicable, the order issuing official may direct a new meal option using a current or future effective date. Annotate the TDY orders with the new direction and effective date. Example: The order issuing official authorizes the locality rate, due to the nonavailabil-

ity of a dining facility at the TDY location. The order issuing official receives notification that the dining facility is now available. Using this information and a review of the mission requirements, the order issuing official could decide to direct the member to use government mess. If the order issuing official determines the government mess would meet the mission requirements, the TDY traveler would be briefed that government meals are available and directed and will become effective on a current or future date. Upon return, the order issuing official annotates the orders with the appropriate directed meal option and date directed. It is important to remember not to change the meal option to reflect a retroactive decrease in entitlement. Example: Member's TDY orders are silent on meal direction. Upon return from TDY, the order approving official states the orders are incorrect and the government dining facility at the TDY location was the appropriate meal option. The member would still receive the locality rate since the TDY is complete and the change required would result in a retroactive reduction.

8.2.5. TDY Members Directed To Use Government Mess and Quarters. If the TDY member is unable to occupy government quarters at the TDY installation due to nonavailability, they are entitled to the full locality per diem rate for the TDY area. The order issuing official cannot direct members quartered off-installation to use the government mess at the TDY installation, as it is considered not available.

8.2.6. Air Expeditionary Force (AEF) Deployments. Due to the similarity of AEF deployments to JTF deployments, Air Force policy allows the TDY commander to change the meal option if determined inappropriate for the deployment. The procedures in paragraph **8.2.4.** above apply, with the exception of inserting the TDY commander in place of the order approving official. This policy does not take the place of establishing reporting instructions for the deployed location; instead, it allows a method of fixing current deployment inequities.

8.2.7. Reporting Instructions. A common problem arises when ordering different TDY travelers to perform the same duty, at the same location, but authorized different meal options. To avoid differences between commands and services, we recommend developing reporting instructions specific to each TDY location tasked by HQ AMC or any other command or tasking authority. The suggestive instruction should include the following: Availability of messing facilities and appropriate meal option, availability of government quarters, and any restrictions imposed on the availability of the above due to mission or work schedules. This information allows commands and order approving officials to properly prepare TDY orders as the order approving official, who determines the option believed to meet the mission requirements, may not be fully aware of the availability of meals in a particular TDY environment for a particular mission. Reporting instructions help clear up this confusion and ensure equity between TDY members.

8.2.8. Incidental Expense Rate. The authorized incidental expense rate when members are TDY OCONUS and lodged on a United States military installation is $3.50 per day. The same is also true for non-directed government mess. Effective 1 Apr 98, order approving officials determine if the $3.50 incidental expense rate is not adequate and can authorize the incidental expense rate listed in the JFTR, Appendix B.

8.2.9. Deductible Meals. Per the JFTR, paragraph U4125-A3G, a deductible meal is a meal (1) made available pursuant to an agreement between a Uniformed Service and any organization, if the order directs use of the facility providing the meals, (2) included in a registration fee ultimately paid for by the government, (3) furnished at no cost to the member by a school while attending a course of instruction, if the cost of the meal is ultimately paid for by the government, or (4) furnished by the

government at no cost to the member. Personnel on TDY orders who have a deductible meal will receive the proportional per diem rate for each day when one or two meals are provided. If the government provides all three meals, the member receives the incidental expense rate only for each day he or she receives all daily meals. Box lunches, in-flight meals, rations furnished by the government on military aircraft, meals furnished on commercial aircraft, or by private individuals are not deductible meals. Government meals paid for by travelers and consumed in a government mess facility are also not a deductible meal for per diem purposes.

8.2.10. JTF TDY. For reimbursement options of members TDY in support of a JTF, please refer to the JFTR, paragraph U4800.

8.2.11. Invitational Travel Orders (ITO) for Non-U.S. Government Employees. The JTR, Appendix E, determines when an ITO may be authorized for private individuals who are not U.S. Government military or civilian employees. Government contractors are not considered government employees and may be issued ITO only on an exception basis when traveling under a contract that does not provide funding or reimbursement for travel and transportation costs. ITOs may not be used to authorize travel and transportation for Government contractors/contractor employees. Individuals providing a service under a contract with the Government should be provided a contractor Letter of Introduction (LOI) which must be signed by the Contracting Officer and include the name and address of the contractor's agency responsible for reimbursement so HQ AMC/A87D can properly bill the contractor for the airlift transportation furnished. Another acceptable payment method is on a cash reimbursable basis.

8.2.12. Purchase of Bottled Water. TDY personnel cannot claim bottled water purchases as a reimbursable miscellaneous expense on their settlement travel vouchers per the JFTR, paragraph U1010. and JTR, paragraph C1002. Do not authorize bottled water on travel orders.

8.2.12.1. AMC units deploying to a location where the water supply is suspect to be unsafe for human consumption may purchase bottled water, as described in AMCS1 to AFI 65-601, Volume 1, paragraph 4.45.5.

8.2.12.2. AMC aircrews transiting overseas locations may purchase bottled water where the water supply is unsafe or questionable (as determined by the Foreign Clearance Guide or other competent source). See AMCS1 to AFI 65-601, Volume 1, paragraph 4.45.5.1. for additional guidance.

8.2.12.3. Prudent judgment is essential when considering requests to purchase bottled water for the conditions described in paragraphs **8.2.12.1.** and **8.2.12.2.** above. See AMCS1 to AFI 65-601, Volume 1, paragraph 4.45.5.2. for additional guidance.

8.2.13. Travel of Aircrews on AMC Form 41, **Flight Authorization**. AMC Form 41 is not and was never intended to be a travel order. It was developed to satisfy the requirements of AFI 11-401, *Flight Management*, specifying that commanders will issue written authorizations documenting Air Force aircraft flights using the format selected by the MAJCOM. The AMC Form 41 is used as the vehicle to obtain commander (or designee) certification for payments authorized under JFTR, Volume 1, paragraph U7100. This paragraph establishes DoD policy implementing 37 U.S.C., Section 404(e).

8.2.13.1. 37 U.S.C., Section 404(e) authorizes AMC aircrew members reimbursement for per diem and certain travel expenses, i.e., local travel within the vicinity of the TDY location, without written orders (DD Form 1610, **Request and Authorization of TDY Travel of DoD Personnel**). DFAS-DE interim guidance, *Procedures for Travel Accounting Operations* (formerly DFAS-DE 7010.3-R), section 7, paragraph G.2. provides additional guidance on accounting for AMC aircrew

TDY costs. AMC aircrew members using the AMC Form 41 are actually paid based upon the certification of the commander (or designee), obtained after travel has been performed. The issuance of an AF Form 41 in and of itself does not entitle anyone to travel allowances unless the commander has certified that the travel has been performed.

8.2.13.2. When an aircrew member departs the mission away from the permanent duty station and returns via alternate transportation (i.e., GTR, commercial airline ticket, etc.) they must continue the period of TDY on routine travel orders (DD Form 1610) or be issued confirmatory orders for continued reimbursement of per diem, associated transportation costs, or miscellaneous reimbursable expenses.

8.2.13.3. The AMC Form 41 is not authorized to procure advanced return transportation at the aircrew member's home station; use a DD Form 1610 to authorize this. JFTR, paragraph U7100., is only in effect for the period of the aircraft mission, which is wheels up/wheels down at the member's permanent duty station.

8.2.13.4. Obligation of aircrew travel/per diem entitlements is accomplished IAW DFAS-DE interim guidance, *Procedures for Travel Accounting Operations* (formerly DFAS-DE 7010.3-R), section 7, paragraph G.2. AF Form 406, **Miscellaneous Obligation Reimbursement Document (MORD)**, is the basis for recording TDY obligations for AMC aircrews (TWCF or O&M) traveling on the AMC Form 41.

8.2.13.5. AF Form 2282, **Statement of Adverse Effect – Use of Government Facilities**. For AMC aircrew members traveling on AMC Form 41, the approval authority for the AF Form 2282 rests with the aircraft commander/team chief and not the member's unit commander, in order to reduce the administrative workload associated with processing these forms. This form must be included on all AMC Form 41s and must be completed regardless of whether adverse effects are cited. Payments made without the appropriate certification, required by JFTR, paragraph U7100., is invalid. At least two copies of the AMC Form 41 must be signed at least once by the aircraft commander, per settlement voucher, in order for payment to be authorized.

8.2.14. Permissive TDY (PTDY). Unit-funded space-required travel is authorized for members participating in sports tournaments if it is pre-approved by HQ AFSVA/SVPAF (AFI 36-3003, *Military Leave Program*, table 7, rule 33). The members can take a government vehicle if one is available but they cannot be reimbursed for fuel consumed. The same holds true if they take a privately owned vehicle. Travel orders are required but per diem is not authorized. Members must file a no-pay due travel voucher upon return to home station unless they are authorized reimbursement for actual travel costs. AFI 36-3003, table 7., also provides guidance on what other types of events qualify for PTDYs. For these conditions, do not approve unit-funded travel orders unless specifically authorized. Do not authorize PTDY for official business for which funded TDY is appropriate (AFI 36-3003, paragraph 12.3.2.).

8.2.15. Recalling Military Members from Leave. If members are ordered TDY while on leave, they are paid in accordance with JFTR, paragraph U4105-F. If members are recalled from leave to their permanent duty station, they are paid in accordance with JFTR, paragraph U7220.

8.2.16. Spouse/Family Member Travel.

8.2.16.1. Consult AFI 24-101, *Passenger Movement*, paragraph 2.8., DoDD 4500.56, *DoD Policy on the Use of Government Aircraft and Air Travel*, enclosure 2, paragraph E2.5., and the JFTR, Volume 1, appendix E, paragraph 13, for funding guidance concerning spouse or any other family

member travel. The following circumstances require MAJCOM approval for spouse TDY to attend:

8.2.16.1.1. Numbered Air Force commander's visits to their bases (usually limited to two trips per year).

8.2.16.1.2. Wing commanders'/senior enlisted advisors' annual conferences.

8.2.16.1.3. Squadron commander orientations (limited to one trip during the sponsor's tenure as a squadron commander)

8.2.16.1.4. Other instances, where there is an unquestionable official requirement in which the spouse is actually to participate in the function requiring the travel or it is deemed in the National interest because of a diplomatic or public relations benefit to the country.

8.2.16.2. The Air Force Chief of Staff, in a memorandum dated 7 Mar 02, Subject: *Delegation of Authority for Spouse/Family Member Funded Travel*, delegates the approval authority to the MAJCOMs for all spouse/family member travel within their command, with the following limitations:

8.2.16.2.1. The Vice Commander cannot approve his/her own spouse/family member travel or the MAJCOM Commander spouse/family member travel. The MAJCOM commander may self-approve per DoDD 4500.56.

8.2.16.2.2. ITOs are authorized for funding transportation only and the orders must reflect a statement to that effect, as specified in the JTR, Volume II, appendix E, part I, paragraph A.13. In limited instances where per diem and other actual expenses are to be paid, prior approval from the Air Force Chief of Staff is required.

8.2.16.2.3. Each spouse/family member travel request must be forwarded individually for MAJCOM approval. ITO 'blanket" travel approval will not be issued.

8.2.16.2.4. Justification and record of all approvals will be retained for two years at MAJCOM level.

8.2.17. Attendance at Professional Military Education (PME) Graduation Ceremonies. Refer to AFI 65-601, Volume 1, chapter 10, paragraph 10.2.9. for funding guidance. Friends, coworkers, and military spouses of PME graduates are not authorized PTDY to attend graduation ceremonies per AFI 36-3003, paragraph 12.8.5.

8.2.18. Retention of Promotional Items While TDY. See AFI 65-601, Volume 1, chapter 10, paragraph 10.2.4. This guidance does not apply to promotional items offered for travel using funds other than those of a government agency, as defined in the JFTR/JTR, appendix A.

8.2.19. Home Day Care Providers. These individuals are not NAF or Federal employees. Use ITOs to send Home Day Care Providers to attend required training sessions in a TDY status, with the approval of the Services commander. (JTR, appendix E, part I, paragraph A.3.)

8.2.20. TDY to Receive Corneal Refractive Surgery. Per HQ USAF/SG memorandum dated 20 Aug 03, Subject: *The USAF "Warfighter" Corneal Refractive Surgery (CRS) Program (Includes Both Photorefractive Keratectomy (PRK) and Laser-In-Situ-Keratomileusis (LASIK) (SG Policy Letter #03-002)),* permissive TDY is authorized for those military members approved to receive CRS who are not considered aviation and defined special duty personnel. Aviation and defined special duty personnel may travel on unit-funded TDY orders to receive PRK surgery if approved by proper medical

authority and the TDY is approved by the member's unit commander. See AMCFSS/A88I FY04 Policy Message #11, Subject: *New Guidance on TDY Funding of Corneal Refractive Surgery (CRS) for Military Personnel*, 14 Nov 03, for additional references and guidance.

8.2.21. Providing TDY Funds to Other Air Force Organizations. See AFAFO/FMF memorandum dated 7 Mar 03, Subject: *Procedures for Providing TDY Funding to Other Air Force Organizations*, for guidance. A copy is available on the Budget Policy page of the AMC/FM web at *https://www.amcfm.scott.af.mil/FM_BudgetPolicyNotices.cfm*.

8.3. Types of Expenses on TDY Orders. Under the Simplified Accounting for Temporary Duty Travel initiative, directed by DoD, the only authorized EEIC to record TDY costs is EEIC 409. Do not use 2-digit shreds of EEIC 409, except EEIC 40934, for aircrew TDY (applicable to TWCF only), as authorized by HQ AMC/A88.

8.3.1. DFAS translated the DoD Simplified Accounting for Temporary Duty Travel initiative to mean that you must account for any expense included in a TDY order or travel settlement voucher in EEIC 409 (or 40934). This includes registration fees (normally EEIC 59291), official (not morale calls to the member's home) phone charges (EEIC 44700), or any other authorized item paid on a travel voucher. If a base wishes to have these types of charges broken out separately and remain part of the unit's management information system, use a different commitment or obligating document (e.g., DD Form 1556, SF 1164, AF Form 9). The traveler will need to file two forms (travel voucher and other applicable form).

8.3.2. Either method described in paragraph **8.3.1.** above is acceptable, depending upon the discretion of the unit involved.

8.3.3. Communications/Telephone Calls. JFTR, chapter 4, part F, paragraph U4505., allows the order issuing official to approve certain communications charges for reimbursement on the member's travel voucher when warranted. These instances are limited to advising of the traveler's safe arrival at the TDY location, to inform or inquire about medical conditions, and to advise regarding changes in travel itinerary. General morale calls are not authorized for reimbursement. The order-issuing official should limit these communications to a specific dollar amount in advance of the TDY so the member is aware of the limit. The order-issuing official may approve charges after the TDY when appropriate.

8.3.4. Excess Baggage. The unit commander or tasking official authorizes excess baggage for TDY or PCS travelers on the member's travel orders. Use EEIC 409 only to record these charges. If the tasking authority does not authorize excess baggage using their fund cite, the member's unit commander may authorize local unit funds on the travel orders.

8.3.5. Lease of Apartments or Other Living Quarters. See JFTR, Volume 1, paragraph U4125., for allowable expenses that pertain to leasing/renting an apartment, house, recreational vehicle, etc. when TDY.

8.3.6. International Driver's License (IDL). Personnel who deploy to a country that requires an IDL or host nation driver's license in order to operate a motor vehicle on/off the base or compound may claim the cost to obtain the license as a miscellaneous reimbursable expense on their travel voucher. This may be authorized on the travel orders; if is not specifically authorized on the orders but still required and paid by the member, the order-issuing official must sign the travel voucher authorizing the reimbursable expense.

8.3.7. Laundry/Dry Cleaning. See JFTR, Volume 1, paragraph U4520.B., footnote 5 and JTR, Volume II, paragraph C4720.B.6. for specific guidance.

8.4. TDY Funds Management. An important ingredient for successful management of TDY funds is the involvement of each RCM and RA. These individuals should review each trip to ensure the following:

8.4.1. A minimum number of personnel travel per visit.

8.4.2. Planning for the most economic mode of travel. The JFTR does not specify which mode of air transportation (i.e., military air versus commercial GSA City Pairs) is preferable. From an economic view, use military air if it is cheaper or directed by competent authority to meet specific mission requirements.

8.4.3. Use economy or excursion air fares when military air is not available.

8.4.4. Major airlines will offer discount rates that are cheaper than coach fares. The JFTR, section 1-34, and the Military Traffic Management Regulation, chapter 304, require the use of special, reduced fares when practical. However, do not use these discounted fares if a GSA City Pair fare exists over the same route, as the government contracts for these fares with the commercial industry under this program. Use discounted fares if you cannot meet mission requirements within the available GSA City Pair fare for a particular route.

8.4.5. Round trip excursion fares are generally available with confirmed reservations and tickets purchased at least 14 days before departure, a maximum of two stopovers (including scheduled destination), and the travel period is at least 7 but not more than 30 days.

8.4.6. There may be a penalty imposed for canceling or changing a reservation made to take advantage of the excursion rate.

8.4.7. Use government quarters (either on-base lodging or contract quarters) at the TDY location, if available. The JFTR, paragraph U4400A.7., gives a government traveler the authority to bypass using available government quarters during periods of TDY or delay of less than 24 hours. Paragraph U4415. of the JFTR, applies only to the member's statement of use as distinguished from availability of government quarters at all times, including periods of TDY or delay of less than 24 hours.

8.4.8. Control the use of Blanket Travel Orders (BTO). Issue BTOs only to individuals who travel frequently on short notice. Review and revise travel estimates to reflect actual obligations before the end of each reporting period, to the best extent possible. Close out BTOs no later than 31 August of the current fiscal year (except for HQ AMC/IG - see paragraph **8.20.6.** below). All BTOs *must* state: "Government meals are available and directed." Any meal statements that increase the entitlement will be endorsed upon return of the member. ***NOTE:*** The requirements for BTOs will cease when the Defense Travel System (DTS) is fielded and implemented.

8.4.9. TDYs in excess of 179 days, to include travel days, training days, and days at final destination, do not require a secretarial waiver. Per the JFTR, paragraph U2145., the six month limitation only applies to TDY assignments at any one location and not the total TDY period. Therefore, do not combine travel time and time at an en route location to the time a member is present at the final destination when applying the 179 day rule.

8.5. Unliquidated Travel Obligations. Follow-up of unliquidated travel obligations is primarily the responsibility of the Accounting and Finance Office; however, FMA personnel, RCMs, RAs, and CCMs

should play an active role. Continual follow-up by financial managers helps to purify the accounting records and maximize the use of operating funds. A joint effort results in aggressive follow-up.

8.6. Command Directed TDY.

8.6.1. Annual programs for all funding points include requirements for both locally and command directed TDYs. As described in AFI 65-601, Volume 1, chapter 10, paragraph 10.2.1., TDY (including command directed trips) is generally the funding responsibility of the unit of assignment. The following cases are exceptions:

8.6.1.1. When O&M personnel augment the TWCF (1) aircrews, (2) airlift operations functions, (3) aerial port squadrons/units, (4) aircraft maintenance units/squadron, or (5) air mobility operations group (AMOG) operations (except for Combat Camera, which is an O&M-funded unit within the AMOGs), the augmented unit provides TWCF funds to support the TDY.

8.6.1.2. When TWCF personnel augment an O&M-funded unit, the augmented unit should provide O&M funds to support the TDY.

8.6.1.3. Exceptions described in AFI 65-601, Volume 1, chapter 10.

8.6.1.4. OT&E Test Participants. Use AMC Operational, Test, and Evaluation (OT&E) funds to pay for test participants.

8.6.1.5. CJCS Exercises**.** See **Chapter 21** of this publication for discussion on TDY funding specific to CJCS exercises.

8.6.1.6. AFRC, ANG, and Individual Mobilization Augmentee (IMA) Augmentation. Travel and per diem costs of AFRC/ANG/IMA personnel on MPA man-days at the request of an active AMC unit is the funding responsibility of the AMC augmented unit.

8.6.1.7. Manning Assistance. Fund manning assistance TDY conducted between an AMC unit and another AMC unit or a unit assigned to another MAJCOM in accordance with Air Force policy. See AFI 65-601, Volume 1, chapter 10, paragraph 10.2.5. A TDY tasking that benefits an overall AMC mission and not a specific organization remains a unit of assignment funding responsibility.

8.6.1.8. Presidential and Vice Presidential Support. HQ AMC/A88 limits reimbursements of TDY funding for Presidential and Vice Presidential support by AMC wings to support personnel, as well as any ground transportation incurred. FMA offices need to obtain prior approval from HQ AMC/A88O to validate the reimbursable costs. Use Air Force non-JCS ESP code UA (Uniform Alpha) to capture and identify reimbursable incremental costs in the accounting system associated with Secret Service requested protection. For temporary Secret Service support on a nonreimbursable basis, use Air Force non-JCS ESP code RA (Romeo Alpha) to identify these obligations in the accounting system. See AFI 65-601, Volume 1, chapter 7, paragraph 7.55. for additional guidance.

8.6.2. Priority of Command Directed TDY. For funding purposes, consider all command directed TDY high priority. If funding of command directed TDYs result in the funding deferment of lesser priorities and local reprogramming is not possible, identify the unfunded requirement of the lesser priorities in the AMC BER submission if warranted. Follow existing BER guidance for identifying these requirements deferred due to higher mission needs.

8.6.3. Requests for Contingency Shortfall. For contingency TDY requirements, HQ AMC will not honor unit requests for shortfall due to lack of funds. In these cases, it will become necessary to reprogram funds from other areas to pay for the contingency TDYs. In the event that reprogramming is not a viable option, the unit RA should contact the base FMA Officer, who will then work with the appropriate HQ AMC/A88 base analyst to seek necessary funding relief. The lack of funds is not a valid reason to shortfall any command directed TDY requirement.

8.6.4. Maintenance Recovery Team (MRT) TDY Support. See AMCS1 to AFI 65-601, Volume 1, paragraph 10.2.13. (and its subparagraphs) for funding guidance on MRT TDYs. For additional AMCS1 references on MRT funding for maintenance support of AFRC/ANG aircraft, see **Chapter 9**, paragraph **9.7.** and **Chapter 19**, paragraph **19.28.** of this publication.

8.6.5. Escorts for Apprehended Military Inmates/Prisoners. See **Chapter 6**, paragraphs **6.1.4.2.** of this publication on paying for travel and expenses of escorts for apprehended military members.

8.7. Government Facilities. Use government facilities to the maximum extent possible, including periods of delay or TDY of less than 24 hours (reference DFAS-DE interim guidance, *Procedures for Travel Accounting Operations*, section 4 (formerly DFAS-DE 7010.3-R)).

8.8. Civilian Employees. Except for special and unusual circumstances, do not authorize reimbursement to a civilian employee for commercial quarters, when adequate government quarters are available. The base lodging office should provide the employee with a certificate of nonavailability whenever commercial quarters are used.

8.9. Air Force Personnel Center (AFPC) Travel Support. Subject Matter Specialists (SMS) are selected by the MAJCOMs to fulfill Air Force directed requirements in support of the Airman Promotion System. The Occupational Measurement Center should provide funding to support this TDY travel.

8.10. Education Services Travel Support. Use TDY funds in PE 89732 for all civilian and military personnel assigned to Base Education Services.

8.11. Senior NCO Academy (SNCOA), NCO Academy (NCOA) and Airman Leadership School (ALS):

8.11.1. Fund TDY costs for AMC students attending the SNCOA through an Air University fund citation listed in AFCAT 36-2223, *USAF Formal Schools*.

8.11.2. Fund TDY costs for AMC students attending a CONUS NCO Academy through an Air University fund citation listed in AFCAT 36-2223. For students attending an overseas NCO Academy, the member's unit of assignment will fund all TDY costs in accordance with AFI 65-601, Volume 1, chapter 10, paragraph 10.3.3.3.

8.11.3. Use RC/CC XX3619, PE 84751F for the operation of the ALS and TDY costs, if required.

8.12. Overseas School Travel to HQ Air Education and Training Command (AETC) or HQ Air Force Materiel Command (AFMC). Overseas travel to attend training schools funded by HQ AETC or HQ AFMC. All travel and per diem costs for HQ AETC or HQ AFMC schools under Air Force training or medical education programs (including from overseas stations to the CONUS port and vice versa) should be funded by HQ AETC or HQ AFMC, respectively.

8.13. Continuing Health Education (CHE). In accordance with AFI 41-104, *Professional Board and National Certification*, Air Force medical service personnel must use CHE to maintain expertise in their area of professional endeavor and to fulfill license and certification requirements. Account for TDY costs, as well as registration and tuition, in EEIC 409 if the member pays them and reimbursed via a travel voucher. If the registration and tuition are paid separately via AF Form 9, **Request for Purchase**, or DD Form 1556, **Request, Authorization, Agreement, Certification of Training and Reimbursement**, use EEIC 59292. Account for Emergency Medical Technician training in EEIC 55311. The use of the Government-Wide Purchase Card (GPC) (formerly International Merchant Purchase Authorization Card (IMPAC)) is also authorized as a means of payment for CHE registration and/or tuition.

8.14. Phoenix Raven Teams and Other Mission Essential Ground Personnel (MEGP). Phoenix Raven teams are security forces accompanying AMC aircraft and other command's aircraft flying AMC missions for the purpose of providing force protection to the aircraft at locations where security is inadequate or unknown. Other individuals accompanying AMC aircraft required to perform special aircraft duties are known as Mission Essential Ground Personnel (MEGP). See AMCS1 to AFI 65-601, Volume 1, paragraph 10.2.1.3. (and its subparagraphs) for funding guidance for Phoenix Raven teams.

8.14.1. Stewards. See AMCS1 to AFI 65-601, Volume 1, paragraph 10.2.1.4. for funding guidance.

8.14.2. Comptroller Paying Agents. See AMCS1 to AFI 65-601, Volume 1, paragraph 10.2.1.5. for funding guidance.

8.15. Registration Fees.

8.15.1. Only those expenses necessary to accomplish the purpose of attendance at meetings are properly reimbursable to the individual. The portion of registration fees that relate to entertainment, social events, and other personal items are not reimbursable, except when they are inseparable from attendance to the meeting (reference JFTR, Volume 1, and Comptroller General B-200650, April 86). Hospitality fees are borne by the individual and not paid directly out of appropriated funds.

8.15.2. Individual membership fees and dues required for societies and associations are not payable from appropriated funds (APF) unless such payment is authorized by specific legislation. This does not prohibit an activity from paying membership dues from APF, provided membership is in the interest of the government and in the name of the activity, as opposed to the name of an individual (reference JFTR, paragraphs C4708. and U4535.).

8.15.3. Do not assess registration fees to attendees at Air Force or AMC staff sponsored courses or conferences that do not come under the purview of the AFR 50-XXXX or AFI 36-XXXX series instructions.

8.16. Civilian Permanent Change of Station (PCS). Funding for civilian PCS is in accordance with AFI 65-601, Volume 1, chapter 22, paragraph 22.3., and the JFTR, Volume 2. Generally, all civilian personnel PCS movement costs are borne from the operating funds available to the activity gaining the employee (see above references for specific guidance). Within AMC, the Unit Manpower Document (UMD) position the gaining employee fills determines the type of funding used for the PCS movement. If the UMD position within the gaining unit reflects a TWCF PE, use TWCF funds for the PCS move. If the UMD position is O&M PE-coded, then O&M funds apply.

8.17. Vehicle Rental.

8.17.1. The host base is generally responsible for providing in-house transportation. When vehicle requirements exceed in-house capability, the host is also responsible for renting vehicles to supplement host requirements. Tenant activities are responsible for vehicle rental to supplement tenant requirements.

8.17.2. Personnel (other than HQ AMC teams) TDY to AMC units who require vehicle support should advise the visiting unit in advance of those requirements. If the host's in-house capability cannot support those requirements, then the visiting personnel should either (1) provide an AF Form 616, **Fund Cite Authorization** or (2) include vehicle rental in the TDY orders. The organization visited is not responsible for vehicle rental funding for visiting TDY personnel.

8.17.3. HQ AMC teams (other than IG) visiting active duty AMC units should notify the visited unit of their vehicle requirements. The visiting team will fund rental requirements that exceed in-house capability. Use vehicle substitutions (e.g., pickup trucks versus staff cars) to the maximum extent possible to reduce rental costs.

8.17.4. Insurance for Rental Vehicles. If the member's government travel card is used to rent vehicles, the bank that issues the card covers the insurance. If the member is not using the travel card, then the Air Force is considered self-insured and an AF Form 616 is not required to cover any potential vehicle damage. Consult the VISA Services & Benefits package available at web site *http://usa.visa.com/personal/cards/visa_government.html#a*, or call the toll-free number on the back of the government travel card to determine what types of rental vehicles are not covered.

8.18. Centralized Witness TDY Funding. Funding for centralized witness travel associated with military administrative boards, investigations, and disciplinary procedures (e.g., courts martial) is in accordance with AFI 65-601, Volume 1, chapter 10, table 10.2., and AFI 51-201, *Administration of Military Justice*, Chapter 6.

8.19. PCS with TDY En Route or TDY Incident to PCS. Since AMC does not have a CMA account for AMC imposed training incident to PCS, use the following procedures to obtain the proper fund citation (O&M of TWCF) for newly assigned or gained personnel. See AFCAT 36-2223 chapter 7, for additional details.

8.19.1. Aircrew Training. AETC no longer funds for KC-135 training courses at Altus AFB or C-130 courses at Little Rock AFB unit funding applies. For all aircrew training, when both the losing and gaining unit belong to AMC, obtain the TDY fund cite from the member's gaining unit of assignment (effective 1 Jan 98 per AFCAT 36-2223, paragraph 7.5.2.1.). This is also applicable to TDY training out and back prior to departing PCS. Use the RC/CCs listed in paragraph **8.19.3.** below to relate to the PE/O-1 Line Item of the member's newly assigned organization (gaining unit).

8.19.2. Offshore En Route Maintenance Training. When an individual assigned to a non-AMC unit receives a PCS assignment to an AMC offshore maintenance unit with a TDY en route, HQ AMC/A4/A1RAT should provide, within the tasking message, the TDY fund cite of the gaining organization (for TWCF gained units) or a HQ AMC/A88 fund cite (for O&M gained units) to the servicing CBPO of the losing unit. Provide a copy of the AMC tasking message to the gaining unit and servicing FSO (Scott AFB FSO for those containing the HQ AMC fund cite). Use this copy to post obligations in the accounting system.

8.19.3. For all other aircrew training except as outlined in this chapter, the losing unit or FMA office should charge the TDY fund cite of the gaining unit by contacting the gaining unit or FMA office at the AMC base or host base where AMC is a tenant organization. Depending on the assigned organization of the gained member, use a TWCF or O&M TDY fund cite. In order to permit obligation data accumulation, use the following RC/CCs to record costs incident to TDY en route PCS.

PURPOSE	DESCRIPTION	PEC	RC/CC
For O&M:	Base Operations	41896	XX8454
For TWCF:	Aircrews/Maintenance, C-141	41118	XX2111
	Aircrews/Maintenance, C-5	41119	XX2113
	Aircrews/Maintenance, C-17	41130	XX2114
	Other Operations	(See Note below)	XX1308
	Aerial Ports	41125	XX4220
NOTE: Use 41118 for C-141 units; 41119 for C-5 units; and 41130 for C-17 units.			

8.19.4. See **Chapter 19**, paragraph **19.6.** of this publication for funding of flying clothing of members who go TDY incident to formal retraining with a follow-on PCS assignment.

8.20. HQ AMC Inspector General (IG) Oversight Visits (EORIs, ERIs, NSIs, OPLAN 8044 Inspections, and UCIs). ***NOTE:*** The term "inspected unit" refers to units receiving the inspection.

8.20.1. HQ AMC IG Team Support.

8.20.2. TDY. HQ AMC/IG funds for TDY of its personnel accomplishing AMC oversight visits. It also funds per diem and transportation costs of those personnel from AMC and AMC-gained units who augment the AMC/IG as inspectors. AMC/IG does not fund observer personnel to oversight visits.

8.20.3. Rental of Vehicles. AMC/IG will notify the inspected unit of its home station vehicle requirements, if necessary. AMC active duty units (host/tenant) are responsible for supporting and funding this requirement out of in-house government assets or commercial rentals. For inspected Air National Guard and Air Force Reserve Command unit-equipped locations and all Forward Operating Base (FOB) locations, including ANG Combat Readiness Training Centers, HQAMC/IG will provide agency vehicle requirements through the Transportation Commander with jurisdiction over the host installation. It is up to the cognizant Transportation Commander to determine how best to meet the requirement, either through existing government vehicles, fleet augmentation, or by rental vehicles. In accordance with AFI 24-301, *Vehicle Operations*, chapter 5, paragraph 5.10.1., Transportation commanders may rent or lease vehicles to meet peak workloads. If commercial rental vehicles are required, HQ AMC/IG will use an AF Form 9, AF Form 616, or DD Form 448, as applicable.

8.20.4. Lodging. AMC/IG will notify inspected unit of home station lodging requirements, if necessary. AMC/IG will use government lodging to the maximum extent possible. For commercial contract lodging requirements, use an AF Form 9, AF Form 616, or DD Form 448 as applicable. AMC/IG may also deal directly with commercial lodging establishments using a CBA in lieu of the AF Form 9 or 616. AMC/IG will deal bilaterally with appropriate agencies at FOB locations.

8.20.5. Inspected Unit (AMC or AMC-Gained) Responsibilities.

8.20.5.1. TDY. The inspected unit is responsible to fund per diem and transportation of inspected unit personnel and any manning assistance or augmentation from AMC units or other MAJCOM units. This includes all unit functional areas as well as generic assistance (e.g., TALCE, MST, aerial port, etc.) that a unit may require during their EORI scenario.

8.20.5.2. Rental of Vehicles. The inspected unit is responsible for funding (if required) both its home station and deployed location vehicle requirements. Ensure maximum use of host government vehicle assets prior to rental of commercial vehicles.

8.20.5.3. Lodging. The inspected unit is responsible for funding (if required) both its home station and deployed location lodging support. Ensure maximum use of government lodging facilities.

8.20.5.4. Miscellaneous Costs. During EORI scenarios at home station or at deployed locations, the inspected unit is responsible for all contract commercial and government purchases they incur during the course of the inspection scenario. These costs include, but are not limited to subsistence, ground fuel, water, ice, portable toilets, trash removal, and dining hall support.

8.20.6. BTOs. AMC/IG is authorized to use BTOs for team travel until the end of each fiscal year. AMC/IG will use individual travel orders for five or fewer members after 15 September of each fiscal year. See the note in paragraph **8.4.8.** above for the discontinuance of BTOs when the DTS is fielded and implemented.

8.21. In-Place Consecutive Overseas Tour (IPCOT). Air Force IPCOT is funded from the MILPERS (3500) appropriation. See AFMAN 65-604, under Military Personnel, Air Force (Fund Code 32), to construct the appropriate MILPERS fund cites, including the necessary projects or subprojects, to charge the travel costs of the military member and their command sponsored family member's round trip travel to the CONUS.

8.22. Technical Order Development TDY. Charge TDY costs for technical order development to the procurement appropriation (57*3010) when the purchase of data occurs during the production of the aircraft (see AFI 65-601, Volume 1, chapters 4 and 14).

8.23. Dependent Student Travel. Charge the travel costs of dependent students performing their annual trip from schools in the United States to and from overseas areas to the overseas theater command (HQ PACAF or HQ USAFE) for O&M personnel. Charge the travel costs for dependents of TWCF-assigned personnel to the TWCF unit of assignment. EEIC 409 applies.

8.24. Patient and Non-Medical Attendant Travel.

8.24.1. Charge TDY costs, including local travel (when government transportation is not available), of Air Force active duty members to receive medical care and their non-medical attendants to funds available to operate the referring MTF (AFI 65-601, Volume 1, chapter 10, paragraph 10.25.2.). AFI 41-101, *Obtaining Civilian Medical and Dental Care*, contains additional guidance relating to patient and non-medical attendant travel.

8.24.2. TDY funding for movement of Army, Navy, and Marine active duty members is the responsibility of the member's unit unless the following conditions apply: (1) The movement is for Army, Navy, Marine active duty members, their dependents, and medical and non-medical attendants, when

assigned to Air Force installations or locations that do not have a fixed MTF or (2) movement is for an active duty member to a civilian (non-defense) hospital when the service headquarters does not authorize the required medical treatment at the installation MTF or the required medical treatment is outside the capabilities of the referring MTF. HQ USAF/SGHC annually provides, by message, the TDY fund cites for these requirements. Dependent patient and non-medical attendant associated travel and per diem expenses incurred by dependents residing with their Air Force active duty sponsor in an overseas location only is the responsibility of the referring medical facility or to the Air Force CMA fund cite. Charge TDY costs to the referring medical facility for an active duty member to serve as a non-medical attendant to a dependent when medically evacuating the dependent in CONUS from one medical facility to another medical facility and for required medical attention not available locally (JFTR, part Q, paragraph U7550.5.). The proper medical authority approves all non-medical attendant travel.

8.25. Transportation of Family Members of Very Seriously Ill/Injured (VSI) or Seriously Ill/Injured (SI) Active Duty Service Members or Active Duty Reserve Allowance. Reference AFI 41-114, *Military Health Services System (MHSS) Matrix*, table 30., which provides guidance for travel of next of kin. Do not charge Defense Health Program (DHP) funds for this program.

8.26. Attendance of Non-Federal Government Employees at Awards Ceremonies or Dinners. Per 31 U.S.C., Section 1345, you may use APF to fund TDY costs of non-federal government employees to attend an awards ceremony or dinner for which they are the recipient of an award, if specific legislation exists that expressly allows for the expenditure. Additionally, under the "Purpose Law" if there is specific statutory authority to give awards to non-federal government employees and that authority allows for the "necessary" expense to honor award recipients, TDY and related costs are payable from APF for the employee and spouse. See CompGen Decision B-235163.11 (13 February 96) for additional details. Funding is the responsibility of the organization hosting the awards ceremony or dinner.

8.27. Evacuation Expenses for Nonappropriated Fund (NAF) and Army and Air Force Exchange (AAFES) Employees in Contingency and Emergency Situations. When the wing commander orders an emergency evacuation, APF is authorized for evacuation travel/per diem costs of NAF/AAFES-funded employees in the same manner as APF-funded employees. Justification for this is based upon DoDI 1400.32, *DoD Civilian Work Force Contingency and Emergency Planning Guidelines and Procedures*, in that both APF and NAF/AAFES employees are encompassed in its definition of "DoD civilian work force" for contingency and emergency procedures.

8.28. MPA Man-day (Volunteer Activation) TDY Funding Under Title 10 U.S.C., Section 12301(d). See AMCS1 to AFI 65-601, Volume 1, paragraph 10.2.1.1 (et seq.) on TDY funding guidance for ANG/AFRC/IMA personnel activated on MPA Man-days to fulfill AMC active duty requirements.

8.29. Mobilization (Non-Volunteer Activation) TDY Funding Under Title 10 U.S.C., Section 12302. See AMCS1 to AFI 65-601, Volume 1, paragraph 10.2.1.2. (et seq.) on TDY funding guidance for ANF/AFRC/IMA personnel who are mobilized to fulfill AMC active duty requirements.

8.30. Funding Medical Deployments. AFI 65-601, Volume 1, chapter 10, paragraphs 10.26.2. and 10.26.8. provide guidance on funding for medical deployments pertaining to tactical medical facilities operated separately from hospitals and medical care provided to members at local indigenous medical facilities during contingencies at deployed locations that do not have fixed medical treatment facilities.

Charge these costs to O&M 3400 funds and not to DHP (Fund Code 2X) funds. This includes the cost of supplies used during deployment and resupply upon return as well as TDY costs of deployed medical personnel, special uniform requirements (including body armor for combat aeromedical teams) and any required A/B mobility bags. Additionally, charge TDY costs for locally assigned critical care teams that are responsible for processing wartime casualty patients airlifted from overseas locations to CONUS processing facilities outside of the local MTF to O&M 3400 funds.

8.31. Funding TDY Costs of Witnesses Required to Attend Equal Employment Opportunity (EEO)/Merit System Protection Board (MSPB) Hearings.

8.31.1. For Air Force military and civilian employees, TDY funding is the responsibility of their current unit of assignment, regardless if they are still at the location where the EEO/MSPB infraction occurred or they have moved on to another Air Force installation. See AFI 65-601, Volume 1, chapter 10, paragraph 10.17.2.3.

8.31.2. For Federal civilian employees assigned to another DoD/non-DoD agency (e.g., Army, Navy, DFAS, DISA, FBI, etc.), the Air Force installation against which the complaint is brought funds their TDY costs. This may be designated to the specific organization on the installation where the complaint arose.

8.31.3. The Air Force is not responsible to direct fund any travel-associated costs of the complainant's private attorney. Additionally, the Air Force is not responsible for the travel-associated costs of approved witnesses who are recently retired from the Air Force, or any former co-worker approved witnesses who resigned to take employment from a private company/corporation because these are not current, Federal employees. However, the private attorney's travel-related costs may reappear as authorized attorney fees if the Air Force loses the EEO/MSPB case.

Chapter 9

TRANSPORTATION

9.1. General Information. Charge the movement of retrograde cargo offloaded at incorrect CONUS APOD to end destination to local TWCF funds. Additionally, local TWCF funds pay the costs to forward lost or misrouted passenger baggage and diverting or forwarding passengers and cargo to or from alternate on-load and off-load points, due of unforeseen mission changes directed by the TACC. Utilize available positioning TWCF aircraft, opportune airlift, etc., to the maximum extent possible to move these shipments, especially within the CONUS.

9.1.1. Excess Baggage. See **Chapter 8**, paragraph **8.3.4.** of this publication.

9.1.2. Charge commercial packing and drayage into storage, when caused by base quarters occupancy, to EEIC 462.

9.1.3. Counsel PCS members involved in the shipment or storage of household goods (HHG) to discard all items that have outlived or should outlive their usefulness.

9.1.4. Review transportation operations for shipping trends. For repetitive shipments to a particular destination, ensure utilization of the most economical shipping methods.

9.1.5. Establish procedures to ensure that only those authorized HHG items that are over and above the storage space capability provided in government quarters occupy commercial non-temporary storage facilities (see AFI 32-6001, *Family Housing Management*, chapter 5, paragraph 5.6.).

9.2. Channel Transportation. All second destination transportation of Air Force cargo via the TWCF carriers within the established AMC channel is the responsibility of HQ AFMC. This includes cargo shipment from and between CONUS aerial ports and overseas aerial ports, irrespective of the identity of the activity initiating the movement. Overwater transportation via the Military Sealift Command is also the responsibility of HQ AFMC. All second destination cargo transportation via the TWCF outside the channel traffic (Special Assignment Airlift) is the financial responsibility of the requesting command.

9.3. Local Drayage. In accordance with AFI 32-6001, Family Housing Management, paragraph 1.5.21., the Housing Flight Chief is responsible for budgeting, controlling, and authorizing expenditures for local drayage and storage of HHG for family housing and unaccompanied housing. Budgeting and funding is an O&M (3400) responsibility. Funding for these costs is provided in PE 41896 and applied against RC/CC XX8103. These funds are for the exclusive use of local drayage and non-temporary storage of HHG, as authorized by the JFTR.

9.4. First Destination Transportation (FDT) Funding. AFI 65-601, Volume 1, chapter 10, paragraph 10.38., provides guidance for charging the O&M, RDT&E, or procurement appropriation that financed the acquisition item for free-on-board (FOB)-Origin or FOB-Destination charges. In cases involving the purchase of items delivered on a FOB-Destination basis, include the transportation cost as part of the purchase price. For FOB-Origin basis, the MAJCOM financing the procurement of the asset with its O&M funds must also fund the first destination transportation with the same O&M type funds. TWCF units are responsible for funding any FDT requirements outside of the normal supply and transportation channels, but limited only to operational emergencies.

9.5. Dedicated Airlift. Funding for any dedicated airlift missions to preposition or deposition AMC TWCF personnel and equipment in support of service sponsored exercises or contingencies is the responsibility of the TWCF unit being moved. An example of this is the dedicated SAAM airlift of AMC TALCE personnel and their equipment to or from the Joint Readiness Training Center at Ft Polk LA, in support of exercises conducted by the Department of the Army. The AMC 615 AMOG and 621 AMOG are responsible for funding this requirement from their TWCF program. HQ AMC/A88 will issue monthly reimbursement to the AMOGs based upon expenses reflected in the accounting system.

9.6. Other TWCF Transportation Costs.

9.6.1. PCS Moves of TWCF Civilian Personnel. Charge the overwater transportation costs of HHG to the TWCF (gaining organization pays) if the person is gained by a TWCF organization and is filling a TWCF PE authorization, or if a TWCF PE coded employee returns to the United States (losing organization pays) for retirement or separation.

9.6.2. Overbooking of TWCF Passengers. The TWCF also pays for transportation from an AMC APOE to a commercial gateway in cases where an individual receives a port call to the APOE and an overbooking occurs on the AMC scheduled flight.

9.6.3. Lost or Misrouted Baggage. Costs to forward lost or misrouted passenger baggage on TWCF owned or controlled aircraft are a TWCF responsibility (AMCI 24-101, Volume 15, *Military Airlift Baggage Service*, paragraph 12.4.2.). Also included are costs to divert or forward passengers and cargo to or from alternate on-load and off-load points due to unforeseen mission changes.

9.6.4. TWCF Equipment. Charge the shipping costs of TWCF equipment and material delivered outside of normal supply and transportation channels to local TWCF funds. These cases should be limited to operational emergencies only.

9.6.5. CONUS Transportation of Intertheater Cargo Shipments. The TWCF is responsible for surface transportation costs to forward intertheater cargo shipments off-loaded at a TWCF aerial port, destined for further shipment to another theater. An example would be a shipment that originates in the airlift transportation system at a PACAF location, with a final destination at a USAFE location, off-loaded at Travis AFB awaiting further transportation to an East Coast APOE for onward shipment in the airlift transportation system to the USAFE location.

9.6.6. Please refer to AMCI 65-602, chapter 6, paragraph 6.3.1.7.8. for policy regarding TWCF commercial transportation funding responsibilities.

9.7. Transportation of Aircraft Parts from ANG/AFRC Bases to MRTs Supporting NMC Aircraft Flying AMC Missions. See AMCS1 to AFI 65-601, Volume 1, paragraph 10.2.13.5. (et seq.) for applicable funding policy.

9.8. General Reusable Container Program. See AFI 24-202, *Preservation and Packing*, chapter 6, paragraph 6.20., for unit funding responsibility on costs specific to the replacement of reusable containers that are lost, destroyed, or discarded.

Chapter 10

LEASES AND RENTALS

10.1. Reprographics Equipment. In accordance with DoDD 5330.3, *Defense Automated Printing Service (DAPS)*, the Chief of Information Management monitors all copy producing reprographics equipment. The base IM monitors the usage of each copier, computer forms printer, microfilm equipment for micrographics production facilities, and leased duplicating or printing equipment. Charge all copiers used in organizations funded by O&M or TWCF to EEIC 59211 (Copy Service Plan) or 47312 (Non-Copy Service Plan copiers), PE 41896 or 41898, for O&M and the CC of the applicable TWCF organization.

10.1.1. Charge costs to lease copiers in accordance with each base's Copy Service Plan to EEIC 59211. Charge MTF copiers under the Copy Service Plan to the appropriate MTF RC/CC using EEIC 59211.

10.1.2. Use EEIC 47312 to record costs for all other leased copier equipment (exclusive of data automation computer forms, printers, and equipment operated in duplicating centers or facilities).

10.1.3. Use EEIC 47313 to record costs for MSIR controlled copiers, printers, and other equipment (IPE related).

10.1.4. Use EEIC 47314 to record costs for all leased reprographics equipment located exclusively in duplicating centers or facilities or operated by duplicating and printing personnel.

10.2. Vehicles. Refer to AMCFSS/A88I FY03 Policy Message #75, Subject: *Leasing Motor Vehicles*, 28 Aug 03, for specific guidance on funding organization vehicle leases over a long term period (more that one year). These types of leases, whether they are a lease-purchase, straight operating lease (no Air Force ownership at the end of the lease), or capital lease must comply with the scoring provisions in OMB Circular A-11, Appendix B, meaning the entire lease period, to include options years and buy-out (if applicable) must be obligated up front from funds (O&M 3400 and 3080 (if applicable)) current at the time the lease contract is signed. See also AFI 24-301, chapter 5, paragraphs 5.10. for vehicle lease procedures. ***NOTE:*** The cost of leasing ambulances and ambulance buses for the MTF is charged to O&M 3400 funds, not DHP (FC 2X) funds, regardless of the source of supply.

10.3. Other Leased Equipment. See AFI 65-601, Volume 1, chapter 10, paragraph 10.60. Keep in mind, the scoring rules in OMB Circular A-11, Appendix B apply for long term leases (see paragraph **10.2.** above).

10.4. GSA Leased Vehicles. Consult the Memorandum of Understanding (MOU) between GSA (GSA Fleet Program) and AMC, 30 Oct 00, accessible on the AMC/A8 web at *https://www.amcfm.scott.af.mil/FM_BudgetPolicyNotices.cfm*.

Chapter 11

UTILITIES

11.1. General Information. The utility program comprises a large share of operating funds at all AMC bases. An intensified conservation program should remain within funding availability. The Base Civil Engineer (BCE) determines utility rate charges to tenants using guidelines established in AFI 32-1061, *Providing Utilities to US Air Force Installations*, chapter 3.

11.1.1. Review utility sales rates monthly to ensure they include the basic cost indicated on the current month's utility bill, plus applicable additives. The BCE reviews utility sales agreements annually in accordance with AFI 32-1061. Review and consider utility consumption for the same period the previous year and consumption in the prior month when preparing current month utility estimates.

11.1.2. Utilization of the five-digit (480XX) EEIC shred is mandatory for both the program and actual expenses for purchased utilities. (Numerical shreds to EEIC 596 should be used to record base-produced utility charges for medical facilities.)

11.1.3. For utilities payments made to contractors for energy savings realized through Energy Savings Performance Contracts (ESPC) or Utility Energy Savings Contract (UESC), use the 2-digit EEIC shred listed under each separate 5-digit utilities EEIC. ***EXAMPLE:*** Use EEIC 48011 to record payment associated with the energy savings realized due to an ESPC for water.

11.2. Utilities Reimbursements for TWCF-Assigned Facilities. The TWCF reimburses O&M for utilities (see AFI 32-1061) consumed in TWCF designated facilities. AMCI 65-602, Table 6.1. lists those facility category codes that qualify for TWCF funding at AMC locations that engage in TWCF activities. Install utility meters according to the provisions of AFI 32-1061, chapter 3, paragraph 3.6. Utilities include purchased or base produced gas, electricity, water, heat, and sewage disposal. IAW AFI 65-601, Volume 1, paragraph 7.17., the TWCF activity reimburses the providing activity for utility services as well as other "contractual" services. The word "contractual" describes the arrangement for services between the TWCF and providing authority. The definition does not apply to the method the providing activity uses to perform/provide the service (i.e., in service or by commercial contract).

11.2.1. Medical activities budget, direct cite or reimburse for all utilities whether commercially supplied or base produced. Use EEIC 480XX to record commercially supplied utilities.

11.2.2. Pay particular attention to recording purchased utility reimbursements to the five-digit EEIC (480XX) cited on the payment of the actual utility bill. For base produced utilities, collect reimbursements to the EEIC that bore the original cost of production (i.e., 39X, 60X, 64X). Do not use EEICs 513 and 599 for O&M transactions. Use EEIC 513 for the MFH appropriation.

11.2.2.1. **NOTE:** The cost of cable TV is not a utilities expense. Record these costs to EEIC 44900. Do not use EEIC 480XX to record obligations/expenses for cable TV.

11.2.3. We recommend that budget, functional area chiefs (users), and CE develop and maintain a complete list of reimbursable facilities which pay for their own utility costs. Ensure IWIMS records are consistent with this list. Review the list and reconcile with IWIMS records at least once per year, preferably just prior to O&M and TWCF budget submissions. Pay particular attention to utility reimbursements from NAF activities.

11.2.4. Do not apply TWCF funds for utilities costs of facilities with category codes other than those specifically provided for in Table 6.1. of AMCI 65-602. If a base/organization feels additional category codes should be authorized for TWCF funding responsibility at TWCF-funded locations, they can request a waiver/addition to the current list from HQ AMC/A88, through HQ AMC/A75D. Ensure such a request includes a thorough explanation of the need and justification for the change. Keep in mind that scarce O&M funding is not sufficient justification to authorize TWCF funding of CE-related costs for additional facility category codes.

11.3. Funding Utilities Privatization (UP) Contracts. See HQ USAF/ILE memorandum dated 19 Dec 03, Subject: *Policy for Funding Utilities Privatization (UP) Contracts (AF/IL Revised Utilities Privatization Program Guidance, 23 Oct 02)*, available on the HQ AMC/A8 web at *https://www.amcfm.scott.af.mil/FM_BudgetPolicyNotices.cfm.*

Chapter 12

COMMAND, CONTROL, COMMUNICATIONS, AND COMPUTER SYSTEMS

12.1. General Information. A C4 system is a combination of facilities, computer equipment, software, communications equipment, transmission media, procedures, people, and other resources used for the automatic acquisition, storage, manipulation, management, movement, control, display, switching, interchange, transmission, or reception of data or information. This does not include embedded communications or computer systems. These systems and allied support expenses continue to be closely monitored, evaluated, and scrutinized. Particular management emphasis is necessary in this area since continuing efforts toward reductions and conservation in other areas inevitably affect communications requirements. In many instances, the savings achieved in other areas are partially offset by increased communications costs. **Table 12.1.** below provides a review of specific communications programs.

Table 12.1. Communications Review/Inspection Criteria.

ITEM	REVIEW/INSPECTION CRITERIA
Land Mobile Radio Replacements	Ensure land mobile radios replacements are not solely to obtain "new" equipment. Base replacements on age, reliability, any logistic supportability, or a change in mission requirements (AFI 33-106, *Managing High Frequency Radios, Land Mobile Radios, and the Military-Affiliate Radio System*).
Excessive Telephones	Determine how well commanders are controlling relocation of telephone instruments (AFI 33-111, *Telephone Systems Management*).
Control of Unofficial Telephone Calls	Evaluate commanders/information systems staff officers' programs to prevent payment of unofficial calls from Air Force funds (AFI 33-111).
Management of Communications Funds	Evaluate the management of information systems. Approve and validate all telephone special features in accordance with AFI 33-111.
Official Telephone Service in Quarters of Key Personnel	Check to see if Numbered Air Force (NAF) or higher level has approved the requested service (AFI 33-111).
Fraudulent Use of Telephone Credit Cards	Determine how well commanders/information systems staff officers are controlling credit cards to assure only mission-essential use. Ensure the base CSRB approved all issued credit cards (AFI 33-101, *Command, Control, Communications, and Computer Systems Management Guidance and Responsibilities*).

ITEM	REVIEW/INSPECTION CRITERIA
Service to SVS (NAF) Activities	When supporting the command management functions of the SVS activities, i.e., statistical data gathering and reporting and for communications with other DoD and government agencies, each SVS Category A and B facility manager will receive full communications support (i.e., class of phone, number of lines, DSN access, etc.) on a non-reimbursable basis with the approval by the local CSRB or communications commander. SVS Category C activities authorized on a non-reimbursable basis, one Class C line per facility. Provide additional lines on a reimbursable basis.
Leased Communications	Give increased visibility to costs associated with leased communications, focusing on mission impact and cost effectiveness.

12.2. Telephone/Cable TV Reconnection Charges. Telephone/cable TV reconnection charges incurred by unaccompanied personnel who occupy dormitories/bachelor quarters, during an official directed move from or between dormitories are reimbursable, provided the move does not involve a PCS. AFI 33 111 provides specific guidance on reimbursement procedures for the costs incurred in reconnecting a telephone because of a directed PCS move. Charge the O&M appropriation (EEIC 59290) for relocation in dormitories/bachelor quarters. Military Family Housing (MFH) occupants are not authorized reimbursement for these charges because they are authorized a partial dislocation allowance (PDLA) when the government directs a non-PCS move.

12.2.1. The communications-computer systems staff officer should participate in the initial planning for any unit moves, rehabilitation projects, new construction, etc., that require the installation of communications services.

12.2.2. Review existing facilities on a continuing basis to ensure they meet current or revised criteria and are still in use for the originally approved purpose. Remove any communications services to facilities that are no longer required or cannot be justified.

12.2.3. Communications-computer systems approval authorities and local requirements documents should carefully scrutinize all requested changes, additions, moving, and use of C4 systems facilities.

12.3. Communications Services for Senior Officer Base Housing. AFI 65-601, Volume 1, chapter 4, paragraph 4.24.5., provides the following funding guidance:

12.3.1. AFI 33-111 authorizes official telephone service in the form of direct lines to the base switchboard or Class C phone lines in personal quarters, only for individuals in “positions requiring immediate communications response for command and control.” Do not authorize Class A telephone service that provides local off-base telephone service. However, you may fund for telephone service limited to on-base and long distance communication, given a mission essential need. The activity providing the service should keep written authorization for these communication services on file. Except for alternate worksites covered in 31 U.S.C., Section 1348 (as amended by Public Law 104-52, Title IV, Section 620, 109, Stat. 501), do not authorize appropriated funds to provide telephone service in personal quarters where there is no clearly established requirement for immediate command and control access.

12.3.2. Do not provide communications access solely on the basis of grade. Individuals authorized official telephone service in their private (on-base) residence must have a functional need for immediate command and control access. Services provided are for official use only.

12.3.3. You may use appropriated funds to provide LAN services to private (on-base) residences when there is a mission need for these services. Use these LAN services in private (on-base) residences only for official business. However, charge any fiber cable installation costs to the Military Family Housing (MFH) O&M appropriation in accordance with AFI 65-601, Volume 1, chapter 4, paragraph 4.25.3. Use the appropriate budget project provided in chapter 21 of AFI 65-601, Volume 1.

12.4. Information Processing Equipment (IPE). General purpose IPE includes computer and word processing resources acquired and managed in accordance with the 33-series Air Force instructions. DoD-FMR 7000.14, Volume 2A, *Budget Information and Presentation*, chapter 1, paragraph 010211 and AFI 65-601, Volume 1, chapter 4, section 4B., describes budgeting and funding policies for IPE (to include Information Technology and Automated Information Systems), related software, and maintenance.

12.5. The Small Computer Support Office. The small computer technical center, located in the base communications squadron, may have excess software and hardware on-hand or may be able to act as a clearing house to redistribute excess software and hardware.

12.6. Definition of a Small Computer. The term small computer is generic and refers to a specific class of equipment to include associated peripherals and software. It has the capacity to execute various software programs and usually consists of at least a keyboard, disk drive, visual display device, printer, and central processing unit with random access and read-only memory. Commercial personal computers, dedicated text processors (memory typewriters and related equipment previously known as word processing equipment), intelligent workstations used for translation processing on multi-user computers, intelligent typewriters, and portable computers are all examples of small computers.

12.7. Funding Criteria. Functional users must budget and fund for standard and nonstandard small computer assets including hardware, software, maintenance, and supplies. Exceptions:

12.7.1. A small computer that is a nonstandard piece of equipment that is connected and critical to the operation of a HQ AMC/A6 centrally funded and acquired system. HQ AMC/A6 centrally budgets and funds the acquisition and recurring maintenance costs for these systems.

12.7.2. User-funded Requirements Documents. When a functional user has a HQ AMC/A6 approved but unfunded requirements document pertaining to HQ AMC, the user may elect to provide unit funds to HQ AMC/A6.

12.7.3. Bases must prioritize their unfunded requirements each month to ensure there is a current list of unfunded requirements, ranked in order of need. Base requesters are responsible for indicating that funds are available. Requirements that need unit O&M or TWCF (97X4930.FD40) funds are a base level organization's responsibility to fund. HQ AMC/A65R should send a letter to the user indicating that the user's requirement has been staffed through the command's requirements documents process. As a result, the requirement was approved, but remains unfunded, since HQ AMC/A6 does not have sufficient funds to apply toward the requirement. The letter would further advise that should the user desire to fund the requirement, they should first agree to fund both the acquisition and the out-year O&M tail. The user's concurrence to fund the O&M tail should result in a reduction to the base's fund-

ing from HQ AMC/A88 prior to funds distribution at the start of each fiscal year. If the user agrees to fund the requirement, they should send a message to HQ AMC/A65R with an information copy to HQ AMC/A88O agreeing to fund the acquisition and O&M tail for their requirement. The user should then send an AF Form 616 to 1500 CSGP/SMSAB, 861 South Drive 132, Scott Air Force Base IL 62225-5101, referencing their requirements document number.

12.8. Local Area Network (LAN) Funding Definition. In accordance with AFI 65-601, Volume 1, chapter 4, paragraph 4.3.1., funding for a LAN system or subsystem, the backbone and ancillary equipment that gives users access to the LAN, is determined as follows:

12.8.1. You must subdivide the basic LAN requirement to its lowest system form, e.g., base-wide organizational (wing, squadron, division, branch, etc.) or functional community (logistics, maintenance, civil engineering, etc.). This includes any equipment and software integral to the operation of the LAN system, to include file servers, network software, routers, and other LAN components, (e.g., line drivers, multiplexers, tape backup units, interconnecting cable, etc.), and is subject to the application of the expense/investment dollar threshold of $250,000 (O&M/3080) or Operating/Capital dollar threshold of $100,000 (TWCF). Ensure you include the contract costs associated with the initial acquisition of a new LAN system (e.g., quality assurance, production engineering, equipment assembly, and installation) in the aggregate cost of all equipment items acquired to make the LAN system operate.

12.8.2. For ancillary equipment such as personal computers, printers, etc., where each user's primary purpose is to operate independently from the LAN, apply the expense and investment criteria to each individual user. For example, if you are adding 10 personal computers and a printer to the LAN to satisfy 10 new users, and the cost of each PC and the printer is less than $250,000 (expense/investment – O&M/3080) or $100,000 (TWCF Operating/Capital), use O&M or TWCF Operating funds for the purchase of the additional PCs. However, if the aggregate cost of the multiple purchases toward a particular requirement exceeds $250,000 (or $100,000 for TWCF) over a short period of time (12 months), you may have an improper project splitting violation, as discussed in the following paragraph.

12.8.3. You should cost each upgrade or modification of the LAN itself, to include file servers, network software, and other LAN components separately from the original purchase; however, the users are reminded not to fragment upgrades or modifications to an existing system to get around the dollar threshold. As a general rule, consider any upgrades or modifications to a LAN obligated within any 12-month period a part of the same original requirement and the total of those costs are subject to the expense and investment criteria. The Communications-Computer System Requirements Board needs to forecast all upgrades or modifications to each LAN for each fiscal year to ensure proper obligations. Justify and fully document exceptions to this rule, with the documentation accompanying the CSRD (AF Form 3215, **Communications Computer Systems Requirements Document**) through its review cycle.

12.8.4. Purchase of repair parts or components are subject to the expense and investment criteria on a "cost per component" basis. Repair parts or components and spares should be functionally equivalent to the replaced unit of the failed component. Consider all parts purchased to replace components that are functioning but no longer logistically supportable as a modification.

12.8.5. For computer and LAN systems purchased with TWCF Capital funds, documentation requirements also include an EA. Additionally, any computer or LAN systems purchased with 3080 funds $1,000,000 or greater also require an EA.

12.9. Application Software.

12.9.1. The application of the expense and investment threshold to application software, with limited data rights or licensed to the Air Force does not apply to purchases of software that exceeds $250,000 (O&M/3080) or $100,000 (TWCF Operating/Capital) (number of copies times the unit price). The only exception would be if a single copy of a particular commercial software package costs $250,000 or more (or $100,000 or more for TWCF).

12.9.2. Per AFI 65-601, Volume 1, chapter 4, paragraph 4.3.3., establish management controls to ensure the procurement of sufficient application software to allow installation of stand-alone operation of each PC, should the network fail for an extended period of time. Install and use only the authorized number of copies of the application software throughout the network, whether in a networked mode (launched from a file server) or from the individual PC hard drives. Where the application software is loaded or stored, does not determine the funding source for the PC, only whether the PC can operate independently or is integral to the LAN operation.

12.9.2.1. If the software being purchased is exclusively for the stand-alone PCs, then O&M 3400 or TWCF Operating funds apply.

12.9.2.2. If the software being purchased cannot run independently on each PC to effectively use the software, you need to consider the aggregate cost of the systems upgrade (including the application software) and apply the expense and investment threshold accordingly.

12.9.3. The overriding rule is that stand-alone PC operation integrity determines the decision process to purchase, upgrade, or modify PCs using O&M 3400 or TWCF Operating funds. As a general practice we suggest that you prepare separate requirements documents for items integral to LAN operations and those items that are not integral to LAN operations. As long as you maintain the independent operational capability of the PC, the decision to shift application software resident on the PC to a network mode after initial procurement is a totally separate issue and is not germane when determining the appropriate funding source.

12.9.4. Loading the application software concurrently on the file server (to be downloaded) and on the PC's hard drive (as backup) typically causes operational problems with initialization files, so switching back and forth on a routine basis is not recommended.

12.9.5. Retain applications software disks at a centralized location in each work area for control and accountability, or each LAN manager could produce a site or concurrent license (right to copy), allowing multiple implementations from a single set of master disks. This ensures the capability for stand-alone PC operation in the event of a LAN failure.

12.10. Software Development Contracts.

12.10.1. When an acquiring activity pays a contractor for software development services, the amount is not subject to the investment threshold. O&M 3400 funds are applicable. See AFI 65-601, Volume 1, chapter 4, paragraph 4.4.3.1.

12.10.2. TWCF requirements are the exception to this Air Force policy. Apply the expense and investment threshold to any software development $100,000 or greater. Budget and fund with TWCF Capital, as directed by USTRANSCOM. See AMCI 65-602, chapter 8, paragraph 8.4.3.

12.11. Software Purchased With Unlimited Data Rights. Per AFI 65-601, Volume 1, chapter 4, paragraph 4.4.3.1.2., any acquired software not purchased through a development or services contract for which the Air Force has unlimited data rights (i.e., the Air Force actually owns the software and is free to use, distribute, duplicate, and dispose of without restriction from its publisher or developer) is not subject to the expense and investment threshold. O&M 3400 or TWCF Operating funds apply, assuming that each software copy is less that $250,000 or $100,000 respectively.

12.12. Tracking ADPE/IPE Related Expenses. Use EEIC 568 to track base level O&M and TWCF cost for maintenance of ADPE/IPE equipment unless directed to use a 2-digit shred. All HQ AMC centrally managed and funded ADPE/IPE maintenance costs are identifiable to specific 2-digit EEIC shreds. **Table 12.2.** indicates where to record base level TWCF ADPE/IPE costs.

Table 12.2. RC/CC Coding of Base-Level TWCF ADPE/IPE Expenses.

FUNCTION		RC/CC	PEC
Operations		X1112X (see note)	(see note)
Maintenance		X3112X (see note)	(see note)
Aerial Ports/Mobility Aerial Ports		X14235	41125
Group		X0112X (see note)	(see note)
NOTE:	C-141 - last digit of RC/CC should be “1”		PE 41118
	C-5 – last digit of RC/CC should be “3”		PE 41119
	C-17 – last digit of RC/CC should be “4”		PE 41130
	Group – last digit of RC/CC should be “0”		PE 41122
	Use applicable code in the 1st position of RC/CC		

12.12.1. The base CSO has ultimate responsibility to determine the applicable maintenance concept based on cost effectiveness, frequency of repair, availability of local repair vendors, number of small computers installed, etc. Contract maintenance of small computers belonging to a tenant is the funding responsibility of the tenant when the host does not have the in-house maintenance capability. The exception is for host base support tenants.

12.12.2. Use EEIC 637 to identify base procurement of non-SMAG ADPE/IPE expense hardware component and unmodified off-the-shelf software.

12.13. Funding for Site Surveys Required to Field ADP Systems that Meet or Exceed the Expense/Investment or TWCF Operating/Capital Thresholds. If site surveys are to be performed by contract and it is included in the total contract cost, to include delivery and installation of the system, use 3080/TWCF Capital, as appropriate, to fund the entire contract amount under the “total system cost” concept provided it exceeds the appropriate threshold. If in-house military or civilian employees perform the site surveys, use unit funds to pay the required TDY costs, not investment funds.

12.14. Cellular Telephone (CT) Service. AFI 33-111, paragraph 25.2., states: "Using organizations are responsible for payment of their unit CT bills, using unit funds, where contractually applicable." Use these services only when they are the most cost-effective way to provide the necessary communications. The unit GPC is authorized for payment of CT equipment and services. The using organization must receive approval from the Communications Squadron Officer prior to purchasing CT equipment and services. Follow procedures in AFI 33-106 for inventory control and establishment for CT services.

12.15. Morale Calls. DoDD 5500.7-R, Joint Ethics Regulation, chapter 2, paragraph 2-301., permits morale calls by deployed military and other DoD personnel who are deployed for extended periods away from home on official DoD business in the interest of morale and welfare. Theater commander approval is required. Consult the reference above for other limiting factors concerning approved morale calls. NOTE: Morale calls are not reimbursable on travel vouchers. See **Chapter 8**, paragraph **8.3.3.** of this publication concerning authorized communications costs that are reimbursable while TDY.

12.16. Telephone Calling Cards. See AMCS1 to AFI 65-601, Volume 1, for funding guidance on purchasing telephone calling cards, to include proper procedures for approval prior to purchase. The Defense Information and Systems Agency (DISA) is the only approved source to procure telephone calling cards.

12.17. Operating Costs of AMC/A6 Program Offices that Manage TWCF-Funded Programs. TWCF funds are not authorized to pay for TDY, office supplies, computer equipment, and other day-to-day operating costs of HQ AMC/A6 program offices that manage TWCF centrally managed information systems programs (e.g., ASIFICS, GATES, etc.). Funding for these requirements is the responsibility of day-to-day operating funds of the assigned organization and not the programs they manage. HQ AMC/A6 program offices are not TWCF-assigned organizations that qualify for TWCF funding (see AMCI 65-602, paragraph 2.4.6.1.1., for TWCF-related organizations/facilities.

Chapter 13

PRINTING AND REPRODUCTION

13.1. General Information. HQ AMC/A88 no longer distributes O&M 3400 funds for copier contracts strictly in PE 41895. Instead, these funds are distributed to the wings in the appropriate PE of execution, using EEIC 59211.

13.1.1. Each base will establish a printing control official (PCO) to perform funds management, to include budgeting for printing and copier requirements to ensure funding documents are provided to the Defense Automated Printing Service (DAPS) to support monthly execution of printing and copying production.

13.1.2. Procure all reproduction requests that exceed AMC operated Consolidated Duplicating Center (CDC) in-house capabilities through DAPS. OPRs at bases where printing facilities are consolidated under DMRD 998, obtain all printing and duplicating services from DAPS.

13.1.3. DAPS will only accept the GPC for base-wide printing services. The single line purchase limitation for the DAPS GPC is $100,000. For copying contract support, we recommend using the DD Form 448, **Military Interdepartmental Purchase Request (MIPR)** as the use of the Government-Wide Purchase Card for this service is not feasible. **Chapter 20**, paragraph **20.13.** of this instruction contains further discussion on the use of the GPC.

13.1.4. Request multicolor printing only when it is essential. Do not use multicolor printing for decorative effect, to compensate for poor layout and design, or when one color of ink on another color of paper, with or without screen tints, is enough.

13.1.5. Fund the printing of base telephone directories in EEIC 50114, PE 41896, and RC/CC XX11XX.

13.1.6. For TWCF, your budget should include requirements for wing decals for TWCF aircraft, drop zone photos, forms used in direct support of airlift, etc., and in the O&M Fin Plan for O&M-funded aircraft. Funding for all other printing requirements, such as publications, overprinting of certificates, safety posters, letterhead stationery, staff directories, EEO posters, etc., should be from your O&M 3400 funds.

13.2. Personalized Stationery, Calling and Greeting Cards. AFI 65-601, Volume 1, chapter 4, paragraph 4.35., prohibits using APF for printing names of officers or other officials on stationery, memorandums, or notes. Likewise, the printing of calling or greeting cards is a personal expense. There are limited exceptions in which the purchase of commercially printed (including DAPS) business cards is authorized, e.g., for military and civilian professional recruiters (AFI 65-601, Volume 1, chapter 4, paragraph 4.36.). ***NOTE:*** The prohibition on APF funding for personal stationery, etc., also applies to audio/video tapes when used for personal reasons.

13.2.1. The Air Force Recruiting Service approves all orders for professional military recruiter business cards. HQ AETC/IMR obtains the cards from the Government Printing Office (GPO).

13.2.2. HQ USAF/IMR is responsible for funding business cards for the Air Force Academy Liaison Officers.

13.2.3. Per AFI 65-601, Volume 1, chapter 4, paragraph 4.36.1., you may print business cards, using existing software and agency-purchased card stock or purchase them from the Lighthouse for the Blind (a Javits-Wagner-O'Day participating non-profit agency) if the cost is equivalent or cheaper than producing them on the office computer, for use in connection with official activities when the exchange of cards would facilitate mission-related business communications. This does not include the extension of social or business courtesies. Air Force policy still applies in paragraphs **13.2.1.** and **13.2.2.** above, with regard to commercially printed business cards, including DAPS. ***NOTE:*** The purchase of business cards from the Lighthouse for the Blind must be accomplished through DAPS. *Do not* use APF or TWCF funds to procure commercially printed business cards for personal or mission-related business communications.

13.3. Printing of Invitations:

13.3.1. Per AFI 65-601, Volume 1, chapter 4, paragraph 4.27., the use of APF to procure commercially-printed (including DAPS) invitations and programs to certain traditional ceremonies is authorized but limited to groundbreaking and dedication ceremonies for new facilities, Armed Forces change of command ceremonies, certain graduation ceremonies, and wreath-laying ceremonies in celebration of national patriotic observances (e.g., Memorial Day, Independence Day, September 11th, POW/MIA Recognition Day, and specific locations that have singularly historical significance (December 7th at Hickam AFB HI)). 56 CompGen 81 (1976) and CompGen Decision B-211700, 16 Mach 84 have determined these types of invitations are not personal in nature. Do not charge the cost of commercially printed (including DAPS) invitations or programs for individual retirement or award ceremonies to unit O&M or TWCF funds.

13.3.2. Paragraph **13.2.3.** above is also applicable to the printing of invitations and programs for any unit retirement or award ceremonies, using existing computer software and agency-purchased paper stock.

13.3.3. There may be other similar instances that authorize unit funds to print invitations. However, the purpose or "mission" of the event for the required invitation or program is the basis of the ceremony and not the individual. The precise scope of the "traditional ceremony" concept has never been fully defined in appropriation law. If you have any questions concerning the appropriate use of unit funds for a particular invitation requirement, please request a legal opinion from your local JAG prior to funding authorization.

13.4. Name Tags Worn by Civilian Employees. Comptroller General decision (69 Comp Gen 82 (1989)) declared name tags to be worn on the person are not the same as business cards and may be provided from unit funds. Name tags are more closely analogous to government identification cards, and are not a personal expense.

Chapter 14

SUSTAINMENT, RESTORATION, AND MODERNIZATION BY CONTRACT (SRMC)

14.1. General Information. Initial distribution of O&M, TWCF, and MFH funds excludes SRMC (EEIC 52X and A-E (EEIC 532) funding). HQ AMC/A88, at the discretion of HQ AMC/A78, will issue all SRMC and A-E funding (obligation or expense authority) on a project specific basis, as follows:

14.1.1. Based upon notification of an acceptable low bid through CE channels, the appropriate HQ AMC/A88 division should notify field units by telephone to CONUS bases and by message to overseas bases when issuing SRMC funds. This notification should specify the project number, EEIC, PE, and dollar amount for each project. It should also identify the date and Operating Budget Authority Document (OBAD) number. We will round upward issued funds to the nearest hundred dollars (i.e., $25,200 issued for an approved low bid of $25,129).

14.1.2. Do not reprogram funds out of A-E or SRMC, or between projects, without receiving HQ AMC/A78/A88 approval. The base CER, FMA, and LGC should submit coordinated requests for SRMC funding/reprogramming to HQ AMC/A88/A78 for prior approval.

14.1.3. For demolition and disposal of Air Force real property, use PE 41893 and RC/CC XX4448 to establish targets and record obligations for real property demolition and disposal.

14.2. SRMC Change Orders. Funding procedures for SRMC change orders vary based on the funds source. HQ AMC/A78/A88 issues annual guidance outlining the applicable procedures.

14.3. Emergency Facility and Storm Damage Funding. Refer to the annually published HQ AMC/A7 guidance as well as the HQ AMC/A88 memorandum dated 27 Mar 03, Subject: *Emergency Facility and Storm Damage Funding Policy* for funding procedures due to emergency conditions resulting from storm damage. Following the outlined procedures will expedite reimbursement of costs.

14.4. TWCF Facilities.

14.4.1. SRMC of TWCF-assigned facilities, within budgetary limitations, are chargeable to the TWCF whether performed by contract or by the BCE. You should determine all reimbursement for work performed by the BCE on actual direct costs of civilian labor and materials used. Facilities that qualify for TWCF funding primarily include TWCF aerial ports, TWCF operation centers, maintenance facilities, squadron operation facilities, aircrew alert facilities (Charleston AFB only), waste disposal and treatment facilities associated with wash racks dedicated exclusively to TWCF-assigned aircraft, and apron parking and lighting, staging and storage yards, fuel hydrants, and blast deflectors, also dedicated exclusively for TWCF-assigned aircraft. See AMCI 65-602, table 6.1., for a complete list of TWCF-eligible facility category codes.

14.4.2. TWCF In-House Reimbursements. See AMCI 65-602, chapter 6, paragraph 6.3.1.6.1. (et seq.) for guidance on processing TWCF BCE facility maintenance reimbursements, including facilities that are not solely occupied by TWCF activities.

14.4.3. Funding for Carpet Installation, Replacement or Repair in TWCF-Assigned Facilities. Follow guidance provided in AMCI 65-602, chapter 6, paragraph 6.3.1.7.13.

14.5. AMC Tenant Funding Procedure. For MC projects designed and approved for contract with a funded cost over $2,000 in support of an AMC O&M-funded unit on a non-AMC base, the host BCE should submit a request for funds to HQ AMC/A78. Request should identify the Operating Budget Account Number (OBAN) of the tenant unit. Paragraph **14.1.1.** procedures above are applicable. A-E design services (except for TWCF projects) are support functions and the host is responsible for budgeting and funding support functions common to all tenant organizations to the extent the tenant is not self-supporting. The only exception to this general rule is contract services for off-base tenant units when the host does not have the organic capability to provide the support. A-E design services (in-house and contract) of off-base tenant organization SRM projects are funded by the tenant (see AFI 65-601, Volume 1, item #6B of figure 7.1.).

14.6. Funding for Tenant Anti-Terrorism/Force Protection Measures at Host AMC Bases.

14.6.1. HQ USAF/ILE memorandum dated 5 Feb 99 (Subject: *Force Protection Measures-Class of Work*) classifies all force protection facility requirements as restoration-repair projects, even if they are outside the footprint of the facility. Generally, the host is responsible for sustainment of all base facilities, including those occupied by tenants, due to sustainment being associated with the actual care of the facility. ***EXCEPTION:*** Force protection is classified as a restoration-repair project if the project involves a particular facility. A force protection project protecting multiple facilities is classified as restoration and modernization or MILCON (i.e., a base perimeter fence).

14.6.2. The host is responsible to fund all force protection facility projects related to the protection of the general population of the base and the base facilities. Per AFI 32-1032, *Planning and Programming Real Property Maintenance Projects*, chapter 6, paragraph 6.5.3.3., the tenant is responsible for funding any force protection measures unique to the tenant's operations over and above what is provided to the general base population.

14.7. O&M/TWCF MC Limitation. The limitation for MC projects funded with O&M 3400 or TWCF Capital (BPAC 21X) funds is $750 thousand or less. (***NOTE:*** Changed from $500 thousand in accordance with the FY02 Defense Authorization Act – P. L. 107-107, Title 28, Section 2801(b)(2).) However, in accordance with AFI 32-1032, paragraph 5.1.2.1., AFI 65-601, Volume 1, chapter 9, paragraph 9.10., and AMCS1 to AFI 65-601, Volume 1, paragraph 18.5.1.3., if the project is justified to correct a deficiency that is life, health, or safety threatening, O&M 3400 or TWCF Capital, as appropriate, may fund the MC project up to and including $1.5 million. (***NOTE:*** Changed from $1 million in accordance with the FY02 Defense Authorization Act – P.L. 107-107, Title 28, Section 2801(b)(1).) Such projects require SAF/MII approval and congressional notification prior to funding.

14.8. Unit O&M 3400 Funding of CE Facility Projects. As a general rule, O&M funding for CE SRM facility projects is budgeted and executed in the various CE PECs to accomplish the required work. The basis for that is the various organizations are funded to accomplish their assigned missions and not for CE-related requirements. Additionally, unit funding of CE-related requirements prevents the CE from receiving credit in their funding lines where it is more appropriately executed. Units generally should reprogram their funds to the appropriate CE PEC to accomplish the necessary work unless their dollars are fenced. However, there is no legal violation that prevents organizations from using their own O&M funds for facility work, particularly in cases of low dollar/low priority "minor" requirements. Organizational commanders must be cautious about spending scarce unit O&M funds for CE-related facility work prior to committing their funds for these requirements.

Chapter 15

OTHER CIVIL ENGINEERING (CE) SERVICES

15.1. Custodial Services.

15.1.1. AFI 38-203, *Commercial Activities Program*, Chapter 1, provides for the use of contract custodial services. HQ AMC funds custodial services at a level necessary to support AMC established standards. Units must fund those services above the AMC standard with local funds.

15.1.2. Charge contract custodial services and refuse collection for TWCF facilities to the TWCF.

15.1.3. Use the applicable five digit 531 or 533 EEIC shred to program, obligate, or expense custodial services and refuse collection.

15.1.4. NAF employees may perform custodial and bed-making services in VAQs.

15.2. Architect-Engineer (A-E) Design Services. These services are O&M, TWCF, or MFH-funded. Contract and in-house A-E design services are common support functions and the host is responsible for budgeting and funding support functions common to all tenant O&M-funded organizations to the extent the tenant is not self-supporting. The only exception to this general rule is contract services for off-base tenant units when the host does not have the organic capability to provide the support. Submit O&M requirements where AMC is the host to HQ AMC/A78. Do not reprogram funds out of A-E services without HQ AMC/A78A/A88 approval.

15.2.1. A-E Design Costs Supporting TWCF MC Projects. Fund these costs from the TWCF Capital Budget, BPAC 210XX, for MC projects of $100 thousand or greater. Exclude A-E design costs for MC projects from the project cost determination to comply with the $750 thousand statutory ceiling. However, capitalize the A-E design cost as part of the modernization-MC Capital project in accordance with OUSD(C) policy. Fund A-E design costs associated with R&M projects under $100 thousand and sustainment projects, regardless of the dollar amount, from the TWCF Operating Budget, BPAC 101. A-E funding for Supervision, Inspection, and Overhead (SIOH) counts against the $750K MC threshold. When a TWCF project has a MR and MC component, the A-E design is funded from the account that involves the predominant work. As an example, a project with total estimated costs of $1.0M ($350,000 MR and $650,000 MC) will have all of its design funded out of the TWCF MC account.

15.3. Trash, Waste, and Recycling Program. Congress established recent changes to provide increased incentives for bases to establish and operate recycling programs. DoDFMR 7000.14, Volume 11A, chapter 5, paragraph 050207, contains additional guidance on collections of proceeds from the sale of recyclable materials under this program.

15.4. Other CE Services.

15.4.1. Fund contracted CE custodial, refuse collection, and grounds services for TWCF-assigned facilities from TWCF Operating funds, BPAC 101, using the appropriate 5-digit 531 or 533 EEIC. All other TWCF CE miscellaneous service contracts are funded from TWCF Operating funds, BPAC 101, using the applicable 533 or 592 EEIC.

15.4.2. Record TWCF and O&M contracts for solid waste and disposal services to EEIC 53330. Collect applicable reimbursements for these services to the EEIC that bore the original cost (i.e., EEICs 39X, 60X, etc., for in-house services). For grounds services contracts, use EEIC 53310.

15.4.3. Cleaning of family housing units is a proper charge to MFH, Fund Code 3Y, P722.

15.4.4. The BCE is responsible for the cleaning of all permanently installed carpet, when authorized with O&M 3400 funds. If contractual carpet cleaning is not part of the custodial contract, use O&M funds, EEIC 53350. For contractual carpet cleaning of TWCF facilities, use TWCF funds, EEIC 53350.

15.5. Federal Facility Compliance Guidance (FFCG).

15.5.1. Provisions of the FFCG signed into law 6 October 1992 are as follows:

15.5.1.1. Does not hold federal employees personally liable for penalties if acting within the scope of their employment.

15.5.1.2. Waives sovereign immunity for civil fines and penalties.

15.5.1.3. Allows environmental regulatory agencies to impose civil penalties for violations of federal, state, or local solid and hazardous waste laws.

15.5.2. For accounting purposes, record payments for any fines or penalties to PE 41856, Environmental Compliance, and the appropriate 5-digit 684 EEIC of the appropriation that bears responsibility at the affected installation. ***HOST/TENANT APPLICATION:*** AFI 25-201, paragraph 2.7.2. addresses environmental concerns for support agreements. DoD tenants are responsible for civil fines and penalties attributable to their operations because they are considered direct incremental costs in accordance with DoDI 4000.19, paragraph 4.6. and enclosure 6, paragraph E6.1.2. (electronic version) For Air Force tenants, if the tenant mission involves working with hazardous materials, the funding for environmental fines and penalties should be negotiated in the host/tenant support agreement. If the host is directly responsible for environmental non-compliance within the tenant's assigned area, the host pays the fine/penalty as well as any clean-up/disposal costs.

15.5.3. In accordance with HQ USAF/ILE memorandum dated 10 May 01, Subject: *Payment of Fines, Penalties, and Supplemental Environmental Projects*, fines and penalties for violations assessed as a result of corrective action or clean-up of inactive waste management units may be paid from the Environmental Restoration Account (ERA), PE 78008, EEIC 68440 or 68441, or from PE 41856. This is also applicable to supplemental environmental projects (SEPs - projects performed in lieu of fines and penalties levied by the Environmental Protection Agency (EPA)). Do not defer or displace funded Level 0 or Level 1 environmental quality projects to pay for fines penalties, or SEPs.

15.5.4. For TWCF-assigned organizations, environmental non-compliance fines and penalties are paid from TWCF Operating (BPAC 101) funds by the TWCF organization that is directly responsible for the incident. SAF/FMB memorandum dated 23 Feb 93, Subject: *Federal Facility Compliance Act Guidance*, directs DBOF (WCF) activities to pay these fines/penalties specific to their operations.

15.6. Hazardous Materials (HAZMAT) Spill.

15.6.1. Tenant organizations on AMC bases found to be responsible for a hazardous material spill will fund all clean-up costs from their local O&M-type funds. For AMC units, establish a locally assigned

ESP code to collect costs incurred and submit to HQ AMC/A78/A7V for validation and reimbursement based on funding availability.

15.6.2. The tenant organization generating the spill pays the direct costs of response to spill incidents, such as expenses for supplies and equipment, equipment rental, site restoration, and contracts for spill response services. These costs must comply with support categories identified in DoDI 4000.19 (for interservice and interagency tenant support) and AFI 65-601, Volume 1, chapter 7, figure 7.1. and paragraph 7.5. (intraservice (Air Force to Air Force) tenant support). As a general rule, HAZMAT spills constitute a service over and above standard host support.

15.7. Funding for Signage.

15.7.1. Signs for the exterior of facilities that are not unique are funded by the CE organization. An example of a unique sign requirement would be a marquee in front of the club, bowling alley, golf course, or any other facility.

15.7.2. Signs for the interior of facilities provided by contract are unit-funded from the applicable organization, using EEIC 59290. For TWCF-assigned organizations, BPAC 101 applies; do not charge to the Maintenance and Repair (MR) BPAC 3XX.

15.7.3. Signs for the interior of facilities that are provided by the CE in-house workforce for a TWCF-assigned facility are funded and reimbursed under BPAC 3XX, EEIC 52720. If the CE organization does not have TWCF BPAC 3XX in-house funding available to accomplish the work, the TWCF organization will reimburse CE O&M from TWCF BPAC 101 funds, using EEIC 52720.

15.7.4. Signs for the interior of facilities that are provided by the CE in-house workforce for a host O&M facility are accomplished on a non-reimbursable basis, as a general rule. However, if the signs are a unique requirement of the unit occupying the facility, the unit reimburses the CE organization from their O&M funds.

15.7.5. Non-facility signs (e.g., directions to specific facilities located along roadways and intersections and other informational signs) are funded by the host CE organization without reimbursement.

15.8. RC/CC for Weapons of Mass Destruction (PE 27574). We strongly recommend using RC/CC 24440W to record costs for this program if possible. However, you may also use RC/CC 244490 for this purpose if RC/CC 24440W is not viable.

Chapter 16

EDUCATION AND TRAINING

16.1. Military Personnel.

16.1.1. Military Tuition Assistance (TA). HQ AMC/A88 issues funds to each base for the TA program in PE 89732.

16.1.2. AMC Job-Related Short Course Education. Use unit O&M or TWCF funds, EEIC 55311, for cost of tuition, registration fees, and other contractual costs of job related courses covered by AFCAT 36-2223, chapter 1, paragraph 1.30. Use the RC/CC of the individual's unit of assignment. Charge the associated TDY costs to the RC/CC of the individual's unit of assignment. Local management of the programs rests with the Education Services Officer.

16.1.3. ROTC Summer Encampments. Support provided to ROTC summer encampment (i.e., secretarial assistance, additional cooks, janitorial services, laundry and dry cleaning services, communications, supplies, etc.) is properly chargeable to PE 84723.

16.2. Civilian Personnel.

16.2.1. Locally Funded Training. HQ USAF/DPC manages this program Air Force-wide using Operating Agency Code (OAC) 57, PE 88751 funds. The OPR at HQ AMC for monitoring civilian training funds and the liaison between AMC units and HQ USAF/DPC is Civilian Personnel (DPC). The 11 SW/FMB issues funding documents to each Air Force base using OAC 57 funds. The funding documents provide OAC 57 funds for the requirements of all Air Force tenants. The servicing Civilian Personnel Office (CPO) has the responsibility of managing these funds. AMC units located on a non-AMC installation need to complete and return any training requirement survey letters to the host CPO for inclusion in the installations training plan.

16.2.2. TWCF Civilian Personnel. Personnel coded to TWCF PEs should use the RC/CC of the individual's unit of assignment and local TWCF funds to cover the cost of civilian training requirements. Use EEIC 55312 to document these costs.

16.3. Continuation Training. You may use unit funds to pay costs for military and civilian personnel to attend professional courses designed to enhance their skills. Do not use unit funds to pay for training required to qualify personnel for their assigned Air Force position (e.g., medical and legal licenses – see paragraph **20.18.** of this publication).

16.4. Funding of Training Courses Required for Military Members as a Result of Convictions for Civil Law or Traffic Violations. There is no authority to use government funds to pay for professional courses mandated due to convictions for violating civil law (e.g., driving under the influence of alcohol/drugs, driving while intoxicated, and similar offenses). These costs are considered personal expenses and are the responsibility of the member who was convicted of the civil offense.

16.5. Funding Training for Contractors. You may fund for contractor training if it is a necessary expense to the Air Force, e.g., in cases where the Air Force makes changes to a system or process that is maintained by the contractor, and other similar circumstances. Do not fund contractor training in order to

qualify them to perform their job unless circumstances caused by the Air Force require additional training.

16.6. Professional Development. Appropriated funds are authorized to conduct "day trips" (e.g., bus rental) to visit battlefields and other significant historical sites within the local area if accomplished under the auspices of an established professional development program curriculum for military members and civilian employees. Generally, these trips should be conducted during official duty hours and the attendees are not entitled to per diem allowances. You may also purchase books or other reading material from an approved reading list (approved by competent authority, e.g., SAF/FM, HQ USAF/IL, etc.) to promote/foster functional professional development, provided the books are not already part of the base library's inventory. Prior approval is required from the base library before using unit funds to purchase these books/reading materials. These items must be made available to any individual working in the organization of the echelon (i.e., the MAJCOM, base, etc.) responsible for procuring the material and *they remain the property of the U.S. Government*, to be accounted for on property book records.

16.7. Mandated Training Provided by Commercial Sources. Appropriated funds (or unit funds) are authorized to pay for any training requirement provided from commercial sources that is mandated by DoD or Air Force Regulations. An example of this is motorcycle safety training directed for military personnel by DoDI 6055.4, *DoD Traffic Safety Program* and AFI 91-207, *The U.S. Air Force Traffic Safety Program*, paragraph 13. The member's unit GPC may pay for the training up front or the member may pay for the course and seek reimbursement via SF 1164 procedures.

Chapter 17

CONTRACT MAINTENANCE OF EQUIPMENT

17.1. General Information. Your approved funding program provides sufficient funds to support an acceptable level of maintenance for assigned equipment. Utilize in-house resources and self-help programs for equipment maintenance to the maximum extent possible. Preventive maintenance, daily care, and upkeep of equipment will also aid in minimizing your contract requirements.

17.1.1. Effective management of services performed by contract requires the involvement of each equipment custodian, CCM, RA, as well as the FSO, comptroller, and contracting officer. A coordinated effort produces responsive commercial maintenance in an economic fashion.

17.1.2. The equipment custodian, through the RA, is responsible for submitting budget requirements for preventive maintenance of all office machines as generally defined in the Allowance Standard. Consolidate, cost, and present all requirements for preventive maintenance to the FWG for inclusion in applicable operating budgets.

17.1.3. Each RCM or designated central manager should budget for non-preventive maintenance and preventive maintenance of all other assigned equipment.

17.1.4. O&M Requirements. Once the FMB approves a preventive maintenance contract funding level, submit a consolidated request for repair of specific office equipment on one AF Form 9 or utilize the GPC, if applicable, to the base contracting office on an annual basis. Use RC/CC XX8461 to accumulate all O&M costs. An effectively managed program can only be the result of a total team effort. Identify your requirements properly and, more importantly, determine the most efficient, economic funding process. All requirements for equipment maintenance other than typewriters are the responsibility of the equipment custodian or work center.

17.1.5. TWCF Requirements. Use **Table 17.1.** below to record preventive maintenance costs associated with office machines.

Table 17.1. RC/CC Coding of Base-Level Office Equipment Expenses.

FUNCTION	RC/CC/FUNCTIONAL CAT	PEC
Operations	X1112X 01 (see note)	(see note)
Maintenance	X3112X 03 (see note)	(see note)
Aerial Ports	X14235 08	41125
Group	X0112X 01 (see note)	(see note)
NOTE: C-141	last digit of RC/CC will be “1”	PE 41118
C-5	last digit of RC/CC will be “3”	PE 41119
C-17	last digit of RC/CC will be “4”	PE 41130
Group	last digit of RC/CC will be “0”	PE 41122

17.2. Funding Approval. Upon approval of non-preventive maintenance and preventive maintenance of all other equipment programs by the FMA, each RCM should be responsible for initiating AF Form 9 pro-

cedures or GPC, if applicable. Use the CC identifying the functional areas (or central manager) owning the equipment.

17.3. Preventive Maintenance Agreement (PMA) Determinations. The FMA office will annually review each PMA to determine the cost effectiveness of the agreement. The RA will provide all necessary information, such as number of repair calls in the previous contract period, cost of previous contract, etc. The PMA determination will allow each commander to make better decisions concerning whether the cost of the PMA is worth the service received.

17.4. Reimbursement for Accidents, Abuse, and Other Incidents to Government Vehicles. AFMAN 24-307, *Procedures for Vehicle Maintenance Management*, chapter 1, paragraph 1.28., provides guidance for the reimbursement of vehicle repairs incurred by the base transportation squadron resulting from damages and abuse not attributable to fair wear and tear. The using/owning organization is responsible for these costs and will provide a direct fund cite or reimburse the transportation squadron for any required repairs. For damage or loss of GSA motor pool vehicles due to negligence, misconduct, abuse, or inattention of military or civilian personnel, see DoDFMR 7000.14, Volume 10, chapter 12, paragraph 120210.

Chapter 18

OTHER CONTRACTUAL SERVICES

18.1. Lodging of Alert Aircrews. Lodging fees of alert aircrews residing off-base and who must respond to mission departure within one hour and are directed to stay on-base in VOQ/VAQ-type quarters are payable from unit funds (TWCF or O&M, as applicable). Only the lodging fees are chargeable; per diem is not allowed and members will continue to use their BAS allowance to pay for meals consumed. If the lodging office permits, the unit can establish a MORD in the accounting system and the Lodging Office can submit an invoice directly to the unit resource advisor for reimbursement. If the Lodging Office directs payment by credit card or check, the unit can use a GPC; however, this payment method may require the unit to transfer obligations in the accounting system via Standard Form (SF) 1017, **Journal Voucher**, if a command/Air Force ESP code has been issued to track the incremental costs of the circumstance that results in the necessity for the aircrews to be lodged on base.

18.2. Laundry and Dry Cleaning.

18.2.1. Laundry and dry cleaning service items used in TWCF aircraft are properly chargeable to the TWCF. Organization laundry and dry cleaning requirements for TWCF units (excluding personal clothing) are also chargeable to TWCF funds. Use EEIC 59250 for budgeting and funding laundry and dry cleaning costs from non-WCF (or non-Industrial Fund) laundries.

18.2.2. Use appropriated funds (APF) to clean linens and expendable items purchased with APF, or linens and expendable items authorized APF but purchased with NAF funds. Use NAF funds to clean other linens and items authorized and purchased with NAF (AFI 34-901, *Laundry, Dry Cleaning, and Linen Exchange*).

18.3. Alternative Health Medical Care Program. In accordance with AFI 41-101, *Obtaining Civilian Medical and Dental Care*, CONUS Military Medical Treatment Facilities (MTF) commanders should ensure health care services are available to eligible beneficiaries from the most appropriate source of care with respect to quality, accessibility, readiness sustainability, and economy. To ensure the cost reasonableness of alternative care purchased by a CONUS MTF retaining patient medical management, medical facility commanders should, when it is feasible and more advantageous to the government, do the following:

18.3.1. First, consider resource sharing (including interservice and Veterans Administration (VA) sharing agreements or aeromedical evacuation to another MTF) in CONUS areas where other federal facilities exist and are reasonably accessible, and within TRICARE Access Standards unless explicitly waived by the patient. In all patient referrals to VA Medical Facilities, the MTF reimburses the VA via a SF 1080, **Voucher for Transfers Between Appropriations and/or Funds**. The local MTF reimburses the VA as described below:

18.3.1.1. DoD VA Memorandum of Understanding (MOU). Patients treated by a VA facility under the current VA and DoD MOU when the Air Force refers active duty, dependents, or retiree patients.

18.3.1.2. Sharing Agreement. Patients referred to a VA facility, when a local sharing agreement is in effect that stipulates reimbursement arrangements for specific types of care.

18.3.1.3. DD Form 2161, **Referral for Civilian Medical Care**. Air Force MTF patients are frequently referred to a VA MTF for supplemental services or specific care. Use AF Form 676, **Authorization for Alternative Health Services**, in addition to the DD Form 2161, but the DD Form 2161 should accompany the patient.

18.3.1.4. Record all VA charges for regular referrals and those under VA sharing agreements using EEIC 57XMV and charge back to the referring clinic.

18.3.2. Where possible, pursue Resource Sharing Agreements (RSA) arrangements, or when cost-effective and feasible, professional service contracts for services purchased frequently from the civilian sector.

18.3.3. Finally, where accessibility and economy preclude the first two alternatives, obtain necessary supplemental and cooperative care services from other civilian providers when the VA alternative is not available. Before any supplemental or cooperative care services are payable, evaluate all billings for CONUS provided civilian medical care to eligible beneficiaries retained for medical management by the MTF. This ensures DoD activities do not pay excessive charges for medical services purchased from civilian sources and verifies the rendering of services. Use the prevailing fee schedule (total charge, to include government and patient cost shares) provided by the Civilian Health and Medical Program of the Uniformed Services (CHAMPUS) along with the Current Procedure Terminology (CPT) codes as guides to reasonably price the services in all CONUS catchment areas. CHAMPUS should periodically provide updated fee schedules to all MTFs. Procurement of the CPT codebooks is the responsibility of each MTF using Office of the Assistant Secretary of Defense (OASD) (HA) funds provided by HQ AMC. Use the following EEICs and PEs to account for care obtained from civilian sources:

18.3.3.1. EEIC 571, Contract Health Care Services. For information on obtaining contract services, consult the base contracting office, the Defense Acquisition Regulation (DAR) 22 100, and the Air Force DAR supplement. Obtaining contract services for health care requires HQ AMC/SG approval.

18.3.3.2. EEIC 572, Supplemental Health Care Services. This EEIC identifies a non-CHAMPUS eligible patient during a specific episode of disease or injury. Records maintained by the medical facility should include the cost per procedure, source of care, and type of care (i.e., laboratory services, consultation for specific specialty, diagnostic radiology, etc.), and number of referrals to each source of care. AFI 41-101 requires this data to periodically conduct cost comparisons.

18.3.3.3. EEIC 573, Cooperative Health Care Services. This EEIC identifies a CHAMPUS eligible patient during a specific episode of care. MTFs should use SF 1034, **Public Voucher for Purchases and Services Other Than Personal**, to process payments and also maintain the same cost information required in paragraph **18.3.3.2.** above.

18.3.3.4. EEIC 574, Other Miscellaneous Health Care Services. This EEIC identifies costs for the purchase of health services not directly involving the patient.

18.3.3.5. PE 87713, Health Care in Non-Defense Facilities, EEIC 572, (civilian health care for active duty members when required care is beyond the capability of the MTF who makes the referral). This is applicable even if the patient is given only first aid or medical advice before referral. Even though the MTF disengages the active duty member from treatment in the MTF, the MTF pays for the civilian care, recording the expenses in this PE. When an MTF releases medical management of an Army, Navy, or Marine Corps active duty patient, the referring MTF pays the

resulting civilian health care costs. ***EXCEPTION:*** The member's service is responsible for the related bills when the referring MTF cannot provide the required medical health care services.

18.4. Contract Conversions. Any functional area may perform, at various times, a comparative cost analysis in accordance with OMB Circular A-76, *Performance of Commercial Activities*. In cases where these analyses indicate contract services will result in a lower overall cost to the government, HQ AMC/A88 will adjust the civilian pay, supplies, and equipment programs to accommodate funding these services by contract. We will determine the civilian and military pay transfers on the number of positions made surplus by accomplishing the work by contract.

18.5. Classrooms for Religious Activities. Charge all contractual costs associated with the use of classrooms for religious activities to PE 41896, EEIC 5929D.

18.6. Meal Surcharges.

18.6.1. Deposit all contractor-operated base dining facility meal surcharge collections into the MILPERS (3500) appropriation, sales code 96. Deposit all contractor-operated medical dining facility meal surcharge collections into the MILPERS (3500) appropriation, sales code 93A.

18.6.2. For non-contractor operated military dining facilities, collect the meal surcharges into MILPERS (3500) appropriation. For base dining facilities use sales code 96 and medical dining facilities use sales code 93A.

18.7. Department of Defense (DoD) Observances. The Office of the Deputy Assistant Secretary of Defense for Equal Opportunity, in conjunction with the DoD General Counsel, authorized the use of APF for the procurement of scholarly lectures, ethnic historical exhibits, art exhibits, displays, and musical groups associated with observances pertaining to with racial, ethnic, or women's contribution to society. These activities should contribute to the welfare of our military and civilian personnel by adding insight, meaning, and understanding to the observances themselves. You may fund these endeavors during any fiscal year within the constraints of your budget IAW AFI 65-601, Volume 1, chapter 4, paragraph 4.26.1. This guidance is within the intent of Comptroller General Decision B-191737.

18.8. Honoraria/Speaking Fees. Follow guidance in AFI 65-601, Volume 1, chapter 4, paragraph 4.9., for funding honoraria and speaking fees. You may use the GPC as the contracting vehicle to procure approved honoraria, where accepted. See AMCS1 to AFI 65-601, Volume 1, paragraphs 4.9. and 4.9.3. concerning the acceptance of honoraria by military and civilian federal employees. Also, see 5 C.F.R., Section 2636.203 for the definition of an honorarium as well as examples of honoraria that military members or federal employees may/may not accept. ***NOTE:*** Authorized travel/per diem costs funded on TDY orders for military members/federal employees to present a speech, lecture, or presentation in an official capacity does not constitute an honorarium.

18.9. Awards, Gifts, and Trophies.

18.9.1. You may use TWCF or O&M funds, as appropriate, for non-cash awards (trophies, plaques, certificates, and similar items) associated with formal mission accomplishment awards for military and civilian personnel (AFI 36-2805, *Special Trophies and Awards*, and AFI 65-601, Volume 1, chapter 4, paragraph 4.29.), as well as on-the-spot mission accomplishment award recognition as authorized by local supplements of AFI 36-series instructions. Examples of formal mission

accomplishment awards include Airman or NCO of the Quarter, Safety, Fire Prevention, Utility Conservation, etc. Merchandise items such as engraved coffee cups, belt buckles, coins, jackets, with a nominal cost (as determined by the local commander's discretion) presented in lieu of a trophy, which display the organizational logo/decal and recipient's name and accomplishment printed thereon may also be used. ***NOTE:*** You may also provide a coin purchased with government funds to present to military members for reenlistment. The same coins purchased for mission accomplishment award recognition (see AFI 65-601, Volume 1, chapter 4, paragraph 4.29.2.) may also be used for this purpose.

18.9.1.1. For coins and medallions, do not have the name of the presenter stamped/engraved thereon, as it creates "frozen stock" (waste) when personnel change and requires an additional expenditure to change the die from which the coins or medallions are cast. The prohibition against personalizing stationery (see **Chapter 13**, paragraph **13.2.** of this publication) is also applicable to coins and medallions presented to individuals for awards. ***NOTE:*** Do not use coin dies purchased with APF under the auspices of paragraph **18.9.1.** above to manufacture additional coins for private organizations (including organizational booster clubs) to resell for fund-raising purposes. These entities must use their own private funds to create a coin die as well as minting of the coins. Government-owned property is not available to generate private gains.

18.9.1.2. If the award recipient desires to have the presenter's name engraved on the coin or medallion, he/she must use personal funds for this purpose (AFI 65-601, Volume 1, chapter 4, paragraph 4.29.2.).

18.9.2. AFI 36-1001, *Managing the Civilian Performance Program*, provides guidance concerning civilian employee cash awards for performance, sustained superior performance, quality step increases, etc. Award nominees, by virtue of their nominations, cannot receive APF-funded awards or trophies.

18.9.3. Retirements, PCS departures, or similar events are not considered as acts of mission accomplishment and therefore not eligible for APF support. ***NOTE:*** You may purchase a U.S. flag to present to active duty military members upon retirement unless the individual was previously presented a flag under the authority of 10 U.S.C. Sections 3681/6141/8681, or 14 U.S.C. Section 516. Use GPC checks to obtain U.S. flags flown over the nation's Capital from the federal agency that sells them for this purpose, as they do not take the GPC or accept purchase orders from base contracting. If it is not feasible to use a GPC check, a personal check may be used and the individual may seek reimbursement by filing a SF 1164, **Claims for Reimbursement for Expenditures on Official Business** with the base FSO. However, these circumstances should seldom be necessary, as military retirements are projected well in advance of the actual retirement date. Unit funding applies (TWCF or O&M). Do not use unit funds to purchase display boxes for the retirement flags or to provide U.S. flags for federal service civilian retirees.

18.9.4. Sports competitions can use APF to purchase trophies and similar devices for presentation to winners of intramural sports and athletic competitions. The purchase of T-shirts for this purpose in lieu of trophies or plaques is allowable as long as it meets the criteria in paragraph **18.9.1.** above. You may not authorize any other shirt and issue only one T-shirt per winner. Present awarded T-shirts in lieu of and not in combination with trophies, plaques, or any other type of award.

18.9.5. Incentive and Awards Programs at Physical Fitness Centers. Per AFI 65-601, Volume 1, chapter 4, paragraph 4.29.5., ASD/FMP, in a 25 Jan 99 policy memorandum, outlined "core standards" for the DoD physical fitness program. Accordingly, the use of APF (Fund Code 30 only) is authorized to

purchase low-cost incentive items (T-shirts, ball caps, water bottles, etc., not to exceed $10 dollars per item) to encourage participants to complete specified and published exercise regimens at Air Force physical fitness centers. Do not provide cash as an incentive item. Also, do not purchase coins or medallions for these types of incentives with APF due to the high cost of creating a die. The use of TWCF funds for physical fitness incentives is also prohibited, as it is not in direct support of the global airlift mission.

18.9.6. Awards other than the above may utilize NAF funding in accordance with AFI 65-106, *Appropriated Fund Support of Morale, Welfare and Recreation (MWR) and Nonappropriated Fund Instrumentalities (NAFIs)*.

18.9.7. Under the "necessary expense" rule, the use of APF or TWCF funds to pay for appropriate base-level awards does not extend to meals for the award winners, if the awards are presented at a luncheon or formal dinner at home station.

18.9.8. Under no circumstances should you use APF to purchase gifts for military members, government employees, or private citizens/entities unless specifically authorized by law (AFI 65-601, Volume 1, chapter 4, paragraph 4.29.). This extends to monetary donations and contributions to charitable organizations as well. The only authority to use APF for gifts is in situations where Official Representation Funds (ORF) are involved, as specified in AFI 65-603, *Official Representation Funds – Policy and Procedures*, paragraph 4.

18.9.9. National Award Programs. APFs are authorized to pay entry fees for Air Force personnel to participate in award programs sponsored by National Organizations provided the award program relates to the nominee's specific functional area. See AFPD 36-28, *Awards and Decorations Programs*, paragraph 5.

18.10. Payments Received From the Sale and Lease of DoD Real Property.

18.10.1. In accordance with DFAS-DE/ANA guidance, credit all proceeds from the disposal of excess Air Force real property (other than BRAC) and from leasing of non-excess real property, to the special fund accounts established pursuant to Sections 2805 and 2806 of the National Defense Authorization Act for FY91 (Public Law 101-510). These accounts are 975188.57, Disposal of DoD Real Property, and 975189.57, Lease of DoD Real Property. Do not credit any of these collections to miscellaneous receipts.

18.10.2. Under the law, do not distribute amounts credited to these two accounts to the bases that generated the proceeds of the sale or lease until an Appropriation Act specifically makes them available for expenditure and DoD allocates the amounts collected back to the Air Force, as follows:

18.10.2.1. Apply 50 percent for facility sustainment (EEICs 521 and 524) and restoration (EEIC 522) or environmental restoration at the installation where the property is located.

18.10.2.2. Apply 50 percent for facility sustainment (EEICs 521 and 524) and restoration (EEIC 522) and for environmental restoration by the Military Department concerned.

18.10.2.3. Credit payments for utilities and services furnished for lessees pursuant to leases entered into under 10 U.S.C. 2667 to the appropriation account that originally funded the utilities and services.

18.10.3. Since the Air Force may not use the funds collected until DoD allocates to the Air Force the amounts credited to these accounts, it is important to properly credit the collections to these two

accounts. You must transfer any proceeds for the sale of Air Force excess property (excluding BRAC) or leases of non-excess real property credited to accounts other than those listed in paragraph **18.10.1.** through the use of a "no check drawn" SF 1081, **Voucher and Schedule of Withdrawals and Credits**.

18.10.4. Adjust the accountable records for Air Force real property, maintained in accordance with AFI 32-9005, *Real Property Accountability and Reporting*, to reflect the transfer or disposal of property. AFI 32-9003, *Granting Temporary Use of Air Force Real Property*, establishes the authority, policy, and procedures and designates responsibilities for leasing Air Force real property.

18.11. Open Houses, Aerial Demonstrations, Static Displays, Museums, Air Parks, and Other Community Relations. See AMCS1 to AFI 65-601, Volume 1, paragraph 4.67. (et seq.) for applicable guidance concerning open houses and aerial demonstrations.

18.11.1. Vendor Fairs. The use of APF to support vendor fairs hosted by an Air Force organization unrelated to NAF/MWR circumstances is authorized provided it is directly related to the mission requirements of the organization.

18.11.2. Static Displays, Museums, and Air Parks. Consult AFI 65-601, Volume 1, chapter 4, paragraph 4.25. and AFI 84-103, *Museum History*, for appropriate funding guidance. See also paragraph **20.31.4.** of this publication.

18.12. Purchase of Books, Periodicals, Newspapers, and Pamphlets.

18.12.1. In accordance with AFI 65-601, Volume 1, chapter 4, paragraph 4.38., the base library purchases all mission essential commercial books, periodicals, newspapers and pamphlets for Air Force organizations with APF, centrally managed by HQ AFMPC/DPMSOLL. AFI 34-270, *Air Force Library and Information Systems (AFLIS)*, chapter 4, designates those specific organizations and types of publications exempt from centrally funded procurement. Additionally, attachment 6. of AFI 34-270 provides a list of publications that are not authorized unit funding. Do not use APF or TWCF to purchase books, periodicals, videos, cassettes, compact discs, or any other publication to establish "mini-reference libraries" within a typical base organization unless authorized by specific statute or regulation.

18.12.2. Medical facilities are exempt and should procure publications in accordance with AFI 34-270.

18.12.3. For non-mission essential recreational type periodicals and newspapers for lodging, recreation centers, youth activity facilities, etc., primarily concerned with MWR programs, use NAF funds. Don't use NAF funds to purchase newspapers and periodicals for offices, work areas, or waiting areas that are not associated with MWR programs, per AFI 34-201, *Use of Nonappropriated Funds (NAF)*, chapter 4, paragraph 4.2.3.

18.12.4. The commander or staff agency chief determines if a publication is mission essential. When a disagreement occurs over the publication category (mission essential/nonessential), the commander or staff agency chief's decision is final.

18.12.5. Use MFH funds (P72X) to purchase mission essential publications related directly to the primary mission of Housing Referral Offices (HRO). The local librarian coordinates on all Air Force Form 9s, records the expenditure and retains one copy. However, the library's centrally managed O&M fund procures mission essential publications in support of the general and administrative man-

agement of the HRO. In accordance with AFI 34-270, do not bypass the centrally managed library program.

18.12.6. You may use APF to purchase applicable books that are incorporated as a part of a reading program in conjunction with an official professional military education course offered at your installation. However, purchasing books with APF or TWCF funds to provide to Air Force members in order to increase their general knowledge is not authorized. Coordinate authorized requests with the local base library prior to spending unit funds for this purpose.

18.12.7. You may use APF or TWCF to fund for squadron newsletters when printed from office PCs or E-mailed to members' home/office computers. Do not use DAPS or any other commercial printing source to print and distribute squadron newsletters. Additionally, APF or TWCF funds are not authorized to pay for postage to mail squadron newsletters printed from office PCs to squadron members' private residences.

18.13. Refreshments at Awards Ceremonies. You may use APF for refreshments at award ceremonies for military members and civilian employees in accordance with AFI 65-601, Volume 1, chapter 4, paragraph 4.31. TWCF funds may be used if the individual recipient of the award is assigned to a TWCF unit. See additional guidance in paragraph **18.13.5.** below.

18.13.1. For civilian employees, the *Federal Personnel Manual* (Chapter 451, Subchapter 2-2c) states that it is appropriate on such occasions to provide light refreshments at nominal cost for awards ceremonies, under authority of 5 U.S.C., Section 4503.

18.13.2. 10 U.S.C., Section 1124 provides somewhat similar authority on light refreshments of award ceremonies for military personnel by stating: "and incur necessary expenses for the honorary recognition of a member of the armed forces under his jurisdiction, who by his suggestion, invention, or scientific achievement contributes to the efficiency, economy, or other improvement of operations or programs relating to the armed forces."

18.13.3. An example of light refreshments is coffee and tea and a serving of dessert or snacks. Alcoholic beverages of any kind, complete meals, buffets, banquets, smorgasbords, etc., do not qualify as light refreshments.

18.13.4. Use necessary prudence and discretion in authorizing the use of APF for light refreshments at awards ceremonies. A commander should first determine that a reception with light refreshments, in accordance with Office of Personnel and Management (OPM) regulations and 10 U.S.C., Section 1124 would materially enhance the effectiveness of an award ceremony before approving the use of APF for refreshments at the ceremony. Charge the cost of these light refreshments to each command's primary O-1 Line Item (BA 02 for AMC), not to Official Representation Funds (ORF).

18.13.5. In accordance with Comptroller General Decision B-223319, July 86, the use of APF for light refreshments at award ceremonies is applicable to only those awards that are *substantial in nature* (e.g., Air Force (national) or command (regional) award), resulting from competitive type activities cited in the AFI 36-series directives and the Federal Personnel Manual. It does not cover PCS departures, retirement ceremonies, or other non-competitive type ceremonies where an award (e.g., an Air Force Commendation Medal or other service type medal or ribbon) may be presented to the departee, retiree, or newcomer.

18.13.6. Funding for light refreshments may also be extended to significant unit award ceremonies to honor a notable milestone or other substantial unit achievement and the nature of the award warrants

a distinguished visitor to formally present the award. (See AMCS1 to AFI 65-601, Volume 1, paragraph 4.31.)

18.13.7. Funding for light refreshments may also be extended to ceremonies that involve the presentation of significant awards to military personnel for gallantry or heroism (e.g., Congressional Medal of Honor, Air Force Cross, Airman's Medal). (See AMCS1 to AFI 65-601, Volume 1, paragraph 4.31.)

18.14. Conferences, Meetings and Seminars. In accordance with AFI 65-601, Volume 1, chapter 4, paragraphs 4.42. through 4.42.6, the following Air Force funding guidance applies:

18.14.1. Use unit funds for federal military and civilian employees to attend meetings and conferences when it is part of an authorized training program or directly relates to the individual's official duties. Attendees may pay a registration fee.

18.14.1.1. If meals and lodging are an integral part of the registration fee, the attendee's travel orders and travel settlement voucher must identify the number of meals and lodging nights applicable to the registration fee.

18.14.1.2. As a general rule, you cannot reimburse for meals consumed at an individual's duty station. The following are exceptions to this rule, based on Comptroller General Decision B-200650, April 86:

18.14.1.2.1. The meals are a part of the registration fee and are an incidental part of the conference, meeting, or seminar.

18.14.1.2.2. The meals are not a part of the registration fee and charged separately because (1) the meals are incidental to the conference, meeting, or seminar, (2) the attendance of the individual at the meals is necessary for full participation in the business of the conference, meeting, or seminar, and (3) the individual was not free to consume meals elsewhere without being absent from the essential formal discussions, lectures or speeches. ***NOTE***: This exception is applicable only to civilian employees attending meetings and conferences sponsored by *non-government organizations* (5 U.S.C., Section 4110). If the meeting or conference is an internal agency affair or applied as a training fee, the meals are not considered reimbursable (Comptroller General Decision B-230576)."

18.14.1.3. Merely calling the cost of the meals a "registration fee" will not avoid the prohibition that unit funds cannot be used for entertainment, including food, except where specifically authorized by statute, especially in circumstances where the registration fee covers only the cost of the meals

18.14.2. Air Force organizations sponsoring a conference, meeting, or seminar not under the authority of formal training guidance should use their unit funds to pay for speaker fees, honorariums, off-base facility costs (excluding lodging), and other related costs in lieu of recovering these costs through a registration fee. Use AF Form 9, **Request for Purchase**, or unit GPC for contracting off-base conference facilities. See paragraph **18.8.** of this chapter on the approval level amounts of honoraria and speaking fees.

18.14.3. Hospitality Fees. Sponsoring organizations may levy a "hospitality fee" on conference, meeting, or seminar attendees to pay for light refreshments served between sessions or to cover mementos and souvenirs. ***NOTE:*** The sponsoring organization may use APF to pay for light refresh-

ments served at conferences or request the attendees to pay through a hospitality fee (see paragraph **18.14.4.** below). The payment of hospitality fees from attendees is strictly voluntary and is not reimbursed from unit TDY funds or any other government fund. Do not authorize the payment of hospitality fees on travel orders.

18.14.4. Light Refreshments. Per AFI 65-601, Volume 1, chapter 4, paragraph 4.42.1.1, sponsoring organizations may use APF to pay for light refreshments (to include paper plates/cups, napkins, plastic silverware, etc., for those base facilities whose primary purpose is to support large conference gatherings) during conference breaks A conference is defined as a meeting, retreat, seminar, symposium, convening of an official board, or other event that involves attendee travel. The Per Diem, Travel, and Transportation Allowance Committee (PDTATAC) defines light refreshments as coffee, tea, milk, juice, soft drinks, donuts, bagels, fruit, pretzels, cookies, chips, muffins, and similar items. The PDTATAC has approved the purchase of these items in the JFTR (part G, paragraph U2550) and the JTR (part S, paragraph C4950). ***NOTE:*** *This is applicable for TDY attendees only (see CompGen Decision B-288266, 27 January 03).* The serving of refreshments between sessions of a conference is *optional, not mandatory*. The following guidance applies:

18.14.4.1. Alcoholic beverages do not qualify as light refreshments.

18.14.4.2. The purchase of light refreshments at a conference does not extend to ice breakers and/or other social events. These are personal expenses of the individual attendees.

18.14.4.3. Do not purchase light refreshments for local meetings primarily involving permanently assigned military or civilian members. These events cannot be classified as a conference in order to justify serving light refreshments. There must be a significant number of personnel (51 percent or more) in a TDY status in attendance, not merely one or two.

18.14.4.4. If the sponsoring organization elects to use their unit funds to pay for light refreshments, they cannot pass the cost to the TDY attendees in the form of a registration fee. These costs are the responsibility of the unit sponsoring the event (see paragraph **18.14.2.** above).

18.14.4.5. The purchase of fine china, silverware (sterling silver, silver/gold plated utensils, etc.), crystal, linen, and linen laundry services by conference facilities to serve light refreshments to conference attendees is not authorized. See AFI 65-601, Volume 1, chapter 4, paragraph 4.42.1.1.1.

18.14.4.5.1. User Fees for Conference Centers. Conference centers or organizations with conference rooms cannot charge a “user fee” to Air Force organizations wishing to use the facilities. Conference centers are O&M-funded and are not a revolving fund entity or a fee-for-service operation that would warrant charging a “user fee” to offset their direct costs (except for snacks and refreshments). Non-Air Force tenant organizations may be charged a fee only if there were additional direct incremental costs incurred which the conference center would not have incurred had the tenant not used the facilities. Fees collected under these circumstances must be deposited as a miscellaneous receipt to the Treasury and not to the O&M account of the conference center (except for snacks and refreshments).

18.14.4.6. The use of TWCF funds to purchase light refreshments at conference or any other associated conference costs is not authorized unless it is convened solely for the purpose of discussing TWCF-related business. Generally speaking, most conferences held at wing or command level will not fall into this category. Prudent judgment should prevail before committing TWCF funds for this purpose.

18.14.5. The official who approves the conference, seminar, symposium, etc., and charges a registration fee is responsible to ensuring that no unauthorized charges are in the fee. Prepare a budget or worksheet that itemizes all costs included in the registration fee.

18.14.6. Sponsoring activities may charge non-Air Force government attendees a fee which covers food or beverage costs as a minimum. For non-government attendees, include a pro rata share of other costs, if warranted, per DoDFMR 7000.14, Volume 11A, *Reimbursable Operations, Policy and Procedures*, chapter 4. Deposit any fees collected for non-government attendees into the Treasury as miscellaneous receipts.

18.14.7. Non-Air Force Government Sponsored Conferences, Meetings, and Seminars. Charge registration fees and other official expenses to the attendee's unit funds. For Air Force attendees, registration fees must not include the cost of food or beverages provided by the sponsoring organization. If the attendee is in an official travel status, see paragraph **18.14.1.** above.

18.14.8. Non-Government Sponsored Conferences, Meetings, and Seminars. Reference paragraph **18.14.7.** above. If the sponsoring organization is unable to separate the costs of food or beverages from the total registration fee, the attendee's organizational funds may pay the registration fee in full.

18.14.9. The base comptroller, or budget officer, as appropriate, should establish a local procedure to review all formal conference, meeting, and seminar requirements prior to final approval, to ensure compliance. See **Chapter 8**, paragraph **8.15.** of this publication.

18.14.10. Conferences, seminars, and similar meetings involving scientific, technical, and professional fields may employ a contractor to handle administrative arrangements. These meetings generally involve the Air Force Research Laboratory. Attendees may be charged a registration fee (collected by the contractor) to cover all costs associated with the contract, including a reasonable profit. See paragraph **18.14.1.** above and **Chapter 8**, paragraph **8.15.** of this publication

18.14.11. The Air Force may co-sponsor scientific, technical, and professional conferences, etc., with a non-Federal entity, in accordance with specific guidance stated in DoD 5500.7-R, *Joint Ethics Regulation*, chapter 3, and AFI 61-205, *Sponsoring or Co-Sponsoring, Conducting, and Presenting DoD-Related Scientific Papers at Unclassified and Classified Conferences, Symposia and Other Similar Meetings*. Air Force organizations acting as a co-sponsor should follow procedures in AFI 65-601, Volume 1, chapter 4, paragraph 4.42.5., regarding the payment of registration fees.

18.14.12. SECDEF Approval Authority for Off-Base Conferences. AFI 65-601, Volume 1, chapter 10, paragraph 10.2.4.2.3., states, "For all MAJCOMs, the Vice Commander may delegate approval authority to Numbered Air Force Commanders for wing-level events only."

18.14.13. Conference Cancellation Fees. If a military member or Air Force civilian employee scheduled to attend a conference withdraws due to other pressing official mission requirements and is charged a cancellation fee, the member/employee may pay the fee (or receive reimbursement, if the fee is already paid out of pocket) from unit funds with their commander's approval. If the individual simply decides not to attend after being selected without ample notification, the cost of the cancellation fee is the individual's responsibility.

18.15. Canceled Hotel Reservations. The following paragraphs provide applicable guidance concerning canceled hotel reservations, extracted from the *GAO: Principles of Federal Appropriations Law, Volume III*, chapter 12, part 2f:

18.15.1. As a general rule, the cancellation of hotel reservations within a reasonable time prior to the dates of the reservations involves no liability on the part of the government (41 CompGen 780 (1962)). However, you may allow for a claim for the actual cost of unused hotel rooms if all of the following circumstances are met: (1) It is clear that the reservations were made by and on behalf of the government; (2) there is sufficient basis to conclude that the making of reservations gave rise to a contractual relationship between the hotel and the government; (3) the government failed to cancel within a reasonable time; and (4) the hotel attempted to mitigate its damages. Since the basis of the government's liability is contractual, either express or implied-in-fact, resolve any claims under the Contracts Disputes Act.

18.15.2. Allowable claims must be distinguished from cases in which government employees receive reimbursement on a per diem basis and make their own contract lodging reservation on their own behalf. Under such circumstances, there is no basis for the government to pay a claim because the government was not a party to the agreement. The distinction is between cases involving the negotiation of block reservation of rooms on a contractual basis between the government and the hotel through official administrative action, and in cases where the agreement is essentially between the individual and the hotel, regardless if the reservation may have been made by another government employee on the traveler's behalf.

18.15.3. Since claims for the cancellation of hotel reservations could be allowable on the basis of legal liability, it is necessary to find some contractual or similar binding arrangement between the government and the hotel whereby the government agrees to either pay for the rooms reserved or cancel within a reasonable time. However, evidence of the contractual arrangement need not necessarily be in writing. If the facts or evidence of a contractual relationship are borne out without actually having a written agreement, it is concluded that a contractual relationship did indeed exist and the government may be held liable for payment.

18.15.4. Once the existence of a contractual agreement to either pay for the rooms reserved or canceled within a reasonable time is established, the government can avoid liability only by showing that the time of cancellation was reasonable. What is deemed "reasonable" will depend entirely on the facts surrounding the circumstances involved in the particular incident.

18.15.5. The hotel must generally attempt to mitigate its loss, and its attempts to do so will be relevant in evaluating the claim. If the hotel is able to fill the majority of the rooms canceled with new bookings, these efforts will be held sufficient to discharge the hotel's duty to mitigate its losses and absolve the government's liability.

18.15.6. Any liability by the government for canceled hotel reservations is ordinarily limited to the actual cost of the rooms (excluding profit margin). Certain other elements of damage may be allowed if it can be established that they represent a liability of the hotel regardless of occupancy (e.g., a Value Added Tax, service charges for staff wages). However, the loss of anticipated profits and miscellaneous revenue is too remote and speculative and is not allowable. Interest would be payable on a claim processed under the Contracts Disputes Act.

18.15.7. Claims for canceled hotel reservations may also arise in contexts not governed by the Contracts Disputes Act. For example, if a government employee uses a credit card in an official capacity to guarantee a hotel reservation, and the credit card charged upon cancellation of the reservation, due to insufficient notice, the claim is reimbursable since the government would have been liable to the hotel under the same circumstances.

18.15.8. If you receive a claim or bill from a hotel or other lodging facility that asks for payment due to canceled room reservations, contact your local JAG for assistance in determining if the claim is a valid and proper charge to Air Force funds (TWCF or O&M).

18.16. TWCF Contract and On Base Lodging Charge System. Refer to AMCI 65-602, chapter 2, paragraph 2.4.5. (to include all subparagraphs), for authorized locations and procedures to charge lodging costs of AMC aircrews traveling on AMC Form 41 to local TWCF funds in lieu of payments from the individual aircrew members. Use EEIC 59270, not EEIC 409, to record these costs in the accounting system; these payments are not processed through the Travel Section of the FSO.

18.17. Reconstitution of War Readiness Material (WRM) Assets. See AMCS1 to AFI 65-601, Volume 1, paragraph 4.68., for funding guidance.

18.18. Passports and Visas. The 89 APS Passport and Visa Office, Andrews AFB MD, is the primary liaison between AMC organizations and the U.S. Department of State for approving and funding of official passports and visas. See AMCI 36-2102, *Passports and Visas*, for guidance on funding for military and civilian personnel traveling overseas on official government business.

18.19. Physical Fitness Facilities for TDY Members. Do not use APF to contract for physical fitness facilities for members who are temporarily deployed to a location that does not maintain a permanent military presence. See AFI 65-106, chapter 9, before contracting for these facilities at locations where a permanent military presence does exist.

18.20. Promotional Items. You may use APF to fund promotional items that fall under the auspices of AFI 65-601, Volume 1, chapter 4, paragraph 4.29.3.2., or if other existing Air Force instructions allow for their purchase in order to secure compliance with mission-related objectives (chapter 4, paragraph 4.29.3.1.). Use prudent judgment when approving the purchase of these items, i.e., nothing extravagant or excessive that may be construed as wasteful spending.

18.20.1. The use of TWCF funds for these requirements is not authorized in accordance with AMCI 65-602, chapter 6, paragraph 6.6.25., unless absolutely clear that it exclusively promotes TWCF incentives or productivity enhancements that result in savings to TWCF-funded programs or an increase to TWCF customer revenue.

18.20.2. When approving APF requests for promotional items, consider the following:

18.20.2.1. Does it promote safety, crime and fire protection, or compliance with mission-related objectives?

18.20.2.2. Does it promote productivity enhancements and ideas/suggestions initiated by Air Force organizations or personnel that resulted in cost savings to the Air Force?

18.20.2.3. Does it classify as advertising in order to potentially recruit new Air Force military members or the retention of current members?

18.20.2.4. Does it generate awareness for the Air Force Pollution Prevention Program or the Health Promotion Program? (***NOTE:*** The latter would be funded from Defense Health Program (Fund Code 2X) funds.)

18.20.3. If it is clear the promotional requirement does not fall under one of the categories listed above, then it is not authorized for APF. If there is no tangible benefit derived by the Air Force, then it does not qualify as a necessary expense of Air Force funds.

18.21. Recognition Luncheons for Base Volunteers. APF may be used to purchase tablecloths, centerpieces, recognition certificates/pins, and other similar items for volunteers honored at a luncheon event if Air Force or AMC instructions authorize a volunteer recognition program. For example, AFI 34-248, *Child Development Centers*, Attachment 2, paragraph A2.9.6., and AFI 34-249, *Youth Programs*, paragraph 2.3.9.5., allow for volunteer recognition programs. Use prudent judgment when determining requirements – costs should not be excessive for the occasion and no unnecessary items should be purchased. The use of APF to pay for meals or gifts for the honored volunteers or any other attendee at the luncheon is prohibited. Additionally, the use of TWCF funds to support these events is not authorized unless the volunteers are used primarily in direct support of TWCF-funded organizations that sponsor a volunteer program authorized in applicable Air Force/command instructions. ***NOTE:*** There are no provisions that allow the reimbursement for personal expenses that volunteers may incur (e.g., mileage, parking fees, toll, telephone calls, child care fees) while performing volunteer work at an Air Force installation.

18.22. International Cooperative Administration Support Services (ICASS) Payment Policy and Procedures. ICASS is the process by which military organizations are supported and billed for services by the U.S. State Department. These bills normally flow through the base comptroller for payment. SAF/FMBOI memorandum dated 11 Oct 01 provided new guidelines concerning ICASS payments and disputes, which are:

18.22.1. The agency (base) pays or disputes an ICASS invoice within 90 days of receipt.

18.22.2. If no dispute or payment is made, the ICASS service center will advise the agency (base) it has 180 days to pay the bill.

18.22.3. If no payment is received within 180 days, ICASS services will be suspended except for (1) emergency medical services, (2) local guard services, (3) payroll services, and (4) emergency and building operations services.

18.23. Abandoned Personal Property. See AFI 31-204, *Air Force Vehicle Traffic Supervision*, chapter 6, paragraph 6.6., for the proper disposition procedures of motor vehicles after impoundment at Air Force locations and DoD 4160.21-M, *Defense Materiel Disposition Manual*, chapter 4, paragraph 40., for the disposition of any lost, abandoned, or unclaimed privately-owned personal property on a DoD installation. See also 10 U.S.C., Section 2575, *Disposition of Unclaimed Property*.

18.24. Group/Squadron Aerobics/Physical Fitness Instructor. There is no authority to contract for a group/squadron-specific aerobics/physical fitness instructor, whether it is a military member, Air Force civilian employee, or an individual from a local physical fitness center. The Air Force provides gymnasiums, Health and Wellness Centers, and Physical Fitness Centers for all matters relating to health and exercise for military members and civilian employees. Providing fitness/aerobics instructors in addition to these services is not a necessary expense of the Air Force. *EXCEPTION:* You may use organizational funds to provide for contracted Spinning Class Instructor (SCI) training when the base Fitness Center does not have the manpower to provide this training to squadron physical training leaders under the auspices of AFI 10-248, *Fitness Program*, as directed by the Air Force Chief of Staff (CSAF). The organiza-

tional commander must determine this to be a necessary expense of the Air Force prior to funding for the training.

18.25. Base Runway Closures. When an AMC base temporarily closes its runway due to scheduled maintenance and repair, the FMA office should establish a local ESP code to capture all incremental costs (O&M or TWCF) that occur as a result of the closure (e.g., relocation of aircraft to an alternate site, increased aerial port activity relating to surface transportation of airlifted cargo, other miscellaneous BOS-related costs). *NOTE:* Do not include the cost of the CE runway repair project against the locally assigned ESP code. AMC bases should have an operation plan established in the event a temporary runway closure is necessary to accommodate maintenance and repair projects. For runway closures at other MAJCOM bases that have a TWCF-funded tenant *or* for runway closures at AMC bases with a primary TWCF mission for the purpose of airlifting passenger and cargo requirements in the global transportation system, use TWCF funds to contract for ground transportation of moving passengers and cargo to/from a temporary aerial port of embarkation/debarkation. If the host base provides the support in-house or through a funded contract for these transportation requirements, the costs are reimbursable by the TWCF aerial port. AMC TWCF tenants on other MAJCOM bases may also establish a local ESP code to track and monitor their incremental costs resulting from the host base's runway closure.

Chapter 19

SUPPLIES AND EQUIPMENT

19.1. Credit/Non-Credit Turn-Ins. Turn-in transactions receive credit/non-credit based on criteria outlined in AFMAN 23-110, Volume II, Part 2, chapter 13. The daily document register (D04) provides sufficient detail to monitor turn-in transactions.

19.2. LRS Responsibilities.

19.2.1. The LRS commander is responsible for effective, efficient, and economical LRS operation. One of the duties of the Chief of Supply is to assist in formulating and administering funds as well as advising and assisting with the following:

19.2.1.1. Interpreting and using data produced by the standard base supply system for management and budget purposes.

19.2.1.2. Determines optimum distribution of available Supply Management Activity Group (SMAG) obligation authority, and if necessary, contacts the Air Mobility Command Regional Supply Squadron (AMCRSS) for possible redistribution.

19.2.1.3. Using supply management products to determine requirements and control expenditures.

19.2.1.4. Formulation of the SMAG portion of the base budgets.

19.2.1.5. Making recommendations to the Comptroller, FMB, and FWG on allocations of SMAG budget targets.

19.2.1.6. Periodic reviews of the base budget and subsequent revisions.

19.2.2. The Chief of Supply advises the base FMA officer of the status of SMAG obligation authority. If SMAG obligation authority is insufficient to requisition available customer demands, perform the following: (1) direct customer funds to other areas, (2) turn back customer funds to the command, and (3) establish customer demands as memo obligated due-outs and defer requisitions until SMAG obligation authority is available. This condition normally occurs during end-of-year processing only.

19.2.3. Supply officers should be familiar with the above criteria, as set forth in AFMAN 23-110, Volume II, Part 2, *USAF Standard Base Supply System*, chapter 2, section B. Administration of the SMAG requires detailed planning--generated by activities in terms of requirements, assets on order, due-ins, and due-outs. Do not use customer funds to bypass the SMAG for items managed by the Chief of Supply (see AFI 65 601, Volume 1, chapter 18, paragraph 18.11.2., for exceptions).

19.2.4. Zero Overpricing Program. Each customer has a continuing responsibility to question prices and quality of products received to ensure the Air Force receives what it pays for. AFM 23-110, Volume VII, Part 4, *Zero Overpricing Program*, outlines the procedures for challenging price or quality items.

19.3. Fuel Oil. For Military Family Housing (MFH), process fuel oil sales from the AFWCF directly to the MFH appropriation when these costs are separately identifiable. For the Medical Treatment Facility (MTF), the BCE should initially fund fuel oil and receive reimbursement from the DHP appropriation, using EEIC 596 with appropriate numerical 2-digit shreds.

19.4. Budgeting and Funding for Dormitory Items.

19.4.1. Dormitory Supplies and Linens. Per AFI 32-6005, *Unaccompanied Housing Management and Operations*, the BCE is responsible for budgeting, funding, and controlling dormitory supplies, including replacement linens. For AMC bases, these costs are budgeted and executed in PE 41879, Real Property Services (RPS); unit O&M or TWCF mission funds will not be used for this purpose. Per AMCI 65-602, chapter 6, paragraph 6.3.1.4.7., TWCF reimburses O&M for these costs at AMC bases through the G&A process established at command level. For AMC TWCF tenants located on other commands' bases/installations, reimbursement is in accordance with local support agreement procedures.

19.4.2. Furniture and Furnishings at Geographically Separated Units (GSUs). These tenant organizations are responsible for maintaining their own dormitories, including furnishings and custodial services. Budgeting and funding responsibilities for on-base tenant dormitory furnishings belongs to the parent command of the host base (AFR 65-601, Volume 1, chapter 7, paragraph 7.5.3.3.).

19.4.3. Replacement of Dormitory Furnishings/Appliances. Per AFI 32-6004, *Furnishings Management*, paragraph 2.1., the BCE through the Housing Flight is responsible for the management, maintenance, procurement, and repair of all government-owned appropriated fund (APF) furnishings and domestic appliances for dormitories, lodging, and family housing. The furnishings management office (FMO), through the housing flight chief and lodging manager, obtains APF budget requirements/estimates and provides them to the civil engineer resource advisor. For housing requirements, use MFH funds. APF requirements and associated purchases, for dormitories will be identified in O&M Program Element Code (PEC) 41879, RC/CC XX4407. Authorized APF requirements (ref AFI 32-6004, table 2.1.), and associated purchases, for lodging (visiting quarters/temporary lodging facility) will be identified in O&M PEC 41896. We recommend using the base-wide RC/CC XX8571 to identify APF lodging furnishings and appliances. APF Funding of replacement furnishings/appliances must be accomplished with local funds. HQ AMC does not centrally manage/fund these requirements. If a base cannot fund these requirements within local resources, they should be identified in the BER submission to HQ AMC/A88. See paragraph **19.5.** below for guidance on furnishings associated with a new or newly renovated dormitory.

19.5. AMC Unaccompanied Personnel Facility Improvement Program (UPFIP).

19.5.1. The UPFIP is a continuing program that provides furnishings for newly constructed/renovated dormitories and dining facilities. This program enhances the living conditions of AMC unaccompanied personnel. AFI 32 6004, chapter 2, provides funding guidance for managing dormitory furnishings.

19.5.2. UPFIP dormitory furnishing funds are issued in support of specific dormitory projects. They are not issued until the base CER requests the funding from HQ AMC/A78, which is normally not earlier than six months prior to the Beneficial Occupancy Date (BOD). HQ AMC/A7H validates all requests for UPFIP dormitory furnishings funding. Use RC/CC XX4408 to record costs associated with dormitory furnishings. Supply SMAG obligation authority must be available for requisitioning action. HQ AMC/A7H/A78 projects annual supply SMAG obligation authority during the SMAG budget call (Apr-May timeframe) each year to AMCRSS.

19.5.3. Use a separate PFMR and ORG code account structure to accurately segregate and identify these costs.

19.5.4. Charge initial issue and replacement appliances for bachelor quarters authorized in Allowance Standard 414 to RC/CC XX4408, PE 41879. Charge the contract maintenance and rental of appliances under the provisions of AFI 32-1001, *Operations Management*, paragraph 13., and not to UPFIP.

19.6. Flying Clothing. The flying member's unit of assignment is responsible to pay for required military flying clothing, to include desert (tan) flight suits for AMC aircrews deployed to Southwest Asia. Units may use the GPC to procure desert flight suits. Suggested sources are National Industries for the Blind (NIB)/National Industries for the Severely Handicapped (NISH)-operated Individual Equipment Elements in Supply, DLA's ASCOT system, or direct vendor. For direct vendor purchases, cardholders must ensure that the vendor meets all requirements outlined in AFI 36-2903. Unit funds may also pay for the sewing on of Velcro strips, patches, etc. of the flight suits. For TDY incident to formal retraining with a follow-on PCS assignment, the losing organization of assignment should provide the required funding for any applicable flying clothing required upon arrival for training.

19.7. Refueling of Transient Air Force Vehicles. The host base providing refueling support funds for fuel issued to Air Force owned and operated transient vehicles (AFI 65 601, Volume 1, chapter 7, paragraph 7.8.5.). This Air Force policy does not apply to ANG, AFRC, or non-Air Force vehicles. These activities should continue to fund their refueling requirements. Use RC/CC XX6641, PE 41896, and EEIC 641, to record issues that are the responsibility of the host base.

19.8. Mobility Bags and Mobility Equipment.

19.8.1. O&M Funding Responsibility. Use RC/CC XX1207 to record all expenses (except Priority Improved Management Effort – Base Engineer Emergency Force (PRIME BEEF) and Priority Improved Management Effort – Readiness in Base Services (PRIME RIBS)) for (1) initial issues of host mobility bags and mobility equipment for O&M-funded units, (2) replacement issues of mobility bags (see paragraph for Chemical Warfare and Defense Equipment (CWDE) "C" bags) and equipment for O&M-funded units, and (3) obsolete items replaced by changes to the applicable Allowance Standard (considered initial issues).

19.8.2. Charge mobility bag expenses in support of PRIME BEEF directly to the BCE using PE 41879. Charge PRIME RIBS mobility bags to PE 41896.

19.8.3. TWCF Funding Responsibility. TWCF-funded units are responsible only for replacement issues for mobility bags and mobility equipment listed in an organization's Unit Tasking Code (UTC). Record costs to RC/CC XX1208 and the applicable PE, based on unit of assignment.

19.8.4. Assign and include in the LG PFMR all ORG codes using RC/CCs XX1207 and XX1208, one for O&M and one for TWCF.

19.8.5. Charge security police Air Base Ground Defense (ABGD) team requirements to RC/CC XX4390, PE 27588, and functional category 08.

19.8.6. Funding for tenant A and B mobility bag requirements and replacement items is the responsibility of the tenant in accordance with AFI 65-601, Volume 1, chapter 7, paragraph 7.5.3.

19.8.7. First Aid Kits in Mobility Bags. In accordance with Technical Order (TO) 00-35A-39, the using organization will fund the initial issue of first aid kits for mobility bags on a reimbursable basis from the local medical supply account. Once they are initially issued, the replacement/resupply of

shelf life assets in these kits are the funding responsibility of the medical logistics function of the local MTF.

19.9. Chemical Warfare Defense Equipment (CWDE) Funding Policy.

19.9.1. Use normal host-tenant funding procedures for CWDE per AFI 65-601, Volume 1, chapter 7, figure 7.1, item #9.

19.9.2. HQ AMC/A7XR administers the funds for Air Force budgeted initial and replacement requirements of CWDE.

19.9.3. Charge "C" bag mobility requirements to O&M funds, RC/CC XX1312.

19.9.4. The host will continue to fund for tenant CWDE requirements.

19.9.5. Supply SMAG obligation authority must be available for requisitioning action. HQ AMC/A7OX/A7 projects annual supply SMAG obligation authority during the SMAG budget calls (Apr-May timeframe) each year to AMCRSS.

19.10. Time Compliance Technical Order (TCTO) Kits. The TWCF does not pay for TCTO kits because they are a modification of existing capital equipment. DoDI 5000.2, AF Supplement 1, *Acquisition Management Policies and Procedures*, table 2., differentiates among the modification classes. Normally, the command that approves the modification also provides the funding (i.e., approval and funding for Classes I V rests with HQ AFMC). Funding takes the form of a kit that contains the necessary material to complete the TCTO. In certain instances, the affected command may agree to accept a non-kitted TCTO; thereby, relieving HQ AFMC of their funding responsibility. This should be an exception to the rule. The initiating MAJCOM would approve and fund the Class I modification. Consult implementation instructions of each modification for appropriate modification class.

19.11. Snacks and Beverages on TWCF Aircraft. See AMCI 65-602, chapter 6, paragraph 6.3.1.4.6.

19.12. Contractor Operated Stores. Contractor-Operated Civil Engineering Supply Store (COCESS) and Contractor-Operated Parts Store (COPARS) operations exist in AMC. It is imperative that all personnel involved in administering these programs be intimately familiar with the "do's and don'ts." The Air Force delegated authority to the MAJCOMs to waive AFI 65-601, Volume 1, chapter 18, when terminating existing COPARS and COCESS contracts and negotiating new contracts. Address requests for waiver authority to HQ AMC/A87, 402 Scott Drive, Unit 1K1, Scott AFB IL 62225-5311.

19.13. Funding for Clothing and Tool Requirements Associated with Able Chief Participants. Funding responsibility for authorized clothing and tools required by Able Chief trainees rests with the maintenance squadron conducting the training.

19.14. Procurement of Permanently Installed Carpets and Wall-to-Wall Carpet Tile.

19.14.1. For AMC facilities and projects where the BCE is the approving authority, the responsibility for budgeting and funding rests with the BCE.

19.14.2. Use PE 41879 to record the cost of cleaning carpeted areas by service contract, not included in the basic Base Custodial Contract, using EEIC 53350. This applies to all facilities on AMC bases

except for DHP, AAFES, and TWCF facilities. See **Chapter 14**, paragraph **14.4.3.** of this instruction for further discussion on funding for carpet installation in TWCF facilities.

19.14.3. If the purchase of the carpet and installation is accomplished as part of a contract in a newly constructed facility or in conjunction with a restoration and modernization project, record the charge in RPMC, EEIC 529, and PE 41976. Classify all other carpet replacement and installation by contract as sustainment-maintenance and record costs in EEIC 521, PE 41978.

19.15. Memo Due-Outs for Equipment Authorization Inventory Data (EAID) Authorizations. You should establish memo due-outs in the supply system for all EAID authorizations projecting a need. This method of establishing requirements provides each custodian with the necessary management products to forecast budget requirements. It further serves to identify those shortages where excess in use assets are transferable through functional equipment transfer (FET) procedures and negate the need for customer funds. The possibility exists (historically, at the close of the fiscal year) that customers may have available funds and supply may not have corresponding SMAG obligation authority. When this occurs, LRS may process the customer requests as memo-obligated due-outs to prevent the loss of customer funds. LRS will delay requisitioning until SMAG obligation authority becomes available. If sufficient SMAG obligation authority is not available to cover all memo-obligated due-outs, use the base FWG and FMB as the forum to develop a priority list of requirements to assist in the allocation of available SMAG obligation authority to meet the highest priority needs. As a minimum, invite all major customers of the General Support Division (GSD) not represented on the base FWG (organizations, tenants, etc., where the base FMB does not administer or supervise the funding) to assist in the establishment of the priority list of requirements.

19.16. Capital Investment Equipment. Included in this category are Base Procured Investment Equipment (BPIE), Communications, ADPE, and software development $250,000 or greater, except for TWCF Capital, which is $100,000 or greater.

19.16.1. The total cost of a system (i.e., software installation, TDY, supplies, equipment, etc.) determines the appropriate threshold for Communications, ADPE, and software development costs. If the total cost is $250,000 (or $100,000 for TWCF – FC 68) or greater, fund the requirement with 3080 Investment funds/TWCF Capital funds, as appropriate. Charge the cost for each piece of the system against the project to which they pertain. For example, Wing X is purchasing a piece of Capital ADPE equipment that requires testing prior to acceptance. To accomplish the test, an individual must go TDY. Charge the TDY costs to the applicable Capital budget (TWCF or 3080) and EEIC 409.

19.16.2. Due to the limited funding that is received each year, you should constantly monitor your Capital program to ensure consideration of only the highest priorities.

19.16.3. Use the following procedures for budgeting and funding of Capital equipment:

19.16.3.1. The base FMA office, with the assistance of the LRS Funds Management personnel, develops installation requirements, including those of assigned tenants, and those identified for support to maintain Capital equipment.

19.16.3.2. Under a WCF concept, an EA, cost comparison, or certificate in lieu of an EA must accompany requests for funding. For AMC, the FMA office presents the validated TWCF Capital requirements to the FWG and FMB. These committees prioritize the requirements and the FMA office forwards them to HQ AMC/A87/A88 in the prescribed format for review. Funding determi-

nation is based on command fund availability after the requirements are prioritized in the BER process.

19.16.3.3. HQ AMC/A88 issues TWCF Capital and 3080 Investment funding documents to the respective bases. Report any unpurchased items for which you received funding in your FMB minutes.

19.16.4. Standard Warranties on Procurement-Funded Items. Standard warranties for items or software development purchased with procurement (3080-type) funds under the terms of the contract constitute a bona fide need of the procurement and are paid from the same procurement funds that sourced the item. This is not applicable to extended warranties after the original warranties have expired; these circumstances are considered options to the standard warranty and are purchased with O&M-type funds in the option year.

19.16.5. See AFI 65-601, Volume 1, chapter 8, paragraph 8.16. for BPIE Investment funding guidance and AFI 65-601, Volume 1, chapter 18, paragraph 18.5.1. for TWCF Capital funding guidance.

19.17. Centrally Managed and Procured Equipment Items. The following is HQ USAF/ILG policy regarding centrally managed (3010 and 3080 procurement appropriations) equipment items, as described in AFI 65-601, Volume 1, chapter 8, paragraph 8.16.3.

19.17.1. The *GAO: Principles of Federal Appropriations Law, Volume I*, chapter 2, directs that once an agency has determined which appropriation to use to fund particular goods and services, "the continued use of the appropriation selected to the exclusion of any other for the same purpose is required, in the absence of changes in the Appropriation Acts." The Air Force budgets for centrally managed items and Congress issues funding in the procurement appropriations. Whenever local units receive authorization to locally procure most of these items with item manager approval, use 3080 Investment funds, not unit O&M 3400 or TWCF funds.

19.17.2. Current appropriation law is the basis for procurement (3080) funding of centrally managed and procured supply and equipment items. AFMC item managers need to be made aware of any equipment shortage and their mission impact to enable them to more efficiently prioritize Air Force requirements and make the proper adjustments to the requirements computation system. Unit workarounds circumvent this critical process as well as the congressional appropriation mandate. If an organization deems a particular centrally managed and procured equipment item to be inappropriately coded, they may request corrective action through the AF Form 86, **Request for Cataloging Data/ Action** process, as detailed in AFMAN 23-110, Volume I, Part 1, chapter 7.

19.18. Entertainment, Recreational, and Food Serving Supplies.

19.18.1. Per AFI 65-601, Volume 1, chapter 4, paragraph 4.28., do not use APF to entertain government employees or any other persons, except in cases specifically authorized by law. Entertainment is defined as food, drink, live and recorded music, theatrical performances, and any other item or activity designed to entertain. Included in the prohibition are items used to prepare, serve, or present entertainment (such as food or drink, serving materials/equipment, loudspeakers, video recorders, etc.).

19.18.2. Do not consider the following items as entertainment:

19.18.2.1. Food and drink provided to military personnel as Subsistence-in-Kind (SIK).

19.18.2.2. Reimbursable subsistence expenses (per diem) for persons in official travel status.

19.18.2.3. Official representation requirements, as authorized by AFI 65-603.

19.18.2.4. Samples of ethnic foods used in authorized ethnic awareness programs (see AFI 65-601, Volume 1, chapter 4, paragraph 4.28.1.4.).

19.18.2.5. Light refreshments at awards ceremonies (reference AFI 65-601, Volume 1, chapter 4, paragraph 4.31.

19.18.2.6. Military service bands, chorale groups and other groups that normally perform at base theaters or service clubs for the entertainment of base personnel.

19.18.2.7. Programmed "incentive music" designed to enhance morale by creating a pleasantly stimulating and efficient atmosphere during the workday.

19.18.2.8. Snacks and beverages for passengers on TWCF organic aircraft, as per AMCI 65-602, chapter 6, paragraph 6.3.1.4.6. Also, see paragraph **19.11.** above.

19.18.2.9. Light refreshments at conferences. See **Chapter 18**, paragraph **18.14.4.**, of this publication.

19.18.2.10. Food preparation and serving items (e.g., coffee pots, glassware, cups and saucers, paper plates/containers/napkins, flatware or plastic eating utensils, and other serving items) for organizations that operate a conference center within their facility. Reference AFI 65-601, Volume 1, chapter 4, paragraph 4.42.1.1.1.

19.18.2.11. Food and food serving supplies for the Drug Education for Youth (DEFY) program, as authorized by the Assistant Secretary of the Air Force, in a memorandum released by AFMOA/SGOC, 26 May 00.

19.18.3. In addition to the prohibitions listed in paragraph **19.18.1.** above, do not use APF for the following per AFI 65-601, Volume 1, chapter 4, paragraph 4.28.2:

19.18.3.1. Dance or combo created by members of military bands whose services are "hired" by base open messes or service clubs for the purpose of entertaining members of these organizations.

19.18.3.2. Fireworks displays.

19.18.3.3. Food preparation and serving items for normal headquarters, wing, group, or organizational conference rooms or any other typical office environment (regardless of the personnel occupying it) that are primarily used for local meetings and other normal day-to-day uses (AFI 65-601, Volume 1, chapter 4, paragraph 4.42.1.1.1.). This includes those command and protocol offices that frequently host DVs. See paragraph **19.18.2.10.** above for exception.

19.19. Break Area Furnishings. Consult AFI 65-601, Volume 1, chapter 4, paragraph 4.40., and AMCS1 to AFI 65-601, Volume 1, paragraph 4.40.1. and 4.40.7. for funding guidance concerning break area furnishings in the workplace.

19.20. Exchange and Trade-In of Items. Many commercial vendors allow a trade-in credit on an item when buying a replacement item. Air Force activities should take advantage of these exchanges when they benefit the United States government. Generally this is reimbursable, whenever the trade-in allowance is greater than the anticipated sales proceeds of the Defense Reutilization and Marketing Office (DRMO). See AFMAM 23-110, Volume II, Part 13, chapter 8, section 8HI, for applicable conditions and restrictions.

19.21. Use of DHP Funds to Purchase Food Items for Health Promotion Functions. You may purchase food items through the base Defense Commissary Agency (DECA) with Defense Health Program funds. Charge these purchases to EEIC 607 (Commissary support) under RC/CC XX5723.

19.22. Depot Level Reparables (DLRs).

19.22.1. The DLR structure is much more complex than the pricing structures of the other flying hour commodities (i.e., GSD, aviation fuel (AVPOL)). As expected, the most complex component to the flying hour program has the biggest impact. The time cycle of DLR items can play havoc with a wing's operating budget. To effectively analyze DLR costs, it is necessary to understand how the pricing system works, along with the definitions of the following DLR terminology

19.22.1.1. Latest Acquisition Cost (LAC). The price charged the last time the DLR was brought into inventory.

19.22.1.2. Standard Price. The price charged for any initial issue DLR item. Represents the LAC and LAC business overhead cost recovery.

19.22.1.3. Mark-Up Price. The price charged to the customer if the customer does not return a serviceable item to supply within 60 days. Represents the standard price minus the exchange price.

19.22.1.4. Exchange Price. The price charged when a unit receives a serviceable DLR item from supply. This is the price you will encounter most often with DLR items. Determine the price by subtracting the mark-up price from the standard price. In essence, it is the average DLR repair cost plus material cost recovery and business overhead cost recovery.

19.22.1.5. Recovery Costs. This represents additive costs associated with acquisition and SMAG operations. This includes transportation, inventory loss, inventory maintenance, inventory control point operations, condemnation, price stabilization, and depreciation.

19.22.2. DLR Time Cycle.

19.22.2.1. The key to which of the above charges are applicable depends upon a unit's ability to repair an item and expedient return (repaired or not) to the supply system. The DLR time cycle benchmark is 60 "non-awaiting parts (AWP)" days. If work stops on a DLR because the working unit is waiting on parts, the DLR time cycle clock stops and does not count toward the 60 day time period. The best way to explain the impact of the time cycle is by going through a series of examples.

19.22.2.2. In the following example, the DLR's LAC is $900K, the surcharge cost is $100K, the standard price is $1M, the average repair cost is $50K, the exchange price is $150K, and the mark-up price is $850K. A maintenance unit determines that a particular aircraft DLR item "A1" is slightly damaged and in need of repair. The unit requests DLR item "A2" to replace "A1" on the aircraft. LRS issues the replacement DLR item "A2" at the exchange price ($150K).

DLR Example	End Result
Scenario #1	
The unit is able to fix and returns "A1" to supply as a serviceable DLR item within 60 days.	Supply credits the unit with the exchange price ($150K – "A2"), resulting in no cost to the unit except for the interim cash flow cost.
Scenario #2	
The unit is unable to fix "A1" and returns it to supply as an unserviceable DLR item within 60 days.	Supply makes no monetary adjustment. This is a non-credit turn-in. The result is the unit is left with the exchange cost ($150K – "A2").
Scenario #3	
60 non-AWP days go by and the unit has taken no action with supply with regard to "A1" disposition.	Supply charges the unit the mark-up price ($850K). The result is the unit has been charged the standard price ($1M less mark-up plus the $150K exchange price).
Scenario #4	
The unit takes over 60 days, but finally fixes "A1" and returns it to supply.	Supply credits with the standard price. The result is no cost to the unit except for carrying the cash flow burden of the standard price ($1M).
Scenario #5	
The unit takes over 60 days, and finally admits that "A1" cannot be fixed.	Supply credits the unit with the mark-up price ($850K). The result is the unit is left with the exchange cost ($150K standard price less mark-up price) as well as carrying the cash flow burden of the standard price ($1M) over the duration.

19.22.2.3. The above examples make reference to the cash flowing of costs. In flying hour terms this is called the "DLR float." Resource advisors and analysts who work with DLRs need to become very familiar with the DLR float and devise ways to minimize its impact on a wing's operating budget.

19.22.3. It is important to fully understand the unique factors that impact DLR costs. Unlike AVPOL, DLRs are less directly related to actual hours flown. Informal studies have shown that planes parked for long periods of time tend to consume DLR items, while aviation fuel (EEIC 699) is consumed only when the aircraft are actually flying. For this reason, it is extremely important for the Wing FMA, DO, LG, and flight line or backshop functional experts to work in concert when analyzing DLR costs.

19.22.4. There are two Air Force EEICs assigned to the DLR program based on the one-digit type organization code on the OCCR. EEIC 644 (flying) is assigned to those transactions for OCCRs with

a numeric type organization code and EEIC 645 (non-flying) for OCCRs with alpha or blank type organization codes. The RA has numerous products to assist them in tracking DLRs (i.e., D04, M03, and the Reparable Support Division (RSD) summary report (D26)). A clear understanding of the DLR process is crucial to successful financial management of XD1 and XD2 items.

19.22.5. Availability of DLRs during the execution year is dependent on the accuracy of transaction processing and accuracy of the OCCR. The Spares Requirement Review Board (SRRB) process determines yearly projections for SMAG MSD requirements, in part, on transaction processing and accuracy of OCCRs loaded in the SBSS. The SRRB success is dependent on the active involvement of RAs and their understanding/monitoring of the effects of DLR transactions as well as ensuring accuracy of their OCCRs.

19.22.6. En Route Maintenance and DLRs. AMC en route units receive both TWCF and O&M funding to replace DLRs on AMC aircraft transiting the en route system. The en route maintenance units may be responsible for repairing aircraft belonging to other MAJCOMs (including the Reserves and ANG). However, AMC en route units should not pay for DLRs of other command's aircraft with AMC funds, even if the aircraft is flying a TWCF coded mission. When other commands fly TWCF missions, HQ AMC reimburses the augmenting command at a predetermined hourly rate, which includes a cost factor for DLR consumption. The augmenting (non-AMC) units must therefore take full funding responsibility for any required DLR assets pertaining to their aircraft. Transiting aircrews from other commands may need to contact their home station for an AF Form 616 to finance these requirements unless they bring one along in the event it is needed for this purpose. For AFRC aircraft transiting the en route system, a centralized account is established at AMCRSS for distribution of their AMC TWCF/O&M 3400 funds to en route locations. This streamlines the DLR reimbursement process for HQ AFRC by eliminating the use of AF Form 616 for en route DLR support.

19.23. Aviation Fuel (AVPOL) Decentralization.

19.23.1. The Air Force Chief of Staff's initiative to give wing commanders fiduciary control over their aviation fuel O&M, TWCF, or DHP dollars began 1 October 1993 (FY94). (***NOTE:*** DHP AVPOL converted to O&M in FY01.) AVPOL funding for O&M and TWCF carries a fence and an M40 and T40 limitation respectively, as does all other flying hour-funded EEICs (60902, 644). The Air Force approved flying hour program determines applicable funding along with the individual wing consumption rates, and the average cost per gallon of fuel. Under flying your programmed hours does not equate to a savings. HQ AMC/A88 will withdraw AVPOL funding for under flown hours. The wing/group FMA office must closely monitor actual consumption and expenditures to ensure over obligations do not occur. A monthly AVPOL report is due to HQ AMC/A88 not later than the 15th calendar day of each month. ***NOTE:*** if the 15th calendar day falls on a weekend or holiday, the report is due the following business day. See AMCI 65-601, *AMC Budget Management for Operations*, attachment 4., for the applicable format or use Microsoft ACCESS electronically generated report format developed by the Wing Refueling Document Control Officer (applicable to Charleston and Dover AFBs only).

19.23.2. In FY01, the Defense Energy Support Center (DESC) capitalized all AVPOL and fuel processing at Air Force Locations. In addition, DESC continues to capitalize AVPOL and fuel processing at other DoD installations. DESC is also responsible for processing of AVCARD, Into-Plane Contract, and AF Form 315, **United States Air Force AVFUELS Invoice**, commercial purchases. When DESC capitalized Air Force AVPOL processing, there was a requirement to change the AF Form 1896 (fuel

identiplate) on all AMC aircraft, so obligations and bills could be routed directly to the servicing DFAS field site and paid directly by the owning wing. The identiplate now contains the customer identification code (CIC) (AMC), the organization code for the applicable owning wing, the tail number of the aircraft, the host or primary Department of Defense Activity Address Code (DoDAAC) of the base where the aircraft is assigned, the applicable Fund Code (30 or 68), and a Signal Code of "A". The only exception in AMC are the C-21 aircraft assigned to the 375th Airlift Wing at their geographically separated units at Peterson, Offutt, Randolph, Andrews, Langley, Maxwell, and Wright-Patterson AFBs. For these locations, the identiplate also contains a supplemental DoDAAC of "FP4407" (Scott AFB) with a signal code "B", which allows obligation and billing to process at DFAS-OM (Omaha), the DFAS service provider for Scott AFB.

19.23.2.1. In conjunction with capitalization of fuel processing, DESC developed a Fuels Automated System (FAS) for the processing of fuels transactions and the FAS Enterprise Server (FES) web site for AVPOL management. All Air Force locations and some DoD locations process transactions through FAS into FES. DESC personnel process AVCARD and AF Form 315 transactions into FES. When a fuel transaction is processed into FES, an individual or summary record is created. ***NOTE:*** A summary obligation consists of multiple fuel transactions input on the same day for the same organization/aircraft combination. An obligation file is created at the end of every business day and forwarded to the applicable DFAS field site for posting of an AEU under a specific FES document number. The document number is comprised of the aircraft's assigned host DoDAAC, the Julian date of the fuel transaction, the alphabetic letters "FF", and a system-assigned alpha/numeric combination (e.g., FP44252035FF01). The FES has reduced the requirement to establish a MORD to cover *a portion of* actual and estimated AVPOL costs. Around the 27th of each month, DESC creates a bill containing the document number and other applicable information for the obligation created during the month and sends to the DFAS field site servicing the wing/base. When the bill processes, the obligation moves from the AEU stage of accounting to AEP.

19.23.2.2. Currently, some DoD locations and all Into-Plane Contract fuel transactions are not processed into FES. These fuel transactions are input directly into the DESC fuels billing system and no prior obligation is created for these transactions. Monthly, the wing-servicing DFAS field site receives these bills and cannot process them because there is no obligation in the accounting system to match against the document numbers. These are known as "non-hub" bills. A MORD is required to cover non-hub bills and should be established in the UOO stage of accounting for all fund codes. The non-hub bills require manual intervention between the DFAS field site and base-level FMA/WRDCO to determine the aircraft and MORD to charge. The document number is similar to the one described in paragraph **19.23.2.1.** above with the exception of the last four digits, which should represent the last four digits of the applicable aircraft. At the end of the fiscal year, all MORD balances in the UOO stage of accounting for TWCF aircraft should be moved over to AEU.

19.24. Individual Clothing. Per AFI 65-601, Volume 1, chapter 10, section 10I, use organizational O&M-type funds for the following individual clothing requirements:

19.24.1. Uniforms for the burial of deceased military personnel (except caps, shoes, or boots) if the uniform of the deceased is not presentable enough to warrant its use for this purpose.

19.24.2. Clothing sales issues authorized by a medical officer for the following conditions: (1) The replacement of uniforms destroyed to prevent the spread of disease and (2) during or immediately following medical care when the previously altered uniforms are unusable after treatment.

19.24.3. Personal clothing items for confined military personnel either discharged, or whom have discharges suspended or revoked and are in a non-pay and allowance status. The individual's unit commander is the approval authority.

19.24.4. Enlisted grade insignia for free issue to newly promoted enlisted military personnel. Do not authorize the purchase of officer insignia.

19.24.5. Enlisted grade insignia and accouterments for the Battle Dress Uniform (BDU) upon promotion and when enlisted personnel replace an unserviceable BDU, including the costs of sewing them on the uniform. ***NOTE:*** Whenever purchasing authorized uniforms with unit funds, (from an Allowance Standard), you may use the same unit funds to sew on any necessary accouterments and grade insignia.

19.24.6. Distinctive Uniforms and Functional Clothing. Installation commanders *may* approve unit funding for these items as organizational clothing if the function of the unit require the mandatory wear of these items (basically outergarments only) to perform their official Air Force duties. See AFI 36-2903 for authorized distinctive uniform and functional clothing items. ***NOTE:*** The purchase of organizational clothing is optional, at the discretion of the commander.

19.24.7. Unauthorized Use of Unit Funds for Clothing Items. See AMCS1 to AFI 65-601, Volume 1, paragraph 4.72. (et seq.).

19.24.8. Introduction of New Clothing Items. Organizations that originate new clothing and textile requirements (i.e., initial introductions, change in use, or use by a new Military Service) must provide the initial funding. Military Departments with new clothing requirements must provide a funded order to the Defense Logistics Agency (DLA) to cover acquisition costs to achieve a balanced procurement cycle quantity of the item. Charge new clothing bag items to the Military Personnel appropriation.

19.24.9. Miscellaneous Clothing Sales. These are issues of clothing from the Clothing Sales Store not otherwise categorized. (See AFMAN 23-110, Volume I, Part 3, *Air Force Stock Fund and DPSC Assigned Item Procedures (PA),* chapter 2.) Use unit funds for these purchases.

19.24.10. Athletic Clothing for Mandated Physical Training Programs. Do not use unit funds to purchase athletic clothing for any mandated physical training program unless it is specifically authorized in Allowance Standard 016. Athletic clothing is included as part of the initial clothing bag provided to new recruits at basic training. Any replacement of this athletic clothing must be purchased with personal funds. HQ USAF/ILSP has deleted the requirement in Allowance Standard 016 for athletic clothing incident to a mandated 3 days per week minimum physical training program.

19.24.11. Civilian Uniforms. Consult AMCS1 to AFI 65-601, Volume 1, paragraph 10.56., for funding guidance regarding civilian uniforms and clothing. See also chapter 1, paragraph 1.1.2. and chapter 6 of AFI 36-801, *Uniforms for Civilian Employees*, for additional guidance. (***NOTE:*** HQ USAF/DP approved fitness center civilian staff uniforms in Feb 00 – this is not reflected in the current publication (29 Apr 94) of AFI 36-801.) For Foreign National civilian employees, if the AMC organizational commander determines specific uniforms are necessary for the Air Force mission and approves the purchase, unit O&M-type funds may be used (see DoD 1416.8-M, *DoD Manual for Foreign National Compenstaion*, appendix 2, paragraph AP2.1.1.3.8. and AFI 36-801, chapter 1).

19.24.12. Uniforms Issued as Individual Equipment. AFI 65-601, Volume 1, chapter 10, paragraph 10.55.7., allows for unit funds to pay for these uniforms (e.g., desert BDUs/flight suits and other TA 016 uniforms that are not considered regularly issued uniforms) as well as the cost of any rank insignia, accouterments, name tapes, as well as the sewing on of these items on the uniforms. See AMCI 10-403, *Air Mobility Command (AMC) Force Deployment*, for guidance on keeping non-returnable assets in serviceable condition for future use and the frequency allowed for the reissuing of desert BDU uniforms. ***NOTE:*** Do not use unit funds to pay for normal uniform requirements that are the responsibility of the military member (funded through the clothing allowance entitlement) unless specifically authorized in AFI 65-601, Volume 1, chapter 10, paragraph 10.55.

19.24.13. For desert BDU requirements of AFRC and ANG personnel (involuntarily mobilized or on MPA Man-days) assigned to unit-equipped AFRC/ANG organizations, who are performing AMC missions in Southwest Asia, HQ AMC/A88 will provide O&M 3400 funds through a centralized OAC/OBAN with ANG and AFRC. For Associate Reserve units at AMC bases, the active AMC unit will pay for the required desert BDU uniforms in performance of AMC missions. AMC units and HQ AFRC/ANG will use the appropriate contingency ESP code when recording these costs into the accounting system.

19.24.14. Clothing Requirements for Mobilized (Non-Volunteer Activation) AMC-Gained ANG/AFRC/IMA Personnel. Special uniform requirements (i.e., obtained from the Individual Equipment section of the LRS such as flight suits and desert BDUs) for activated mobilized ANG/AFRC/IMA personnel whose PDS is at an AMC location will be funded by the AMC active duty unit to whom they are accessed when directed by their commander or other competent authority (see AFI 65-601, Volume 1, chapter 10, paragraph 10.55.7.). This also includes any necessary rank insignia, name tapes, accouterments, and sewing of these items on the uniform. All other regularly issued uniform requirements (including exercise/PT clothing) are the responsibility of the ANG/AFRC/IMA member. See AMCI 10-403, for guidance on keeping non-returnable assets in serviceable condition for future use and the frequency allowed for the reissuing of desert BDU uniforms.

19.24.15. Nametags for the New Air Force Service Dress Jacket. Use APF for the initial purchase of one per each assigned enlisted member only. Officers are responsible to purchase their own nametags for this uniform.

19.25. Sporting Equipment and Uniforms.

19.25.1. AMC units may use APF to buy sporting equipment and uniforms for squadron intramural teams and base varsity teams. AFI 65-106, chapter 2, figure 2.1., classifies intramural sports as a NAF Class A activity and varsity sports (above the intramural level) as a NAF Class B activity, and qualifies for APF support. See **Chapter 23** of this publication for a further explanation of NAF Category A and B activities.

19.25.2. Per AFI 65-601, Volume 1, chapter 4, paragraph 4.51., and AFI 64-117, *Air Force Government-Wide Purchase Card Program*, chapter 2, paragraph 2.2.12., you may use the GPC to purchase gym equipment and intramural uniforms (O&M funds only). However, written approval must be granted from the local SVS/CC prior to the purchase. All other MWR expendable and non-stock listed (e.g., toys, games, baseballs, bats, basketballs, etc.) are still ordered and processed through the services squadron in accordance with AFI 65-106, chapter 10, paragraph 10.11., and AFI 65-601, Volume 1, chapter 18, paragraph 18.13.2.

19.25.3. Do not personalize sports equipment and uniforms purchased with APF. Individuals will not retain the uniforms or equipment after completion of the sporting events. These uniforms will be turned in to the appropriate organization after the last sporting event for reuse in future sporting events.

19.25.4. TWCF-funded organizations will not use TWCF funds to purchase sporting equipment and uniforms, in accordance with AMCI 65-602, chapter 6, paragraph 6.6.5.10.

19.25.5. The use of APF to purchase sports uniforms does not extend to military dependent or other privately-sponsored sports teams.

19.26. Unit Level Fitness Centers and Exercise Rooms. Use APF for these requirements, authorized only under certain conditions. Prior to establishing a unit mini-fitness center, consult AFMAN 34-137, *Air Force Fitness and Sports Operations*, as well as the preface to Allowance Standard 410. The requesting organizational commander is responsible for funding all purchases, maintaining accountability controls, ensuring equal access for all active duty personnel assigned to the organization, providing required maintenance of the equipment, and monitoring equipment safety, security, and sanitation. TWCF funds are not authorized for unit fitness centers/exercise rooms per AMCI 65-601, Volume 1, chapter 6, paragraph 6.6.5.10.

19.26.1. Group/Squadron Aerobics/Physical Fitness Instructor. See **Chapter 19**, paragraph **18.24.** of this publication.

19.27. Contact Lenses for Aircrew Members. See AMCS1 to AFI 65-601. Volume 1, paragraph 10.26.11., for applicable funding guidance.

19.28. Maintenance Support of AFRC or ANG Aircraft. See AMCS1 to AFI 65-601, Volume 1, paragraph 10.2.14. (et seq.) for funding guidance with regard to maintenance support of not mission capable (NMC) AFRC and ANG unit equipped C-5, C-141, C-130, C-17, KC-10, and KC-135 aircraft.

19.29. Chaplain Programs. See AFI 65-601, Volume 1, chapter 4, paragraph 4.32. for APF funding guidance relating to direct chaplain mission requirements and chaplain-led programs to assist Armed Forces members and families in building and maintaining a strong family structure (P.L., 107-248, Section 8116, General Provisions).

19.30. Immunizations, Inoculations, and Atropine Injectors. Fund these requirements as follows: (1) for PCS purposes, use DHP funds; (2) for deployments, use DHP funds if they occur on the installation (generally in the MTF) prior to deployment and use unit O&M or TWCF funds if they are issued to deploying personnel for future use; (3) for JCS Exercises, use unit O&M (PE 28011, RC/CC XX8200) or TWCF funds (PE 41122, RC/CC XX8200), as appropriate, regardless if they occur on the installation prior to deployment or for possible future use at the deployment site. Use the respective contingency/JCS ESP code to track costs for reimbursement. (See AFI 65-601, Volume 1, chapter 10, paragraph 7.8.5.3.)

19.31. Support of Temporary AMC Theater Oversight Organizations. See AMCS1 to AFI 65-601, Volume 1, paragraph 10.48.3., for funding guidance.

19.32. Real Property Installed Equipment (RPIE). See AFI 65-601, Volume 1 (24 Dec 02), chapter 8, paragraph 8.20. for funding guidance. However, effective FY04 (1 Oct 03) SAF/FMBM issued new fund-

ing guidance per message DTG 221830Z Aug 03, Subject: *Funding Real Property Installed Equipment (RPIE)* (AMCFSS/A88I Policy Message #74, 26 Aug 03) directed by OSD/GC, as described below. This policy will be incorporated into the next revision of AFI 65-601, Volume 1.

19.32.1. If the RPIE requires replacement and it is integral to the facility, and would have been funded by MILCON when the facility was originally constructed, use O&M 3400 funds (or TWCF Operating funds, for RPIE in assigned TWCF facilities) under 10 U.S.C., Section 2811. This is applicable whether the equipment is being replaced as part of a larger repair project or as a stand-alone replacement. Do not use 3080 Procurement funds for RPIE replacement.

19.32.2. For equipment initially funded with 3080 Procurement funds (e.g., production or moveable equipment (non-RPIE)), use 3080 funds for its replacement, taking into consideration the current expense/investment threshold.

19.32.3. RPIE installed in new construction projects will be funded from MILCON (3300) funds. RPIE installed in conjunction with an O&M/TWCF/Medical/MFH funded construction project will be funded as a part of the project using the applicable O&M/TWCF/Medical/MFH funds.

19.33. Funding for Deployed Support Equipment (SE). HQ AMC/A47/A88 message DTG 141005Z Jan 03, Subject: *Deployed Support Equipment Policy*, provides funding guidance for the replacement of deployed unit SE directed to be left at the deployed location upon redeployment back to home station. A copy of this guidance is available on the Budget Policy page of the AMC/A8 web at *https://www.amcfm.scott.af.mil/FM_BudgetPolicyNotices.cfm*. See also AMCS1 to AFI 65-601, Volume 1, chapter 4, paragraph 4.76 (et. seq.) concerning funding of SE replacement for redeploying TWCF organizations.

Chapter 20

OTHER MISCELLANEOUS ITEMS AND ISSUES

20.1. Subsistence-in Kind (SIK).

20.1.1. SIK (57*3500, Project 562) is a centrally managed specific allotment. The command or installation level does not budget for this program, although some accounting and reporting transpires at these levels.

20.1.2. Centralization does not relieve commands and bases from positive management of the SIK program to ensure you maintain the Meal Cost Allowance. Commands and bases have the responsibility to notify the central manager of any significant change in the absentee rate or number of personnel subsisted. The FSO should continue to emphasize accuracy and timeliness of SIK reports.

20.1.3. Collection of Subsistence from Air Force Members Treated in Civilian Hospitals and VA Facilities. In accordance with AFI 41-101, *Obtaining Civilian Medical and Dental Care*, paragraph 3.5.5.1, active duty Air Force members hospitalized in civilian medical facilities or VA facilities for inpatient care covered by a VA and DoD sharing agreement, should incur a daily medical care charge for subsistence for the period of hospitalization. Charge the member the daily rate prescribed for military MTFs.

20.1.4. Subsistence Payment During CONUS Field Training Exercises. DoDFMR 7000.14, Volume 7A, *Military Pay, Policy & Procedures, Active Duty and Reserve Pay*, chapter 25, outlines the rules for BAS entitlements during non-contingency operations. Do not provide military members on BAS free meals while deployed for non-contingency training purposes.

20.1.5. Meals Ready to Eat (MRE). These are funded from the SIK account (57*3500 Project 562). HQ AFSVA/SVOHF centrally manages all specialized rations and they must approve all requests for MREs and UGRs. Unique ordering procedures can be submitted via E-mail or visit their web page at *https://www-r.afsv.af.mil/fd/UGROrdering.htm*.

20.1.6. Positioning MREs on Aircraft for Emergency Purposes.

20.1.6.1. When MREs are required to be placed on AMC aircraft for emergency consumption (aircraft diverts to a location without access to subsistence) Food Service will transfer the MRE on an AF Form 1297, **Temporary Issue Receipt**. If the MREs are consumed on the aircraft, the passengers and aircrew will sign for them on an AF Form 79, **Head Count Report**, and pay the appropriate fee. The individual who signs the AF Form 1297 receiving the MREs from Food Services must inform the members that any MREs consumed are to be claimed as government-furnished meals on their travel voucher so their per diem entitlement can be reduced accordingly.

20.1.6.2. Upon return to home station or arrival at another Air Force base with a Food Service operation, the accountable individual will turn in the unused MREs, the AF Forms 79 and 1297, and the collected cash. The automated Food Service operation will receive all rations as a transfer-in and then enter the sales manually in their Inventory Control through Corporate Food Service (CFS).

20.1.6.3. MREs are not to be charged to organizational funds when issued for consumption or potential consumption. Since members who may receive MREs under the circumstances

described in paragraph **20.1.6.1.** above are in a TDY status, they will pay cash for the MREs or claim them on their travel voucher as a government-provided meal.

20.1.6.4. If box lunches/MREs are issued to members on the line, they must pay for them unless their travel orders state, "Meals provided at government expense." For members in "Group Travel Status – Enlisted Members", provide meals at government expense; for officers/civilians charge the "Discount Rate". The base FSO answers questions concerning members' entitlements; ensure that you coordinate with the FSO prior to issuing box lunches/MREs to members for deployment.

20.2. Emergency and Special Program (ESP), Responsibility Center/Cost Center (RC/CC) and Element of Expense/Investment Codes (EEIC). AMCFSS/A88I (Budget Policy and Procedures) is the OPR for maintaining and publishing the command-level ESP and EEIC coding packages. SAF/FMBMM is the OPR for the Air Force Joint Chiefs of Staff (JCS) and non-JCS ESP coding. AMC OBANs should only use the applicable codes contained in these authorized files, which are available on the HQ AMC/A8 web site located at paragraph **1.3.** of this publication. However, bases/funding points may establish local ESP codes (specifically reserved by AMCFSS/A88I for individual base's use) to track programs unique to their operations. Use five-digit EEICs, if applicable, for program as well as obligation/expense accounting data. Address any requests for changes to these codes to AMCFSS/A88I, 402 Scott Drive, Unit 1K1, Scott AFB IL 62225-5311.

20.2.1. Air Force Policy for Establishing/Releasing Air Force ESP Codes for Contingency Operations and Natural Disasters. The following SAF/FMB processes apply:

20.2.1.1. In the event AMC is tasked to support a major contingency or emergency that requires identifying and tracking costs, HQ AMC/A88 will immediately notify SAF/FMBOI by telephone or fax (use classified mode as necessary). The origin of the task, the DoD or JCS approved title (if available), and the purpose/definition of the Air Force mission involved. SAF/FMBOI will assess the circumstances and provide an ESP code as quickly as possible, if one is warranted. See AFI 65-601, Volume 1, chapter 4, paragraph 4.11.3.

20.2.1.2. When SAF/FMB, in coordination with the joint staff and the Air Force Crisis Action Team (CAT), receives deployment/evacuation orders for coordination the need for establishing an Air Force ESP code is assessed. If there exists a need to track Air Force costs, SAF/FMB will instruct SAF/FMBMM to establish a "draft" ESP code and will notify the MAJCOMs that are likely to be involved. The MAJCOMs will be asked to provide an appropriate cost estimate based on the force structure outlined in the deployment/execution order. If the order is officially released, the applicable MAJCOMs have the authority to use the "draft" ESP code prior to receiving an official notification update from SAF/FMBMM.

20.2.1.3. Under both procedures outlined above, SAF/FMBOI/FMBMM will determine if the Air Staff desires to track anticipated costs. This determination is based on compliance with Joint Staff/OSD reporting requirements and/or the number of MAJCOMs impacted by the contingency/emergency. In the event SAF/FMBMM elects not to issue an Air Force ESP code, HQ AMC/A88 has the option to establish a command ESP code to monitor cost execution within AMC.

20.2.2. AMC Reimbursable ESP Codes. The following AMC-issued long-term (more than one year) ESP codes are reimbursable (O&M 3400 funds only) based on obligations recorded in the accounting system until they are no longer required and rescinded by AMCFSS/A88I:

20.2.2.1. CK - for Outsourcing and Privatization Support Costs.

20.2.2.2. CP - (Charlie Papa) issued for Flight Mishap Investigations.

20.2.2.3. CQ - issued for On-Duty Ground Mishap Investigations.

20.2.2.4. CR - issued for Explosives Mishap Investigations.

20.2.2.5. DR - issued for Roller Derby (AMC KC-10, KC-135, and C-130 aircrews and required mission essential ground support personnel tasked to fly/support TWCF missions).

20.2.2.6. EH - issued for Air Mobility Rodeo.

20.2.2.7. HS - issued for Silver Flag Exercises (reimbursed by HQ AMC/A78 (CE requirements only)).

20.3. AMC Test and Evaluation (T&E) Program.

20.3.1. AMCI 99-101, *Test and Evaluation (T&E)*, and AFI 65-601, Volume 1, chapter 14 describe the T&E Program. The Directorate of Test and Evaluation (TE) is responsible for planning, programming, budgeting, and accounting for all AMC T&E resource requirements. AMC OBAN 65NH, RC/CC 100471, accounts for the daily operating costs of HQ AMC/TE and AMC OBAN 65NJ, RC/CC 100840, accounts for the actual test costs for tests authorized by HQ AMC/TE. AMC/TE costs are recorded and tracked through HQ AMC/TE-issued ESP codes assigned for each approved test. These ESP codes are included as part of all fund citations issued in support of AMC tests.

20.3.2. On a quarterly basis, HQ AMC/TE requests HQ AMC/A88 to transfer T&E funds to the AMC Test and Evaluation Squadron (AMC TES) to pay TDY costs for personnel to participate in AMC-approved tests and for other HQ AMC/TE-approved test costs. These funds are sent to McGuire AFB NJ, OBAN 65MG, RC/CC 103632. The host base budgets and funds for support costs and 3080 procurement costs for the AMC TES.

20.4. Management of Support Agreements.

20.4.1. Air Force entities negotiate support agreements with other Air Force entities (when crossing commands), as well as DoD, or non-DoD government agencies. DoDI 4000.19, AFI 65-601, Volume 1, chapter 7, AFPD 25-2, *Support Agreements*, and AFI 25-201, *Support Agreement Procedures*, all contain support agreement guidance. Coordinate all support agreements within the financial management and manpower activities, regardless if your unit is the host or tenant. While the installation supplier Support Agreement Manager (SAM) is the OPR for support agreements, the FM and the manpower office are integral parts of a successful agreements program. There are three primary types of support agreements common to all bases. They are:

20.4.1.1. Intraservice Agreements. These are agreements made between two Air Force units belonging to different MAJCOMs, also commonly referred to as Host-Tenant Support Agreements.

20.4.1.2. Interservice Agreements. These are agreements between the Air Force and another DoD component, e.g., the Army, Navy, or Marine Corps.

20.4.1.3. Intragovernmental Agreements. These are agreements between the Air Force and other federal agencies, e.g., Defense Intelligence Agency, Federal Aviation Administration, Federal Bureau of Investigation, etc.

20.4.2. Although the agreements listed above are similar in nature, the rules governing what types of support are reimbursable varies. As an example, under intraservice support agreements, there are very few services an Air Force host wing provides to another Air Force tenant unit that are reimbursable. Most services are considered common support, defined as routine services normally furnished by the host wing to its own assigned units. Air Force tenants do not reimburse for common support on Air Force installations because the host annually budgets and receives funding for these services.

20.4.3. AFI 65-601, Volume 1, chapter 7, figure 7.1., indicates the standard elements for the types of services that are covered in Air Force host/tenant support agreements. Support requirements not covered in figure 7.1. should be addressed in the support agreement on a case-by-case basis and negotiated between the host and tenant. See chapter 7, paragraph 7.8. of AFI 65-601, Volume 1 regarding the listed exceptions for Air Force host base support tenants. Some of those listed Air Force tenants offer diverse services to the host base and you must determine the tenant services that are reimbursable by the host base. If the host base supports a tenant from another command and the tenant command has a unique requirement, then the tenant command must negotiate with the command that provides the special support.

20.4.4. There are some costs that are reimbursable between Air Force units. As a general rule, an Air Force tenant reimburses the host for support services received that are above and beyond what host routinely provides to its own units. This includes expenses incurred to meet a tenant's unique requirements, e.g., tenant uses specialized equipment to meet its mission requirements and the host incurs additional costs to maintain the tenant's equipment. The determination whether the tenant's services are unique and reimbursable depends on if they exceed what the host provides to its units.

20.4.5. For interservice and intragovernmental agreements, the host wing is not funded to pay for much of the common support provided to non-Air Force tenants. These types of tenants are funded directly by their respective parent command for support provided by the host that is shown in DoDI 4000.19, Enclosure 6. Consequently, other DoD components and federal agencies are required to reimburse the host for their fair share of the costs incurred by the host to provide certain services.

20.4.6. The FMAs at the AMC wings are responsible for the overall coordination of support agreements within the comptroller office. They accomplish the appropriate costing and budgeting activities and assemble the FM's input to the agreement. Additionally, they ensure the accomplishment of all required support agreement financial actions, review support agreements to validate financial information, develop appropriate unit cost factors, advise activities on support agreement financial matters, and act on behalf of the comptroller to determine funding responsibilities identified in support agreements. See AFI 25-201, paragraphs 2.6. and 5.4. for FM responsibilities, to include the annual budget review requirement for support agreements. For additional FM guidance on performing annual support agreement budget reviews, see SAF/FM memorandum dated 5 Jan 04, Subject: *Annual Budget Review for Support Agreements,* available on the AMC/A8 web at *https://www.amcfm.scott.af.mil/FM_BudgetPolicyNotices.cfm*. This guidance is extremely important to all FMA organizations. We need to ensure that we are properly identifying those items of support for which we are entitled to receive reimbursement, estimate its fair value, and collect what is due us.

20.4.7. The FMA office, along with the FSO, works with the supporting DFAS field site (DFAS-OM for AMC bases) to ensure provision for the appropriate accounting services, to include actual billings for the support services.

20.4.8. The following is additional Air Force guidance regarding Air Force host/tenant funding responsibilities, when the tenant is not a host-support tenant:

20.4.8.1. A-E Design Services. These services are common support functions and the host is responsible for budgeting and funding support functions common to all tenant organizations to the extent the tenant is not self-supporting. The only exceptions to this general rule are contract services for off-base tenants, when the host does not have the organic capability to provide the support and the design of R&M projects for allied support (AFI 65-601, Volume 1, chapter 7, paragraph 7.6.10.).

20.4.8.2. Contractor Installation of BPIE. The host's 3080 appropriation funds the installation costs of investment items when installation is a part of the list price of the equipment or covered under warranty provisions. Otherwise, the organization responsible for funding the associated repair or construction project or contract service funds for the equipment installation.

20.4.9. Role of FMA. One of the FMA's most important roles in the support agreement process is validating the costs and the methodology used to estimate reimbursable support. As costing experts, the FMA office must *ensure the capture of all reimbursable costs* are accounted for in each support agreement. Although the unit support agreement monitors should identify and estimate reimbursable costs associated with their work centers, the FMA office must ensure these individuals possess the necessary skills to carry out their costing responsibilities. The Logistics Plans office, with the help of FMA, must ensure that unit support agreement monitors are completely familiar with support agreement processing and are able to efficiently fulfill their duties. To accomplish this, we recommend you conduct co-sponsored training sessions at least once a quarter. Training should cover at a minimum incremental costing, acceptable cost techniques, and the billing and reimbursement process. Also, work closely with all functional areas when formulating and revising support agreements. Identify the support being provided and determine if it is reimbursable or non-reimbursable. Keep in mind, the agreement itself is not an obligating document. To ensure fund availability, use a DD Form 448, **Military Interdepartmental Purchase Request (MIPR)** or other valid appropriate document to convey the required funding for the requested support.

20.4.9.1. For interservice and intragovernmental agreements, all areas of support are subject to reimbursement; however, there must be some basis to identify support provided before actual reimbursement can take place. This should be identified during the negotiation stage. In accordance with DoDI 4000.19, change only the "direct incremental cost" for support provided to an interservice tenant. This means that you need to show that your actual direct cost has or will increase due to the support provided to the tenant organization. There are no longer any "mandatory" categories of support prorated to all tenants. Any and all support is open to reimbursement, provided you can show (measurable and identifiable) that it actually increases your direct cost. The host and tenant must agree, through negotiation, to the total reimbursable amount.

20.4.9.2. New agreements for interservice or intragovernmental tenant relationships, where you have never provided/received support, make every effort to identify total cost, based on DoDI 4000.19. If the agreement is not new, revalidate the reimbursable costs using revised cost estimate calculations. You should annually review and revise these cost estimates to reflect the total cost of your reimbursement program for the coming year. Develop firm cost rates for the year with changes incorporated in next year's cost review cycle.

20.4.9.3. Per AFI 25-201, chapter 3, paragraph 3.2.1., circumstances involving infrequent or small scale recurring support usually do not require a formal support agreement and the process may be waived by the installation commander if the administrative costs of preparing one do not justify it. An MOA or MOU, as appropriate, should be accomplished. For small scale recurring support, the installation support agreement manager should maintain a written record of details for continuity purposes. See attachment 1 of AFI 25-201 for a definition of a MOA/MOU.

20.4.9.4. Support of Unified Joint Combatant Commands Residing on AMC Bases. See AMCS1 to AFI 65-601, Volume 1, paragraph 7.1.1. (et seq.) for applicable funding guidance.

20.4.9.5. Budget Lead-Time Away. Per AFI 65-601, Volume 1, chapter 7, paragraph 7.7., Air Force tenants on Air Force host installations are responsible for advising the host of its requirements (for which the host is responsible to provide) in sufficient time to allow consideration during host's budget formulation. When the host is not afforded budget lead-time, the tenant should not demand funding from the host. If funds are not available, the host is responsible for submitting any unfunded requirements to its higher headquarters for funding consideration. However, the tenant command may elect to fund the requirement, in order to expedite the process.

20.4.10. Support of Federal Border Clearance Agencies. These agencies (to include United States Customs Service, Department of Agriculture) are authorized to receive support without charge at AMC bases that have official aerial ports of entry. This policy is consistent with DoDI 5030.49, *DoD Customs Inspection Program*, and the Army's implementing regulation as the executive agent for DoD. See AFI 65-601, Volume 1, chapter 7, paragraph 7.23.4. and DoDFMR 7000.14, Volume 10, chapter 12, paragraph 120201.

20.4.11. Support for Air Force Satellite Tenants. See AFI 65-601, Volume 1, chapter 7, paragraph 7.8.1.1. for host funding responsibility. Figure 7.1. of AFI 65-601, Volume 1 does not apply.

20.4.12. Support for Civilian Post Offices on Air Force Bases. AMC bases will provide facilities for civilian post offices on its installation that is solely in support of the unit's (host wing) mission. The post office will only reimburse AMC host installations for utilities and local telephone services. See AFI 25-201, attachment 6, paragraph A6.4.

20.4.13. Support for Community/Regulated Service Organizations on Air Force Bases. These organizations (e.g., Boy/Girl Scouts, Civil Air Patrol, American Red Cross,) are not charged for support services provided by the host installation. Regulated Service Organizations (e.g., banks and credit unions) are charged for base support services in accordance with existing regulations or contracts. Support agreements are not required for Regulated Service Organizations. See AFI 25-201, Attachment 6, paragraph A6.1.

20.4.14. Official Mail/Postage.

20.4.14.1. AFI 65-601, Volume 1, chapter 7, paragraph 7.8.10. provides guidance on paying for official mail, as follows:

20.4.14.1.1. All organizations on an Air Force installation (host or tenant) will pay for their postage costs.

20.4.14.1.2. The host base has the option to establish a limit below which it is not cost effective to recoup reimbursement for postage fees.

20.4.14.2. Do not use APF to mail care or morale packages to deployed individuals or units. DoD 4525.8-M, *DoD Official Mail Manual*, chapter 1, paragraph C1.4.9., prohibits APF to pay for these requirements. Additionally, paragraph C1.4.19. prohibits mailing matter donated by individuals for donation to other individuals or charitable organizations, using APF. ***NOTE:*** Use of a unit address as the return address does not legitimize the mailing of personal matter, to include care/morale packages and material donated to charitable organizations or individuals. Units should not attempt to circumvent this policy by including personal items that are not exclusively the business of the U.S. Government in official mail addressed to units.

20.4.15. Strategic/Non-Strategic MOAs for Goods and Services provided by the Wing Services Organization. See **Chapter 23**, paragraph **23.7.** of this publication.

20.5. Military Interdepartmental Purchase Requests (MIPR).

20.5.1. Issue MIPRs pursuant to the Economy Act (see **Chapter 5**, paragraph **5.5.**, of this publication for exception). Therefore, reduce obligations recorded against Economy Act MIPRs on the books of the ordering agency at the end of the period for the authorized appropriation, to the extent the receiving agency has not incurred obligations under the MIPR (see AFI 65-601, Volume 1, chapter 7, paragraph 7.16.4. and DFAS-DE interim guidance, *Accounting for Obligations*).

20.5.2. When issuing funds to other Air Force, ANG, or AFRC agencies, you may use a MIPR in lieu of an AF Form 616. The use of a MIPR for requirements to these agencies allows for the transaction to be processed into OPAC, which avoids the by-others system. Funding will be obligated/expensed in a more efficient manner and payments are posted in a matter of days instead of months. This greatly benefits the DFAS field site and the organization providing the funds.

20.6. Base Veterinary Clinics. Per AFI 65-601, Volume 1, chapter 4, paragraph 4.43., the Department of the Army Veterinary Service is considered an integral part of the local Air Force medical staff and, as such, is not an interservice tenant on Air Force bases. Therefore, the Army does not reimburse the base for required host support provided to the veterinary clinic; regard it in the same manner as any host support for the base Medical Treatment Facility (MTF). ***NOTE:*** See AFI 65-601, Volume 1, chapter 10, paragraph 10.23.2. regarding the application of civil engineering and communications support for veterinary services.

20.7. Medical Insurance Billings and Reimbursements in Air Force Medical Treatment Facilities (MTFs)--Third Party Collection (TPC) Program. 10 U.S.C., Section 1095, *Health Care Services Incurred on Behalf of Covered Beneficiaries: Collection From Third-Party Payers* (as amended by Public Law 99-272), directs military MTFs to collect from third party insurance carriers the medical services hospital costs for retirees and all categories of dependents with private health insurance. All retiree and dependent inpatients should be questioned about availability of health insurance, have insurance certifications accomplished, and certifications filed in each inpatient's clinical record. The TPC program includes outpatient services, automobile liability, and no-fault insurance policies as well as inpatient hospital care, ambulatory procedure visits, outpatient visits, Cooperative and Supplemental Care programs, ancillary services ordered by outside providers, hyperbaric medicine, immunizations, dental care, ground and air ambulance services, automobile liability, and no-fault insurance policies.

20.8. Medical Third Party Liability Notification. In accordance with AFI 41-120, *Medical Resource Operations*, section E, paragraph 26.1., the military MTF is required to notify the base staff judge advo-

cate when treating patients for injury or disease caused by a third person under circumstances creating a potential liability, or financial responsibility, for Air Force provided medical and dental care.

20.9. Liquid Substitutes, Sports Beverages, and Sunscreen. The Air Force Surgeon General has determined that salt tablets should no longer be used by Air Force members (military and civilian) to replace body salts and minerals lost through heavy perspiration. Liquid substitutes and sports beverages in lieu of salt tablets may be purchased from organizational (O&M or TWCF, as applicable) funds provided that competent medical authority has determined the need exists.

20.9.1. Sports beverage purchases are authorized for personnel, who in the performance of their official Air Force duties are subjected to high levels of heat stress, especially during the summer months (i.e., aircraft ground crews, flight line maintenance personnel, and other personnel who perform mission-oriented duties), as determined, in writing, by the local MTF commander or other medically qualified representative. The liquid substitute or sports beverage selected should be formulated to replace electrolytes and minerals as well as fluid lost by the body due to heavy perspiration. ***NOTE:*** This does not apply to off-duty activities, intramural sports, individual medical needs, or strictly for morale purposes without any medically justifiable reason. (See AFI 65-601, Volume 1, chapter 4, paragraph 4.45.6.)

20.9.2. Approval of the selection of the liquid substitute or sports beverage and local implementation thereof must be in writing. MTF commander authority to approve these purchases cannot be delegated to other installation commanders. Local controls must be established to ensure that purchases are not vulnerable to fraud, waste, or abuse.

20.9.3. Purchase of Sunscreen or other Skin Protection. See AMCS1 to AFI 65-601, Volume 1, paragraph 4.45.6. for funding prohibition.

20.10. Air Navigation and Overflight Fees.

20.10.1. In accordance with AFI 65-601, Volume 1, chapter 4, paragraph 4.49. and State Department policy, all United States Government aircraft are exempt and deemed "state aircraft." These aircraft are exempt for air navigation and overflight fees charges by foreign governments, unless allowed under specific treaty provisions between the United States and a foreign government. A primary example is certain arms control treaties that apply to the movement of On-Site Inspection Agency (OSIA) teams by organic airlift aircraft into the former Soviet Union states. An existing treaty between the United States government and the Agency for the Safety of Air Navigation in Africa and Madagascar (ASECNA) which allowed for payment of these fees expired effective 1 Nov 97 and was not renewed, at the request of the State Department.

20.10.2. Except for any provision contained in weapons compliance treaties, air navigation and overflight fees should not be paid under normal circumstances. However, if AMC aircraft commanders are faced with circumstances in a foreign country whereby payment of these fees is contingent upon the aircraft's ability to depart the country to continue the mission, payment is allowed and a protest should be filed with the residing United States Embassy. AMC aircrews should follow the procedures contained in the *DoD Foreign Clearance Guide*, located in the forward part of each regional booklet, Section I, paragraph A5 or A6, as appropriate.

20.10.3. ASECNA bills for overflight fees prior to 1 Nov 97 but received afterwards will continue to be honored. ASECNA overflight charges for TWCF aircraft pertaining to occurrences in FY97 or

prior but received in FY98 or later will be paid with current year expense authority unless accruals were previously established in the accounting system for the fiscal year of occurrence.

20.11. Landing and Parking Fees. Per AFI 65-601, Volume 1, chapter 4, paragraph 4.50., these charges may be assessed against AMC aircraft by commercial airports at certain foreign countries. The home station of the aircraft is responsible for payment. AF Form 15 or AVCARD procedures should be used to charge these fees, where applicable. In accordance with SECSTATE guidance, do not pay these fees for any AMC aircraft that land at foreign airports that are designated as military airfields or foreign air bases. See paragraph **20.10.2.** above for procedures on paying landing and parking fees at foreign military airfields/air bases if forced to do so by the foreign government.

20.12. Border Clearances. Whenever personnel from the Bureau of Customs, the Department of Agriculture, the Department of Public Health Services, and the Department of Immigration and Naturalization Service need to inspect AMC aircraft outside of their normal duty hours, AMC reimburses for the cost of their overtime, Sunday, and holiday pay (AFI 65-601, Volume 1, chapter 7, paragraph 7.23.4. and DoD-FMR 7000.14, Volume 10, chapter 12, paragraph 120201.). Reimbursement of overtime charges performed at TWCF-funded bases will be charged to local TWCF funds, using EEIC 59230, RC/CC XX4231. The cost of AMC aircraft inspections at non-TWCF bases and commercial airports are the responsibility of the aircraft's home station. Use AF Form 15 to process border clearance fees imposed on AMC TWCF aircraft at non-TWCF locations.

20.13. GPC Program (Formerly IMPAC). AFI 64-117 provides policy on use of the Air Force GPC. The maximum amount per single micro purchase limit is set at $2,500. However, you may now exceed the $2,500 single limit up to and including $25,000 if purchasing from GSA Schedule, Federal Supply Schedule, Desktop V or VA contract, or any other pre-priced contract already in existence and $100,000 if purchasing from DAPS.

20.13.1. DFAS does not certify GPC invoices for payment. Each FSO is designated as the billing office and will have certification officials appointed by the fund holder (usually the installation commander) to certify the invoice upon receipt for payment on a "pay and confirm" basis. Upon receipt of the invoice, the FSO will verify the availability of funds for the payment, annotating the funding document on the invoice (pending establishment of the master account codes), and certify the invoice for payment. This allows the installation to maximize GPC rebates and to eliminate Prompt Payment Act interest penalties. HQ AMC/A87F returns the rebates to the bases on a funding document issued by the funds control section of HQ AMC/A88.

20.13.2. Within 5 days after the FSO receives the GPC Billing Account Statement Summary, the approving official will provide a signed statement to the FSO, confirming receipt of the material and services and that the proper funds are charged. The cardholder and approving official will be responsible for processing disputes with the vendor and U.S. Bank. The cardholder and approving official are still accountable for improper purchases made by the cardholder under the established payment procedures.

20.13.3. To minimize accounting detail associated with all GPC transactions input into the accounting system, each approving official should generally be assigned only one line of accounting code per card. In accordance with SAF/FMB guidance, the routine use of journal voucher (JV) to record cost redistribution in an effort to provide more accounting detail is not authorized. The following instances are the only exceptions for routine GPC cost distributions using a JV (Standard Form 1017) or Stan-

dard Form 1081: (1) Reimbursable orders; (2) FMS cases; (3) Official Representation Funds; (4) costs relating to contingency exercises by ESP code; (5) appropriated fund support for MWR activities; (6) adjustments for flying hour programs; and (7) fiscal year adjustments. The approving official prepares all cost distribution vouchers and submits them to the FSO. Upon approval, the FSO forwards them to the DFAS field site for recording in the accounting system. Cost distribution transactions do not process through IAPS.

20.13.4. All GPC accounts require funding documents. Use an AF Form 4009, **Government Purchase Card Fund Cite Authorization**, to set aside quarterly reservation of funds. All appropriations require an AF Form 4009 funding document that establishes the spending limit and assigns a master account code. The master account code will not be embossed on the card unless it is input into field 2 of the setup screen by the GPC installation coordinator. DFAS-DE is working accounting system changes to further automate the fund control process.

20.13.5. HQ AMC/A87F GPC Year-End Procedures. Because of growing pressure to make the most of our limited funds, you must adhere to the following *minimum* year-end GPC requirement procedures:

20.13.5.1. On/about 1 September, resource advisors (RA) are required to maintain a record of GPC transactions as well as purchases not billed from the previous month (August). Cardholders must provide unbilled purchase amounts and other purchase information to the RA at the time of purchase. Cardholders should ask vendors for exact purchase price to include shipping charges or other authorized fees. Purchase log must be maintained and a copy available to support the dollar amount required for the 30 September MORD.

20.13.5.2. On/about 25 September, the September GPC invoice should be received and obligated. All AF Form 4009 balances are decommitted. The RA should provide an estimate for a MORD if they plan to use the GPC during the remaining part of September. Approving officials will need to provide a new AF Form 4009 for the new fiscal year.

20.13.5.3. On 30 September, all GPC spending is halted without specific approval from the Comptroller. The RA will identify any unbilled charges by 30 September and obligate them on a MORD. MORD amounts will be based upon actual charge amounts only. Unit commanders, approving officials, and cardholders will be held accountable for overspending or any unapproved use of the GPC in accordance with DoDFMR 7000.14, Volume 5, chapter 33.

20.13.5.4. Keep in mind, the above is the minimum required for year-end GPC processing. Bases/units may impose stricter year-end procedures if they so choose.

20.13.6. Liquidation of Prior Year Obligations. On/about 25 October, the October GPC invoice should be received, which will contain both prior year and current year charges. The entire October bill will be paid using current year funds against the AF Form 4009 previously submitted for the new fiscal year. The FSO will prepare a SF Form 1081 to make the proper fiscal year adjustment for those charges on the October GPC invoice that are applicable to the prior year. The FSO should use the detail information certified by the approving officials to support the SF Form 1081, but compare the amounts to the information obtained from the RA at year-end to verify the totals. Once all prior year charges are billed and paid, close out the MORDs. There may be instances where money falls out, but the goal is zero. Any large balances should be reviewed and verified as available for withdrawal before deobligation.

20.13.7. Air Force medical logistics personnel may use the GPC to buy medical supply items at or below $2,500 for resale and reissue. Nonappropriated Fund Instrumentalities may do the same, whether purchasing or selling items or services.

20.13.8. Each AMC unit commander determines his or her policy with regard to the maximum monthly dollar purchases allowed per issued GPC.

20.13.9. Do not use the GPC to obtain centrally procured items. See **Chapter 19**, paragraph **19.18.** of this publication for additional guidance.

20.13.10. Use of GPC for Flying Hour Supplies. See AFI 64-117, paragraph 2.2.9., for guidance concerning authorized purchases for aircraft-related flying hour supplies with a dedicated GPC.

20.14. Support of Service Members on Delayed AMC Organic Aircraft. AMCI 65-602, chapter 6, paragraph 6.8,. provides funding policy guidance for the support of service members, in a group travel status, who are transported on AMC organic aircraft flying a TWCF mission which incurs an unscheduled delay, due to weather or maintenance problems. Use AMC command ESP code *CH* (Charlie Hotel) to track and record these costs in the accounting system.

20.15. Contingency Operations.

20.15.1. Since the fall of the Iron Curtain and the ensuing independence of the former Soviet Union states and Soviet-bloc European countries, AMC has been heavily involved in world wide contingency operations regarding humanitarian or disaster relief, noncombatant evacuation, and deploying peacekeeping forces. Depending upon the size, nature, and number of contingencies involved in a given fiscal year, contingency operations could easily be the largest command program, if not one of the largest, to include the civilian pay and the flying hour program. Congress ultimately provides funding for these operations after the fact, with the passage of the O&M supplemental funding bills and subsequent allocation to SAF/FM.

20.15.2. The O&M contingency expense reports are the basis for supplemental funding provided by SAF/FM. This data comes from reports received from the different commands' FMs, predicated on the reports they receive from their bases or extracted from the accounting database. HQ AMC/A88 provides periodic O&M contingency obligation reports to SAF/FM, based on the data extrapolated from the current accounting database. These reports identify actual obligations as well as projected net additive costs. Net additive costs are those additional costs to an appropriation that would not incur if the contingency operations had not occurred. SAF/FMB issues ESP codes to track and identify these costs. HQ AMC issues and maintains the lists of Air Force and command applicable ESP codes for reimbursable O&M contingency operations, available on the HQ AMC/A8 web site listed in paragraph **1.3.** of this publication.

20.15.3. Net additive contingency costs can quickly place a cash flow burden on an installation's budget execution if program management is not effective. AMC reimburses all properly identified contingency obligations (commitments are not reimbursed) up to the level of funding received from the Air Staff. Since command reimbursements tie directly to obligations, timely and accurate coding and reporting by bases is extremely important for full reimbursement. It is in the base's best interest to quickly move requirements from the commitment stage to the obligation stage. However, you must maintain the proper coding of these costs. To aid in the timely identification of costs for reimburse-

ment, be sure to identify to correct unit line number (ULN) upfront when providing the requirement for the mission.

20.15.4. Contingency operations costs have visibility at the congressional level and inquiries can come from various sources on a wide variety of subjects. Bases can expect high levels of scrutiny by the command, the Air Staff, the Air Force Audit Agency (AFAA), and the General Accounting Office (GAO), to include detailed justifications on projected expenditures.

20.15.5. Contingency Operations Applicable to TWCF. Charge all direct TWCF related costs of contingency operations to the appropriate base or headquarters level TWCF OBAN account. Travel/per diem costs of TWCF-coded personnel will be charged to the TWCF funding citation of their applicable units of assignment, in accordance with AFI 65-601, Volume 1, chapter 10, paragraph 10.2.1. Use the applicable contingency-assigned ESP code to accurately capture costs. HQ AMC/A88 will seek additional TWCF expense authority from USTRANSCOM/TCJ8 to cover contingency costs if the review of each base's (and the headquarters) accounting records supports and justifies an increase in funding. See AMCI 65-602, chapter 6, paragraph 6.10., for additional guidance on TWCF contingency operations support.

20.16. Official Representation Funds (ORF).

20.16.1. The ORF program (PE 91515), sometimes referred to as the commander's contingency fund, allows wing level commanders to extend official courtesies to certain officials and dignitaries of the United States and foreign countries. Conduct entertainment on a modest basis that complies with socially acceptable standards of American society and jointly serves the objectives of our government and the interest of the taxpayer. Official entertainment costs can include meals, receptions, coffee and cake, and mementos. These funds are extremely limited and all expenditures receive high visibility and scrutiny.

20.16.2. Advance requests to wing commanders for these funds must justify their use and itemize proposed expenditures, identify the category of entertainment, include a proposed guest list with the position or title of invitees, indicate DoD to non-DoD guest ratios, and the date of the event. AFI 65-603, *Official Representation Funds Guidance and Procedures*, imposes very stringent controls on this program. Bases should apply extreme caution when expending ORF funds. When a unit cannot use ORF or their O&M funds for a function, then Special, Morale, and Welfare Funds (SM&W) is the next alternative. See **Chapter 23**, paragraph **23.3.** of this publication for discussion on SM&W funds.

20.16.3. All AMC bases that are issued ORF funds must submit the quarterly RCS: SAF-FM(Q)7113, (AF Form 134, **Report of Contingency Expenditures**), to AMCFSS/A87J, 402 Scott Drive, Unit 1K1, Scott AFB IL 62225-5311, no later that the 12th workday after the end of the reporting period (December, March, June, and September).

20.17. Treaty Inspection Teams. The Air Force must comply with international treaties and arms control related agreements made by the United States government. However, there are no treaty provisions that require the Air Force agencies to purchase small token gifts for visiting treaty inspection teams at the conclusion of the treaty inspections. These "gifts" are not a necessary expense for the purpose of arms control and you must not use unit funds for that purpose. The host or inspected party will provide, or arrange for the provision of meals, lodging, work space, transportation, and as necessary, medical and other urgent services for the inspectors, and aircrew members of the inspecting party (PE 35145 funds). However, per AFI 65-601, Volume 1, chapter 4, paragraph 4.28.1.7., you may use APF to fund light food

and refreshments at inspection briefings. You may use ORF to fund for mementos *provided* the inspection visit meets the guidelines established in AFI 65-603.

20.18. Licenses and Certificates/Professional Credentials.

20.18.1. AFI 65-601, Volume 1, chapter 4, paragraph 4.47., in conjunction with Comptroller General (CG) Decision B-252467 allows the use of APF to pay for licenses or certificates for military personnel in instances where federal law compels Air Force members to comply with state and local regulations requiring licenses or certificates.

20.18.2. This ruling does not apply to civilian employees of the Air Force, supported by several CG decisions referenced in the *GAO: Principles of Federal Appropriations Law, Volume I*, chapter 4, pages 4-210 and 4-211 (Personnel Qualification Expense) and page 4-256 (Occupational License Fees). Noted exceptions to this rule are:

20.18.2.1. Civilian employees TDY for an extended time to a foreign country that require a license to operate a motor vehicle, even though it was not one of the employees' duties but was a less expensive alternative to hiring additional personnel.

20.18.2.2. Civilian employees who are required to serve as a notary public in the performance of their Air Force duties.

20.18.3. The CG decision goes further with regard to funding of professional licenses and certificates of Air Force members, stating: "We note, however, that appropriated funds are not available to meet the licensing requirement's of professional personnel such as teachers, accountants, engineers, lawyers, doctors, and nurses. These individuals are fully aware of the licensing requirements of their professions from the time they begin their professional education, and of the fact that society expects them to fully qualify themselves for the performance of their chosen professions."

20.18.4. It appears at first glance there is conflicting guidance within the framework of the CG decision regarding its application to Air Force members (paragraphs **20.18.1.** and **20.18.3.** above). However, the focus of the decision is to those Air Force members who are performing a particular job that requires a license or certificate, unaware they need to obtain a license or certificate to perform this job, upon joining the Air Force.

20.18.5. Professional Credentials for Federal Civilian Employees. Per HQ USAF/DP memorandum dated 28 Mar 03, Subject: *Policy Memorandum – Payment of Expenses to Obtain Professional Credentials (Deputy Assistant Secretary of Defense (Civilian Personnel Policy) Memo, 17 Aug 02, Payment of Expenses to Obtain Professional Credentials*), authorizes agencies to pay expenses for civilian employees to obtain and renew professional credentials, including expenses for professional accreditation, state/municipally-imposed professional licenses, professional certifications, and examinations to obtain such credentials. This was authorized by Section 1112 of the FY02 National Defense Authorization Act (P.L. 107-107). See the referenced memorandum for additional guidance. A copy is available on the Budget Policy page of the HQ AMC/A8 web at *https://www.amcfm.scott.af.mil/FM_BudgetPolicyNotices.cfm*.

20.19. The Federal Medical Care Recovery Act (FMCRA).

20.19.1. The FY97 DoD Authorizations Act (Public Law 104-201), contains substantial amendments to 42 U.S.C., Section 2651, the first being the expansion of its application and increasing the types of costs recoverable, in cases where the United States is a third party beneficiary to insurance contracts

in no-fault states (42 U.S.C., Section 2651(c)(1)). The assertion of an FMCRA claim in no-fault states is a two-step process, as follows:

20.19.1.1. Claims personnel must determine that tortious conduct exists under the particular state's general tort law.

20.19.1.2. If tortious conduct does exist, an FMCRA claim against the insurance company as a third party beneficiary is a possibility.

20.19.2. The second revision to the above statute is the lost wages of active duty military members as a recoverable cost. Claims personnel need to determine from the service member how many days he or she was unable to work. A copy of a current leave and earning statement will establish the basic pay, special pay, and incentive pay in determining the amount of lost wages recoverable by the United States (42 U.S.C., Section 2651(g)(3)).

20.19.3. Since MTFs usually provide for the medical care for active duty members, most hospital recovery claims fall under the Coordination of Benefits (COB) statute. However, COB does not allow for the recoupment of lost wages. If the incident involves tortious conduct and an active duty member, claims personnel will also include an FMCRA claim for lost wages in addition to the COB claim.

20.19.4. The third revision involves the deposit of successful recoveries for lost wages into the appropriation account supporting the operations of the command, activity, or unit of assignment of the injured service member (42 U.S.C., Section 2651(f)(2)). Record collections to the unit RC/CC as a reimbursement using sales code 99 and EEIC 231, MILPERS Injury Collections. O&M-funded units may spend these collections at its discretion, within the legal limitations of the appropriation. For TWCF units, however, consider these collections the same as revenues earned from miscellaneous sales of services (AMCI 65-602, chapter 3, paragraph 3.2.3.) except that the recording procedures described above will apply. Since the TWCF is a Working Capital Fund operation, all revenue reimbursements earned and deposited, regardless of the source, offset the overall operating expenses at the command level, thereby directly influencing the TWCF Net Operating Results (NOR).

20.19.5. The fourth revision (42 U.S.C., Section 2651(f)(1)) parallels existing provisions in the COB statute regarding the deposit of successful recoveries based on treatment in a military hospital or clinic. Under the new FMCRA changes, deposit any amounts recovered for medical care furnished by a (MTF) in the operations account of that MTF. Collection procedures in paragraph **20.19.4.** above apply.

20.19.6. The authority to collect under these revisions applies to expenses incurred on or after the effective date of the FY97 DoD Authorization Act (23 Sep 96). The date of the incident causing the injury is irrelevant. Claims examiners need to ascertain the date of medical treatment or payment and the dates an active duty member was unavailable for duty to determine the total amount recoverable from the insurance company.

20.20. Availability of Samples, Drawings, Information Equipment, Materials, and Certain Services. The FY94 Authorization Act (P.L. 103-160), codified in 10 U.S.C., Section 2539, grants the following authority for the military departments, providing it is in the best interest of National Defense:

20.20.1. Sell rent, lend, or give samples, drawings, and manufacturing or other information (subject to the rights of third parties) to any person or entity.

20.20.2. Sell, rent, or lend government equipment or materials to any person or entity under the following conditions:

20.20.2.1. Used in independent research and development programs, subject to the conditions that the equipment or material is used exclusively for such research or development.

20.20.2.2. Used in the demonstration to a friendly foreign government.

20.20.2.3. Make available to any person or entity, at an appropriate fee, the service of any government laboratory, center, range, or other testing facility for the testing of materials, equipment, models, computer software, and other items. Fees for these services may not exceed the amount necessary to recoup the direct and indirect costs involved, such as direct costs of utilities, contractor support, and salaries of personnel incurred by the United States to provide for the testing. Credit such fees to the appropriations or other funds of the activity making such services available.

20.20.3. DoDFMR 7000.14, Volume 11A, chapter 14, provides regulatory guidance on this issue.

20.20.4. OSD (AT&T) delegated the authority to the acquisition executives of the military departments, directors of defense agencies, and directors or commanders of government laboratories, centers or other facilities for the testing of these items, to implement this guidance subject to the direction or control by a higher office.

20.21. Funding Policy for Quality of Life Enhancement, Defense Account (QOL,DA).

20.21.1. In accordance with AFI 65-601, Volume 1, chapter 4, paragraph 4.53., you cannot supplement OSD appropriations for QOL,DA with Air Force O&M 3400 funds, for the purpose of commingling them on the same contract to cover price changes, within scope changes, or any other cost increases. The applicable OSD appropriations include, but are not necessarily limited to the following: Air Force Relocation Assistance Program (RAP), Transition Assistance Program (TAP), Lease of DoD Assets, Transfer or Disposal of Real Property, DoD Overseas Military Facility Investment Recovery Account - Defense, Legacy Program, and Federal Energy Management Program.

20.21.2. The intent of OSD's guidance is not to preclude the use of Air Force O&M 3400 funds to support these OSD-funded programs for civilian pay, supplies, and other miscellaneous purchases that do not involve the mixing of the two funding sources on one contract. In AMC, supplementing OSD appropriations with O&M funds is applicable primarily to the RAP (FC 2S) and TAP (FC 2T) programs.

20.22. Funding for Claims.

20.22.1. Damage Claims Between Federal Agencies. The general rule regarding a federal agency or establishment that damages public property, real or personal, under the control of another federal agency or establishment may not pay a claim for that damage unless specific statutory authority or nonstatutory exceptions provide otherwise. (***NOTE:*** The most important statutory authority exception is a written agreement under the Economy Act (31 U.S.C., Section 1535) which can allow for repairs or replacement of damaged borrowed equipment. If the transaction that resulted in damage of one federal agency's property by another federal agency occurs under the Economy Act, and if it is specifically written into the agreement that the borrowing agency will return the property in as good condition as when received (less normal wear and tear), the agency who damaged the property may reimburse owning agency for the damage/replacement cost and the owning agency can accept the reimbursement into their appropriate operating funds.) In other words, federal agencies may generally

not assess damage claims against each another. Examples would be if an Air Force aircraft accidentally destroys a vehicle while taxiing to the aircraft parking apron at an Army airfield or a pallet of Navy perishable foodstuffs spoils while transported on an AMC cargo aircraft delivering it to its ultimate destination. This rule, sometimes referred to as the "interdepartmental waiver doctrine," stands on the premise that ownership of public property is in the United States as a single entity and not in individual departments or agencies. It also relies, in part, on 31 U.S.C., Section 1301(a), which restricts the use of appropriations to the purposes for which they were made. Agencies authorized to acquire property are also authorized to maintain or repair that property to keep it suitable for its intended use; its appropriations, if not expressly available for repairs are nevertheless available by necessary implication without regard to what caused the damage. Payment by the agency causing the damage would amount to a payment for an unauthorized purpose that would also improperly augment the appropriations of the agency making the claim, except in specific cases under the Economy Act or other exception. ***NOTE:*** If the owning and borrowing agency are funded from the same appropriation, the interdepartmental waiver doctrine does not apply. Refer to the *GAO: Principles of Federal Appropriations Law, Volume III*, chapter 12, section D, pages 12-161 through 12-164, for additional information on this subject.

20.22.2. Claims Payable From O&M Funds. Per AFI 65-601, Volume 1, chapter 10, paragraph 10.63., the following claims are payable from O&M 3400 funds under BOS PE 41896, DODEE 18, and EEIC 672 (with appropriate shred):

20.22.2.1. Damage to personal property incurred during shipment or storage under contract with civilian carriers or warehouses.

20.22.2.2. Funds erroneously collected and repaid to military members, civilian personnel, or to states, territories, and the District of Columbia, or members of National Guard units, as determined by appropriate authority.

20.22.2.3. Payments for damages to persons or property caused by DoD personnel or activities.

20.22.3. HQ AMC/A88 funds claims on a quarterly basis to AMC units based upon recorded obligations in the year-to date claims processing summary in the Armed Forces Claims Information Management System (AFCIMS).

20.22.4. Collect and record carrier recoveries for damages to personal property of Air Force members (military or civilian) in the accounting system as refunds and not reimbursements, under AFI 65-601, Volume 1, chapter 5, paragraph 5.12.

20.22.5. Claims not Payable from O&M Funds. The following are examples of claims that are not payable from your O&M 3400 funds, PE 41896:

20.22.5.1. Claims arising from the Federal Employees Compensation Act (FECA), as these are payable from a central fund of the United States Treasury known as the Employees Compensation Fund.

20.22.5.2. Claims filed as a result of local contract dispute settlements. Charge to the appropriation cited on the original contract unless the application of the Bona Fide Need Rule indicates otherwise. However, in all cases of settlements involving TWCF contracts use current year TWCF funds.

20.22.5.3. Administrative claims (e.g., "reasonable" attorney fees, court reporters, etc.) as a result of local arbitration decisions based on grievances/discrimination complaints filed by federal

employees, e.g., claims arising out of Equal Employment Opportunity (EEO), wrongful termination, lack of promotion, or other Merit Service Protection Board (MSPB)-related settlements. These claims are payable from unit O&M funds of the employee who filed the complaint, provided the employee prevails in the case (5 U.S.C., Section 7701, *GAO: Principles of Federal Appropriations Law, Volume I*, chapter 4, page 4-57). However, if a federal court adjudicates the claim, paragraph **20.22.5.4.** below applies. See DoDFMR 7000.14, Volume 10, chapter 12, paragraph 120228., for additional guidance for payments on these types of claims.

20.22.5.4. Claims adjudicated in a federal court that renders a judgment against the United States. Payments for these judgments originate from the Judgment Fund (31 U.S.C., Section 1304), administered by the General Accounting Office. The Judgment Fund is not available for claims settled at the administrative level or awards by administrative tribunals. Examples include:

20.22.5.4.1. Claims payable in excess of $2,500 filed under the Federal Tort Claims Act (28 U.S.C., Section 1346(b) and 28 U.S.C., Sections 2671-2680).

20.22.5.4.2. Initial payment of all claims filed and payable under the Contract Disputes Act. However, 41 U.S.C., Section 612 governs the payment of these claims, which provides for the available agency appropriation used to award the contract. Therefore, the agency appropriation on the contract current at the time of the award or judgment reimburses the judgment appropriation. If the agency has insufficient funds available for reimbursement at that time, under the statute it may seek additional appropriations. This does not have to be a specific line item appropriation. Subsequent lump-sum appropriations available for the agency's use may satisfy the requirement. The possibility exists that the agency may not be able to make reimbursement at the time of issuing the award or judgment without disrupting other activities. Therefore, it has until the beginning of the second year following the fiscal year in which the award payment to make restitution to the Judgment Fund, since the agency's budget for that fiscal year the award was made is set well in advance.

20.22.5.4.3. Inverse condemnation claims in excess of $10,000.

20.22.5.4.4. Claims payable in excess of $100,000 filed under the Military Claims Act (10 U.S.C., Section 2733) and the Foreign Claims Act (10 U.S.C., Section 2733(b)(4)).

20.22.5.4.5. All claims filed and payable under the Small Claims Act (31 U.S.C., Section 3723).

20.22.5.4.6. Tort claims arising in foreign countries in excess of $2,500. ***NOTE:*** Those claims $2,500 or less are paid only from those agency appropriations having specific authority by law to settle tort claims in foreign countries.

20.22.5.4.7. Use the same appropriation that was made available for the original project to reimburse the Judgment Fund. If the original appropriation has been canceled (expired beyond 5 years), use the respective current year funds. Consult DoDFMR 7000.14, Volume 3, chapter 8, paragraph 080304.F. for additional guidance concerning payments for claims involving the Judgment Fund.

20.22.6. Interest Penalty Payment on Contractor Claims. Payment of interest owed on contractor claims is based on 41 U.S.C., Section 611, chapter 9. Interest on amounts due to contractors on claims are paid to the contractor from the date the contracting office receives the claim pursuant to Section 605(a) of 41 U.S.C. 611 from the contractor until payment is made. Interest is chargeable to the avail-

able appropriation at the time it begins to accrue and not necessarily to the appropriation that funded the original contract. To the extent the available appropriation is not available to fund all or a portion of the interest owed, current year funds must be used to pay the accrued interest.

20.22.7. Damage Resulting from Interagency Loans of Personal Property. This circumstance is basically the same as paragraph **20.22.1.** above. See *GAO: Principles of Federal Appropriation Law, Volume III*, chapter 12, section D, pages 12-164 through 12-168, for applicable guidance.

20.22.8. Refer any questions concerning the appropriate application of funds to pay a particular claim not addressed above to your local JAG office for proper disposition.

20.22.9. Claims *for* the U.S. Government. DoDFMR 7000.14, Volume 10, chapter 18, and *GAO: Principles of Federal Appropriation Law, Volume III*, chapter 13, discusses contractor debt collection procedures for the U.S. Government. Refer any circumstances involving claims against contractors, vendors, and other business entities consistent with the Federal Acquisition Regulation and the DoD Federal Acquisition Regulation Supplement to your local JAG office for resolution.

20.22.10. See 10 U.S.C., Section 3702 on the authority to settle claims of, or against the U.S. Government.

20.23. Interest Penalty Charges. Most of the following guidance regarding this issue is also located in AFI 65-601, Volume 1, chapter 4, paragraph 4.21.

20.23.1. All federal departments and agencies must comply with the Prompt Payment Act (P.L. 97-177 (codified in 31 U.S.C., Section 3902) and 5 C.F.R., Part 1315, *Prompt Payment*) and pay interest penalty charges from their existing appropriations. FSOs are responsible for funding interest penalty charges regardless of the appropriation or activity (host or tenant) that caused the late payment.

20.23.2. For AMC, the only appropriation available to finance interest penalty charges is Air Force O&M 3400. However, on a case-by-case exception, host installations may charge these costs to tenant O&M funds if there is clear evidence that the tenant was directly responsible for the interest penalty. Both the host and tenant must agree prior to charging the tenant's funds. This agreement must be in writing and approved by the installation comptroller and the commander of the tenant organization.

20.23.3. In accordance with the *GAO: Principles of Federal Appropriations Law, Volume III,* chapter 12, page 12-236, 1st paragraph, interest payments under the Prompt Payment Act are chargeable to the fiscal year or years in which the interest liability accrued. If a contractor submits a bill for a claim on a prior year-funded contract and the bill was received in the current year, pay any interest accrued from current year funds, even though prior year funds on the contract paid the disputed amount for which the contractor billed. For example, the contractor submits a bill against the outstanding prior year contract in June 01, and not paid until December 01 (FY02). The interest accrues in both fiscal years and the total interest penalty authorized for payment is split between FY01 and FY02 accordingly, assuming there was no dispute over the amount billed. Interest does not begin to accrue on a contractor's invoice if a dispute between the government and the contractor exists over the amount of payment or other issues concerning contract compliance until resolution of the dispute is finally settled.

20.23.4. For NAF paying offices and activities, charge the interest penalty to NAF funds.

20.23.5. The agency of the non-Air Force paying offices that administer AMC Air Force contracts are responsible to pay interest penalty charges incurred as a result of late payments to the contractor without subsequent recovery or reimbursement from the AMC unit who originally funded the contract.

20.23.6. For Foreign Military Sales (FMS) contracts, see AFI 65-601, Volume 1, chapter 4, paragraph 4.21.5. ***NOTE:*** The FMS fund cite for interest payments changes every year to some degree; recommend contacting DFAS-DE/AYC for the appropriate FMS interest penalty fund cite.

20.23.7. Refer to DFAS-BSSD/DE *Standard Vendor Pay Guide - Desktop Guide for Vendor Payment Processing* (April 2003). Section IV, for specific accounting instructions.

20.23.8. Interest Payable Under Contractor Claims. See paragraph **20.22.6.** of this publication for guidance concerning the payment of interest with regard to contractor claims.

20.24. Imprest Funds. Per DoDFMR 7000.14, Volume 5, *Disbursing Policy and Procedures*, chapter 2, paragraph 020902, do not use imprest funds for unclassified programs. Authorized exceptions to this policy are for contingency and classified operations. Submit any requests for deviation from, or exceptions to, this policy through command channels and SAF/FM to the Director, Financial Commerce, and OUSD(C). Requests must contain adequate justification and demonstrate that the GPC, Government-Wide Travel Card, or other reasonable alternatives are not feasible for the specific circumstances.

20.25. Private Organizations (POs). These are self-sustaining interest groups, established by personnel acting outside the scope of any official position they may have in the federal government. POs are not integral parts of the military service or federal entities, nor are they NAFIs, as defined in AFI 34-201, *Use of Nonappropriated Funds (NAFs)*, chapter 1. POs do not receive sovereign immunities and privileges given to NAFIs or the Air Force. They operate on Air Force installations with the written consent of the installation commander. POs must be self-sustaining and will not receive any direct financial assistance from APF or NAFI in the form of contributions, dividends, or donation of funds or other assets, unless directed otherwise by specific AFIs pertaining to their operation. For additional guidance on POs, refer to AFI 34-223, *Private Organization (PO) Program*.

20.26. Memorialization. See AMCS1 to AFI 65-601, Volume 1, paragraph 4.65. (et seq.) for funding guidance on costs pertaining to memorialization.

20.27. Contest Entry Fees and Prizes/Awards. See AMCS1 to AFI 65-601, Volume 1, paragraph 4.63. (et seq.) for related funding guidance.

20.28. Administrative Expenses Related to Certain Real Property Transactions. In accordance with 10 U.S.C., Section 2695 military departments may accept amounts provided by an individual or entity to cover administrative expenses (TDY, military and civilian pay, materials, supplies) incurred by the department in conjunction with entering into certain real property transactions with a non-federal person or entity. This includes (1) the exchange of real property, (2) the grant of an easement over, in, or upon real property of the United States, or (3) the lease or license of real property of the United States. Amounts collected shall be credited to the appropriation, fund, or account from which the expenses were paid, and shall be available for the same limitations as the funds from which originally paid.

20.29. Insurance.

20.29.1. The Federal Government is essentially a self-insurer in certain important areas, primarily loss or damage to government property and the liability of government employees insofar as the government is legally responsible or would ultimately bear the loss. In the absence of specific statutory authority to the contrary, appropriated funds are not available for the purchase of insurance to cover loss or damage to government property or the liability of government employees (CompGen Decision B-158766, 3 February 77). Noted non-statutory exceptions to the self-insurance rule are as follows (CompGen Decision B-151876, 24 April 64):

20.29.1.1. Where the economy sought by self-insurance would be defeated.

20.29.1.2. Where sound business practice indicates that a savings can be effected.

20.29.1.3. Where services or benefits not otherwise available can be obtained by purchasing insurance.

20.29.2. The Comptroller General has determined that the self-insurance rule does not apply to privately-owned property temporarily entrusted to the government. However, insurance may be purchased on loaned private property only when the owner requires insurance coverage as a part of the transaction. If the owner does not require insurance, private insurance is not a necessary expense and the government should self-insure.

20.29.3. Property Owned by Government Contractors. A contractor will normally purchase a variety of insurance as a matter of sound business practice. The insurance premiums are a part of the contractor's overhead and will be reflected in its bid price, therefore, the government is paying at least a part of the insurance cost indirectly. Since the risks covered are not the risks of the government, there is no objection to this "indirect payment" nor, if administratively determined to be necessary, to the inclusion of an insurance stipulation in the contract. In the case of lease-purchase agreements where the government holds an equitable title, the self-insurance rule applies (35 CompGen Decision 391 & 393).

20.29.4. The Federal Employees' Health Benefits Program and the Federal Employees' Group Life Insurance are primary examples of authorized instances where the government may purchase insurance.

20.29.5. For additional information on the self-insurance rule, consult the *GAO: Principles of Federal Appropriations Law, Volume I,* chapter 4, section 10. If you are uncertain about using APF to pay for insurance premiums, consult with your local JAG office for a legal opinion.

20.29.6. War Risk Insurance. 10 U.S.C., Section 9514 requires prompt payment to reimburse the Federal Aviation Administration (FAA) for loss of commercial aircraft covered by defense-related aviation insurance. SECDEF shall indemnify the Secretary of Transportation for the amount of the loss consistent with the indemnification agreement between the two Secretaries that underlies such insurance. The SECDEF will identify the source of the available appropriated (O&M) funds for these circumstances. Since these are DoD obligations, there is no need for cross indemnifying agreements between the Services needing this insurance for their shipments; all Service funds are at risk in the event of loss. The reimbursement process would be carried out at Air Force level or higher unless the Air Force specifically provides HQ AMC the funds for this purpose and directs HQ AMC to reimburse the FAA.

20.30. Payment of State and Local Taxes. Per *GAO: Principles of Federal Appropriation Law, Volume 1*, chapter 4, section 15, Air Force agencies are generally exempt from paying state and local taxes

assessed on goods and services by commercial vendors. In these cases, the buyer, not the seller, is responsible for payment of the tax (referred to as a vendor tax). However, if the seller is obligated to pay the tax (referred to as a vendee tax), Air Force agencies will reimburse the seller for the total cost, to include the tax. (See also AMCS1 to AFI 65-601, Volume 1, paragraph 4.57.)

20.31. Other Items of Interest. You may use APFs (O&M 3400 funds) for the following circumstances listed below unless other funding is directed. Unless authorized by AMCI 65-602, do not use TWCF funds for these purposes (see chapter 6, paragraph 6.6. of AMCI 65-602 for items excluded from TWCF funding).

20.31.1. Purchase of seasonal decorations for holiday observances. APFs are authorized on a case-by-case basis. All base personnel must be able to benefit from their use, e.g., a decorated building, base Christmas tree, or a decorated foyer of a government building. Per SAF/FMBM message 110941Z Dec 02, APFs are now authorized to purchase Thanksgiving and Christmas decorations for the main dining facility of an Air Force installation. Excluded from APFs are decorations for the interior of government offices or personal use and the purchase or mailing of greeting cards. The approved decorations must not be religious in character. (AFI 65-601, Volume 1, chapter 4, paragraph 4.26.2.).

20.31.1.1. There is no specific guidance that addresses decorations for national holidays. It is a generally accepted practice that patriotic national holidays (e.g., 4th of July, Memorial Day, Veterans Day) would allow for appropriate and tasteful decorations within prudent fiscal spending limits. The purchase of a wreath by an Air Force installation to remember or celebrate a national patriotic event is an authorized APF purchase (AFI 65-601, Volume 1, chapter 4, paragraph 4.27.4.). Within reason, decorations for these holidays are appropriate and authorized for common access facilities as described in paragraph **20.31.1.** above.

20.31.1.2. Do not use APF to purchase decorations relating to birthdays or "special" meals.

20.31.2. Expenses incident to groundbreaking or dedication ceremonies. Examples include the engraving and chrome-plating of a ceremonial shovel, flowers used as centerpieces or ribbons to cut at a dedication ceremony, as well as group photographs and the printing of programs and invitations for cornerstone ceremonies. Do not provide free food, snacks, beverages, etc., or food and drink serving items. (See AFI 65-601, Volume 1, chapter 4, paragraph 4.27.1.)

20.31.2.1. O&M 3400 funds may be used in lieu of MILCON funds if the construction contract does not specifically include the groundbreaking/dedication ceremonial requirements.

20.31.2.2. Use NAF funds for groundbreaking and newly constructed building dedication ceremonies if the construction costs are funded by NAF.

20.31.2.3. Use MFH (Construction or O&M) for groundbreaking or newly constructed building dedication ceremonies if the construction costs are funded by MFH Construction funds.

20.31.2.4. ORF is not authorized for these circumstances in the event local dignitaries or other distinguished personnel are invited to attend the ceremonies. The attendance of these individuals is incidental to the purpose of these ceremonies and does not conform to the intent of AFI 65-603, *Official Representation Funds Guidance and Procedures*.

20.31.3. Drinking water, only when it is a necessary expense from the government's standpoint when (1) the public water supply is unsafe for human consumption, (2) there is an emergency failure of the

water source on the installation, (3) a temporary facility has no drinking water available within a reasonable distance, and (4) there is no water fit for drinking purposes available without cost or at a lower cost to the government (See AFI 65-601, Volume 1, chapter 4, paragraph 4.45., and DoDFMR 7000.14, Volume 10, chapter 12, paragraph 120203.). You may also use unit funds to purchase special drinking water in situations when the installation commander determines the health, welfare, and work efficiencies of employees is sufficiently diminished by existing conditions, and authorizes its purchase. Additionally, bottled water may be purchased with appropriated funds for emergency shelters in conjunction with an established planning guide concerning requirements associated with a Protective Actions for a Hazardous Materials Release and Sheltering in Place as a Public Protective Action. See AMCS1 to AFI 65-601, Volume 1, paragraph 4.45.5.2. for additional guidance. ***NOTE:*** See **Chapter 8**, paragraph **8.2.12.**, for authorized bottled water purchases in conjunction with deployments and aircrew mission travel.

20.31.4. Installation commanders may use APF to finance base museums, Air Force exhibits, and air parks. The Air Force encourages but does not require a foundation to establish and operate a museum. When foundation funds are inadequate, you may use APF providing the costs are reasonable and in line with the base mission and funding priorities. Establish a MOA between the installation and the foundation, outlining the responsibilities and limitations for each party, including a general description of those areas where the foundation will assist the museum. (See AFI 65-601, Volume 1, chapter 4, paragraph 4.25.2. and AFI 84-103.) ***NOTE:*** There is *no authority* for using APF to commercially procure model aircraft regardless of the scale to which it is constructed or its intended purpose (e.g., indoor or outdoor display), unless the aircraft models are a specific requirement for a certified Air Force Field Museum under the auspices of AFI 84-103, *U.S. Air Force Heritage Program*, chapter 11. If the Aviation Maintenance and Reclamation Center (AMARC) at Davis-Monthan AFB AZ can furnish an aircraft from its inventory to use for a static display, APF can fund for the packing crating, handling, and transportation and also build the stand/pedestal to support it.

20.31.5. Ethnic Observances. This involves activities that recognize the contributions that minorities and women have made to society, including scholarly lectures, historical exhibits, art exhibits, displays, and musical groups, including those procured from the private sector. You may use APF to finance the following related items:

20.31.5.1. Live artistic performances as an authorized part of an equal employment opportunity (EEO) effort if it is part of a formal program determined to advance EEO objectives and promotes EEO training objectives. Do not charge admission for these programs in order to pay for additional enhancements as no existing statutory authority allows for the collection of such fees.

20.31.5.2. Lunch meals for guest speakers only if they are away from their homes or regular places of business.

20.31.5.3. Small “samples” of ethnic foods prepared and served during a formal ethnic awareness program. They should be minimal and are not intended to serve as meals or refreshments. (See AFI 65-601, Volume 1, chapter 4, paragraph 4.26.1.)

20.31.6. Retirement Flags. 10 U.S.C., Section 8681 directs the Secretary of the Air Force to present a U.S. flag to Air Force *military* members upon the release from active duty for retirement, with 20 or more years of active service or those members retiring under temporary early retirement authority. You may use unit funds (TWCF, O&M, DHP) for this purpose. See paragraph **18.9.3.** of this publication for additional guidance. Unit funds are not authorized to purchase retirement flag display boxes.

20.31.7. Table Linens Dishes, Glassware, Tableware, or Kitchen Utensils. Do not use APF or TWCF funds to purchase these items for a typical office environment. These must be purchased with personal or private institutional funds (e.g., coffee club, office rotary funds) for office use. See AFI 65-601, Volume 1, chapter 4, paragraph 4.42.1.1.1., and chapter 21, paragraph 21.9., for additional guidance.

20.31.8. Command/Wing/Squadron-Sponsored Picnics, Balls and Dances.

20.31.8.1. There is no statutory authority supporting the use of APF (or TWCF) for these types of events at any level. These non-mission essential functions are considered unofficial social events/ entertainment and are not eligible for government funding. The *GAO: Principles of Federal Appropriations Law, 2nd Edition, Volume 1*, chapter 4, page 4-28 states, "The rule [is] that appropriated funds may not be used for entertainment except when specifically authorized by statute and also authorized or approved by proper administrative officers." It further states, "The basis for rule is that entertainment is essentially a personal expense even when it occurs in some business-related context. Except when specifically appropriated for, entertainment cannot normally be said to be necessary to carry out the purposes of the appropriation."

20.31.8.2. Do not use NAF or SM&W funds to support these events unless specifically authorized in AFI 34-201, chapter 4, paragraph 4.3.4. In most cases these events must be self-sustaining, paid for with fundraisers and/or individual attendees through the price of admission.

20.31.8.3. An exception to using APF for these events is to rent portable toilets in keeping with necessary health and sanitary requirements.

20.31.8.4. AMCI 65-602, chapter 6, paragraph 6.6.15, specifically forbids the use of TWCF funds for entertainment purposes.

20.31.8.5. Wing-Wide Sports Days. APF is authorized to provide funding assistance for Wing-Wide Sports Days, to include rental of support equipment (e.g., canopies, chairs, tables, sports equipment, barbecue grills, coolers, etc.) from off-base sources if they are not available from the local Services squadron or other base sources. Additionally APF may fund officials/ umpires for sporting events and T-shirts, trophies, plaques, or similar items for presentation to competition winners. These events may be classified as a Category A On-Base Outdoor Recreation Program in accordance with AFI 65-106, chapter 8, paragraph 8.7. ***NOTE:*** Do not use APF to support sports day events below the wing level.

20.31.9. Health Promotion Items. Per AFI 65-601, Volume 1, chapter 4, paragraph 4.29.6., use only Defense Health Program (FC 2X) funds to purchase authorized promotional items (including health snacks) for the Health and Wellness Centers to recognize individuals who complete a specific health regimen or program such as a daily exercise routine, smoking cessation, or weight loss. Do not use O&M 3400 funds to purchase these items.

20.31.10. Rewards, Apprehensions, and Confinements.

20.31.10.1. Missing Property. 10 U.S.C., Section 2252 authorizes the Services to pay a reward of not more than $500 in any case for information leading to the discovery of missing property under the jurisdiction of that Service or leading to the recovery of such property. Pay such rewards out of O&M 3400 funds, BA 02, PE 41896. DoDFMR 7000.14, Volume 10, chapter 12, paragraph 120211., provides guidance on the conditions for the payment of such rewards. In the event the missing government property belongs to a TWCF organization, TWCF funds may be used to pay the reward. ***NOTE:*** These rewards are not payable to a government employee (military or civilian)

for services rendered within the scope of his or her official duties (e.g., security forces personnel who are investigating the disappearance of the missing government property) in accordance with *GAO: Principles of Federal Appropriations Law, Volume 1*, chapter 4, paragraph 14.e. (pages 233-234).

20.31.10.2. There is no authority to establish or pay rewards with TWCF or O&M funds for information leading to the apprehension of individuals (military or civilian employees) suspected of any criminal offenses, whether committed on-base or off-base.

20.31.10.3. Apprehension of Military Absentees, Deserters, and Escaped Prisoners. See **Chapter 6**, paragraph **6.1.4.3.** of this publication.

20.31.10.4. Confinement of Military Prisoners in Civilian Detention Facilities. Per AFI 31-205, chapter 1, paragraph 1.2.2.2.1., the inmate's assigned unit will use their O&M funds to pay costs associated with housing or transferring the inmate. ***NOTE:*** For inmates assigned to medical or TWCF organizations, use Wing O&M 3400 funds, not DHP or TWCF funds. Funding for civilian incarceration of permanently assigned military members is a Wing responsibility, either from O&M unit funds (if assigned to an O&M 3400-funded organization) or Wing O&M 3400 funds, PE 41896 (for all other personnel assigned to non-O&M funded organizations). For members confined to civilian detention facilities who are assigned to tenant organizations, refer to the host tenant support agreement for funding guidance. For female prisoners, see also DoDFMR 7000.14, Volume 10, chapter 12, paragraph 120214.

20.31.10.5. For military absentees, deserters, or escaped prisoners who are apprehended and detained by civil authorities pending transfer back to their base of assignment, refer to **Chapter 6**, paragraph **6.1.4.3.** of this publication.

20.31.11. Graduation Ceremonies. Appropriated Funds are allowable to rent space in a NAF Category C facility to conduct graduation ceremonies of a significant nature that involve military or civilian employees if no other suitable facilities on base are available to host the ceremony. The total number of graduates along with the academic affiliation (e.g., graduations from the Community College of the Air Force or other Air University curriculums) should be the determining factors when considering APF for this purpose. ***NOTE:*** The use of APF for these graduations does not extend to purchasing food, refreshments, personalized invitations, entertainment, or any other expenses related to the ceremony that goes beyond renting the space in the Category C facility. See AFI 65-601, Volume 1, chapter 4, paragraph 4.27.3. for additional guidance on funding for graduations. Additionally, the use of TWCF funds for this purpose is not authorized.

20.31.12. Fines and Penalties. There is no authority to pay for or reimburse military members or civilian employees for fines or penalties they incurred as a result of violating a law when acting on their own behalf, beyond the scope of his or her authority. However, if the fine or penalty is incurred because the military or civilian member is complying with regulatory guidance and instructions and is without fault or negligence (i.e., no personal wrongdoing), then it may be paid with APF under the "necessary expense" doctrine. Additionally, Air Force organizations are exempt from paying fines and penalties unless there is an express statutory waiver of sovereign immunity. Examples of statutory waivers are the Clean Air Act, the Prompt Payment Act (see paragraph **20.23.** above), and the Federal Facility Compliance Guidance (reference **Chapter 15**, paragraph **15.5.** of this publication). If the penalty is imposed by court action, it may be paid from the permanent judgment appropriation (see para-

graph **20.22.5.4.** above). For additional guidance, see *GAO: Principles of Federal Appropriations Law, Volume 1*, chapter 4, pages 4-114 through 4-119, or consult your legal office.

20.31.13. Personal Expenses. Follow guidance in DoDFMR 7000.14, Volume 10, chapter 11, before authorizing payments for personal expenses.

20.31.13.1. Additionally, APF is not authorized to purchase personal-related items in a typical office environment, e.g., disposable plates/cups/eating utensils, napkins, and any other food-serving item utilized for birthday and promotion celebrations, PCS/departures, retirement ceremonies, and other non-mission essential office functions/celebrations, as well as personal hygiene items and over-the-counter drugs (aspirin, cold/flu medicine, etc.). The *GAO: Principles of Federal Appropriations Law, Volume 1*, chapter 4, section 13, page 4-198, prohibits APF for items classified as personal expenses unless specific statutory authority exists that allows for it. Personal or private funds (e.g., office rotary, coffee club, etc.) must be used for these requirements in absence of statutory authority.

20.31.13.2. One exception to this policy pertains to Child Development Centers, where the Air Force is responsible for the proper hygiene of the enrolled children. Based on their health concerns, APF is authorized to purchase facial tissues and other necessary hygiene items for use in Child Development Centers. Another exception is providing food serving items for refreshments in association with a major awards ceremony, as authorized in AFI 65-601, Volume 1, chapter 4, paragraph 4.31. or any other circumstance where the purchase of food is authorized with APF (see AFI 65-601, Volume 1, paragraph 4.28.1.). Offices responsible for setting up awards ceremonies and other events where light food/refreshments are authorized from APF (or TWCF, when authorized by AMCI 65-602, chapter 6) should ensure the food-serving items purchased are used exclusively for these purposes and not for personal reasons identified in paragraph **20.31.13.1.** above. There are probably other cases where unit funds would be appropriate to purchase food/refreshment serving or personal-related items – use prudent judgment when considering the use of Air Force funds for these circumstances as they arise.

20.31.13.3. The purchase and/or mailing of individual video tapes by an organization for use by family members as "video postcards" to send to their deployed sponsors is considered a personal expense, as would be the case for purchasing postcards, stationery, and postage stamps. However, the organization may purchase a videocassette and do a random recording of the family members at a unit function and send it to the deployed location for the members of the deployed unit to view at their leisure.

20.31.13.4. Luggage/Suitcases for Deploying/TDY Personnel. Under the "necessary expense" rule, Air Force funds are not authorized to purchase luggage or suitcases strictly for the personal convenience or comfort of military members and civilian employees directed to deploy or go TDY to perform other official mission requirements. However, in certain limited cases units may spend organizational funds to purchase these items when it is not reasonable to expect its personnel to provide their own luggage in light of exceptional wear and tear due to the amount of travel (see CompGen Decision B-200154, 12 Feb 1981). For these circumstances, the luggage remains the property of the purchasing organization that will maintain strict accountability and controls over the issuance of the items.

20.31.14. Alcoholic Beverages. With the exception of ORF, the use of APF to purchase alcoholic beverages is generally prohibited. However, APF may be used under the "necessary expense" doctrine

to purchase alcoholic beverages whenever the Wing Security Forces (SF) conduct formal training courses developed by the National Highway Traffic Safety Administration that teach techniques to detect personnel who may be driving under the influence of alcohol. The SF organization must develop strict guidelines to ensure there is no misuse or abuse of the alcoholic beverages purchased strictly for the training. Prudent judgment applies – don't purchase more than what is required for the course and strictly avoid purchasing expensive brands/types of beverages.

20.31.15. Refreshments for Blood Donors. The use of O&M 3400 funds is not authorized to purchase blood donor refreshments for any Air Force or civilian-sponsored blood drive. However, AFI 44-104, *The Air Force Blood Program*, paragraph 3.1. allows for DHP funds (Fund Code 2X, not Subsistence) to purchase refreshments for blood drives held on Air Force installations and sponsored by the MTF. Do not use DHP funds to procure refreshments relating to civilian-sponsored profit or nonprofit blood drives (e.g., American Red Cross, American Association of Blood Banks, etc.).

20.31.16. Funding for Air Force Band Operations. See AFI 35-101, *Public Affairs Policies and Procedures,* chapter 10, for funding guidance concerning Air Force bands.

20.31.17. Funding for Advertising. APF is authorized for payment of printed advertising in newspapers, trade journals, and other similar publications provided written authority from competent authority (e.g., SECAF or his/her designated authority) is received (44 U.S.C., Section 3702). See DoDFMR 7000.14, Volume 10, chapter 12, paragraph 120218., for payment processing and other guidance. Prior SECDEF (or designated authority) written approval does not apply to radio advertising as long as it promotes the objectives for which appropriated.

20.31.18. Leasing of Facilities Constructed on Air Force Installations by Private Corporations. Absent specific authority, APF is not authorized for lease payments to private contractors for facilities they financed to build on Air Force installations. MILCON funds are required and, under the scoring rules of OMB Circular A-11, Appendix B, full funding is required up front for the entire lease period when the contract is signed.

20.31.19. Base Floats for Local and National Parades. Under the Necessary Expense Theory, you may use APFs to construct a float to participate in a local or national parade from a civic/public affairs and recruiting perspective. Fiscal prudence and common sense should prevail; the float should be constructed by the local base populace and not by a professional contractor. Do not use APFs to purchase candy, beads, or other items to hand out to parade spectators – use private funds for this purpose. See also AFI 35-101, chapter 8, paragraph 8.7. for additional guidance.

Chapter 21

CHAIRMAN, JOINT CHIEFS OF STAFF (CJCS) EXERCISES

21.1. General Information. The costs to support CJCS exercises, including planning conferences, are properly chargeable to the O&M and the TWCF appropriations depending on the type of costs and the individual traveler's unit of assignment.

21.2. Air Force Emergency and Special Program (ESP) Codes. SAF/FMBMM, in coordination with HQ USAF/XOOT, annually establishes ESP codes for each CJCS exercise. SAF/FMBMM issues revisions to these ESP codes throughout the fiscal year to the commands. AMCFSS/A88I in turn, distributes these message changes to the base FMA offices and periodically issues updated ESP lists on the HQ AMC/A8 web site provided in paragraph **1.3.** of this publication.

21.3. Funding TWCF CJCS Costs. Record TWCF Air Mobility Division, Tanker Airlift Control Element or Mission Support Team (AMD, TALCE, or MST) costs to RC/CC XX8200, PE 41122, and the designated CJCS ESP code, in accordance with AMCI 65-602, chapter 6, paragraph 6.9.1. We recommend that you establish a separate PFMR in the supply system to cover all CJCS exercise support. Maintain separate ORG codes within the CJCS PFMR for each individual exercise (the same ones can be used each year), and designate specific shop codes under each ORG code to identify the delivery destinations (the same shop codes can be used for each exercise). Establish targets in both the supply and accounting system. The following are examples of items chargeable to the TWCF, and whether to identify the cost to the CJCS exercise RC/CC or the functional unit RC/CC:

21.3.1. Travel, per diem, and lodging costs (including contract lodging) for TWCF AMD, TALCE, or MST personnel. Charge these costs to the CJCS exercise RC/CC using the appropriate ESP code. AMD, TALCE, or MST personnel whose travel supports the applicable CJCS exercise must have a deployment manning document (DMD) line number for the exercise.

21.3.2. Leased transportation or vehicle rental required for aircrews and AMD, TALCE, or MST personnel. Charge these costs to the CJCS exercise RC/CC using the appropriate CJCS ESP code.

21.3.3. Supplies, ground fuels, and support equipment required for AMD, TALCE, or MST personnel while away from home station. Charge these costs to the CJCS exercise RC/CC using the appropriate CJCS ESP code.

21.3.4. Operation, maintenance, and servicing of TWCF aircraft. Charge these costs to the functional RC/CC and not to the CJCS exercise RC/CC.

21.3.5. Operation, maintenance, and renting material handling equipment (MHE) or aerospace ground equipment (AGE) supporting aircraft operations away from home station. Charge these costs to the CJCS exercise RC/CC using the appropriate CJCS ESP code.

21.3.6. CJCS exercise specific airfield site surveys. Charge these costs to the CJCS exercise RC/CC using the appropriate CJCS ESP code.

21.3.7. Landing fees of TWCF aircraft. Identify and separately document abnormally high landing fees and submit to HQ AMC/A88 for possible billing to the using activity as an abnormal cost. These requirements are generally identifiable during the planning phase of the exercise and include this reporting requirement in the CJCS exercise OPORD. Charge these costs to the CJCS exercise RC/CC

using the appropriate CJCS ESP code. See paragraph **20.11.** of this publication for discussion on aircraft landing fee payments.

21.3.8. Base operating support (BOS) directly attributable to TWCF AMD, TALCE, or MST requirements at non-Air Force installations. Charge these costs to the CJCS exercise RC/CC using the appropriate CJCS ESP code unless the CJCS host agrees to provide the required BOS at no charge.

21.3.9. TDY and lodging costs of aircrew personnel flying CJCS exercise airlift missions. Charge these costs to the functional RC/CC assigned unit and not to the CJCS exercise. ***NOTE:*** If the AMD, TALCE, or MST contracts for the lodging of all TWCF personnel participating in the exercise, to include aircrews, charge the cost to the CJCS exercise RC/CC using the appropriate CJCS ESP code.

21.3.10. HQ AMC/A88 reimburses expenses incurred for CJCS exercises by the TWCF activities at the end of each quarter (January, April, and July), as required. Message traffic or telephone calls from the base activities as of 15 September should be the basis for final annual CJCS funding distribution. The TWCF reimbursement is based on validated expenses in RC/CCs XX8200 or XX820P, PE 41122, with a valid CJCS ESP code. You will not receive any reimbursement for CJCS expenses in these RC/CCs without valid CJCS ESP codes. For AMC bases with a TWCF flying mission, do not include aircrew TDY (EEIC 40934) in these RC/CCs, as it is not reimbursable from the TWCF CJCS account. The total flying hour program for your base coupled with your historic cost factors determines your annual TWCF aircrew TDY funding. Additionally, do not include aircrew contract lodging (EEIC 59270) in these RC/CCs except as stated in paragraph **21.3.9.** above.

21.4. Funding O&M CJCS Costs. In addition to the TWCF CJCS costs discussed above, O&M-funded units and organizations may also incur incremental costs to support CJCS exercises. Send all requests for PE 28011 funding to support CJCS exercise incremental costs to HQ AMC/A31 for approval. At a minimum, requests must include exercise name, what is requested, estimated costs, and justification. Incremental O&M costs are those costs incurred as a direct result of supporting the exercise activity that is clearly above and beyond normal operating costs. If approved by HQ AMC/A31, these incremental costs are properly chargeable to the applicable CJCS exercise ESP code, PE 28011, and RC/CC XX8200. HQ AMC/A88O provides funding on a quarterly basis. Examples of incremental costs include:

21.4.1. Civilian Overtime. Unit commanders may approve emergency requirements, and HQ AMC/A88 will provide CJCS exercise funds upon submission and approval of supporting justification.

21.4.2. Contractual Services. Includes contract increases, such as mess attendants and custodial services.

21.4.3. Leased Communications. These are specialized one-time additional requirements that have been justified by the user and approved by HQ AMC/A6.

21.4.4. In some cases, non-TWCF-funded personnel support (non-augmentation) an AMD, TALCE, or MST performs other functions in support of the CJCS exercise. Charge all travel, per diem, and lodging costs (including contract quarters) to the unit's RC/CC XX8200, PE 28011, using the appropriate CJCS exercise ESP code. All personnel must have a DMD line number. For the purpose of this paragraph, consider any O&M personnel who directly augment a TWCF function (e.g., aircraft maintenance, airlift operations center, Air Mobility Operations Groups (AMOGs), or TWCF airlift aerial port functions) as TWCF-funded. The augmented TWCF unit provides the required TDY fund cite to the O&M personnel augmenting their unit, using RC/CC XX8200 and the appropriate ESP code.

21.4.5. HQ AMC/A88 reimburses O&M obligations incurred for CJCS exercises to O&M activities in January, April, July, and September, based on the December, March, June, and August data in the accounting system. Only those obligations, approved by HQ AMC/A31, and recorded against PE 28011 that contain a valid CJCS ESP are reimbursable.

21.4.6. AFI 65-601, Volume 1, chapter 10, table 10.3., provides additional funding guidance for CJCS exercises.

21.5. Funding for CJCS Exercise Planning Conferences. Each unit provides the name, rank, SSAN, clearance, home unit, location of TDY, duration, beginning date, rental car (if required), and short justification directly to HQ AMC/A31, who will evaluate each request and provide authorization to use PE 28011 funding (non-TWCF units only). Funding for attendance at CJCS exercise planning conferences will occur at the unit level. NOTE: Use RC/CC XX820P only for all personnel who attend CJCS planning conferences. See paragraphs **21.3.** and **21.4.** above for funding procedures.

21.6. Support of AMC Non-AMD, TALCE, or MST Personnel. Travel, per diem, and lodging (including contract lodging) is the responsibility of the unit of assignment. All personnel except TWCF aircrew personnel should use the applicable CJCS exercise ESP code. All tasked personnel must fill a DMD line number.

21.7. Designation of Field Conditions. If field conditions exist for a CJCS exercise, all AMC personnel deployed to the exercise site must subsist under these conditions. Field conditions should apply throughout the exercise area (i.e., adjacent military installations) unless otherwise specifically stated in appropriate AMC instructions.

21.8. Review of CJCS Exercise Costs. HQ AMC reviews exercise participation and costs at random to ensure proper procedures to support the exercise, to include funding propriety. You may need to justify questionable procedures used or costs incurred (e.g., buying commercial tickets when dedicated airlift was available).

21.9. Commercial Ticket Program (CTP).

21.9.1. The CJCS CTP is part of the Joint Staff Transportation program. It allows for some CJCS exercise participants to travel to or from the exercise via commercial air in lieu of dedicated airlift. The CTP applies only for CJCS exercises, and specific ULNs authorized by message from USTRANSCOM/TCJ3-OD.

21.9.2. The procedure for determining who uses the CTP is as follows:

21.9.2.1. The supported CINC validates the desired airlift requirement. AMC TACC/XOP analyzes the movement, and if the requirement is small (approximately 30 or less) and no cargo is involved, they recommend to TCJ3-OD to move the CJCS Exercise participants via the CTP.

21.9.2.2. TACC/XOP contacts the local TMO and requests the government rate between the civil airports to the nearest on-load or offload points, and passes that cost in their recommendation to TCJ3-OD, who approves and releases the CTP authorization message. The CINC's components, in turn, will notify their appropriate units authorized to move via the CTP.

21.9.2.3. The authorization message contains the appropriate ULN, Service, tasked unit, number of passengers, movement authority, origin point, total estimated cost, and the name of the supported CJCS exercise. The local Personnel Readiness Unit (PRU) contacts the tasked AMC unit upon receipt of the authorization and should coordinate with their local FMA office to determine the proper fund cite to use to purchase the tickets and to ensure that CTP funding is available. The units should have documentation of authorization available if requested.

21.9.3. SAF/FMB provides annual CTP funding to HQ AMC/A88 for its estimated involvement in the CTP. HQ AMC/A88 also receives copies of the CTP authorization messages from TCJ3-OD. Bases receive CTP funding prior to the CJCS exercise based on the estimates provided in the CTP authorization message. HQ AMC/A88 issues CTP funds in appropriation 97*/*0100.1202, Fund Code Z4, project (AMS) code 01213, EEIC 409, on a PBAS funding document.

21.9.4. CTP funding is applicable to AMC O&M units as well as TWCF units. FMA offices should ensure the proper ESP coding of all CTP obligations to the applicable CJCS exercise.

21.9.5. All commercial tickets are not chargeable to the CTP. Only those units who have specific authorization in their tasking orders may utilize CTP funds. Furthermore, charge CTP funds for only CTP related tickets. Per diem and other incidental travel costs of CJCS exercises participants are still chargeable to other unit CJCS identified funds (PE 28011 for O&M - FC30 (must be authorized by HQ AMC/A31); PE 41122 for TWCF - FC 68, both using RC/CC XX8200).

21.10. Small Commercial Cargo Program (SCCP). SCCP provides airlift funding for small amounts of exercise cargo when the TACC determines that it is impractical to schedule a dedicated exercise mission, consolidate the requirement with other CJCS exercise cargo shipments, or ship the cargo via the AMC channel system. USTRANSCOM is the approval authority for use of SCCP. Procedures for use of SCCP funding are similar to CTP procedures for passengers and will be included in CJCSI 3511.01, *CJCS Exercise Program Funding*.

21.10.1. All cargo requirements must be included in the CJCS exercise Time Phased Force and Deployment Data (TPFDD) validated by the scheduling/sponsoring command.

21.10.2. If the TACC considers SCCP funding for commercial airlift movement, the deploying unit will contact their local Traffic Management Office (TMO) and obtain an estimated cost of the airlift. This estimate will be passed to the TACC/XOP for their consideration in recommending SCCP to USTRANSCOM. The TACC/XOP recommendation for SCCP will include the TPFDD Unit Line Number (ULN), cargo weight, APOE, APOD, and the unit-provided cost estimate. If approved by USTRANSCOM, TCJ3-OD will issue the authorization for SCCP funding.

21.10.3. The Joint Staff will provide the Services with SCCP funds using the same procedures as for CTP. AMC/A88 will provide the unit with the SCCP fund cite (Fund Code Z4) to be used in contracting the commercial movement through the TMO.

21.10.4. SCCP can be used to airlift cargo from the Aerial Port of Embarkation (APOE) to the Aerial Port of Debarkation (APOD), or from the point of origin to a channel APOE, or from a channel APOD to final destination. SCCP can be used within CONUS, from CONUS to an overseas theatre, or within a theatre command's area of responsibility.

21.10.5. Surface movement of small amounts of CJCS exercise cargo will be funded as inland transportation costs (see paragraph **21.11.** below).

21.11. Inland Transportation (IT) Costs.

21.11.1. IT expenses include the movement of exercise participants and cargo to and from a port of embarkation (POE), port of debarkation (POD), APOE, or APOD to and from the exercise area, by commercial-for-hire firms when organic transportation is not available or cost effective. Movement is by surface transportation (rail, highway, and inland waterway). For movement of personnel, utilize the most cost effective means, i.e., hire a commercial bus for a large group of individuals, or purchase seats on a bus for a small number of people. Vehicles where commercial drivers are included in the lease/ticket price are permissible. The rental of passenger vans/cars without drivers is prohibited. Also excluded are transportation expenses associated with temporary duty, exercise conferences, and air travel.

21.11.2. AMC units request IT funding through HQ AMC/A31. The IT funding request will include the CJCS exercise name, number of passengers and/or total weight of cargo (in short tons), purpose of IT request, and cost estimate. HQ AMC/A31 exercise planners will validate with the unit that the funds will be used for expenses as defined in paragraph **21.10.1.** above.

21.11.3. HQ AMC/A31 exercise planners will send IT funding requests to HQ USAF/XOOTE at least 10 days prior to the date funds are needed. The IT funding request will include the CJCS exercise name, number of passengers and/or total weight of cargo (in short tons), purpose of request, and cost estimate.

21.11.4. HQ USAF/XOOTE will order the funds from the Joint Staff (J7/JEAD). The Joint Staff Comptroller will post the funds in PBAS for the respective command. The funding document control number, from the Joint Staff Comptroller, is 012120 for IT funds which equates to Budget Program Activity Code 21200.

21.11.5. HQ AMC/A88 is responsible for the process of distributing funds to the units and for tracking obligations by exercise name. ESP codes for JCS exercises are used to track expenditures by exercise name.

21.11.6. Reporting. HQ AMC/A88 will submit an obligation report for IT funds by exercise name semiannually. The report will be submitted no later than 20 days after the end of June each year, and the second report NLT 75 days after the end of the fiscal year. ***NOTE:*** Track all IT and CTP authorizations separately even though they both pertain to Fund Code Z4. Once Fund Code Z4 funds are authorized, they must be executed for exactly the same purpose that they were authorized.

21.11.7. Budgeting. All units are required to submit estimated IT costs to HQ AMC/A31 annually NLT 1 Oct, for the following fiscal year. Notify HQ AMC/A31 immediately if estimated costs change.

Chapter 22

CLOSE-OUT PROCEDURES

22.1. General Information. Fiscal year end close-out is probably the most "turbulent" time of the year for anyone involved in financial management because it is during this period that everyone responds to a sense of urgency with the looming expiration of current year funds. HQ AMC/A88 places considerable command attention effectively using available funds for prioritized operational needs. Likewise, functional attention focuses on the need to ensure the proper recording of all valid obligations and expenses before the fiscal year-end close-out. The comptroller office has the lead in orchestrating this monumental task.

22.2. Close-Out Planning.

22.2.1. The installation commander formally appoints the base comptroller or FMA officer as the project officer to monitor and control the year end close-out operation. The project officer has the authority to require responsible individuals to adhere to schedules and duties, as outlined below, including tenant organizations covered under a support agreement. Project officer responsibilities include:

22.2.1.1. Reporting status of funds, unfunded requirements, and establishing a schedule for implementing close-out actions.

22.2.1.2. Reviewing the previous years' after action reports.

22.2.1.3. Disseminating and complying with any command close-out update messages or memos. These updates will include close-out points of contact, close-out guidance, systems interface schedules, and reporting requirements.

22.2.1.4. Attending all meetings where funding operations are discussed.

22.2.1.5. Ensuring key base personnel (i.e., group resource advisors, supply, contracting, etc.) are available on 30 September to take appropriate year-end actions. (***NOTE:*** These personnel may need to stay beyond normal duty hours if the project officer deems that additional funds may be forthcoming.)

22.2.1.6. Convening FWG or FMB meetings, if required.

22.2.2. All AMC funding points should follow procedures outlined in the annual AMC close-out guidance package distributed to the base FMAs several months prior to close-out each year. There should be no excuse for a late close-out report. HQ AMC/A88 provides the appropriate formats and submission dates for close-out reports in the annual published guidance package. RCS: AMC/FMA(AR)7301 applies.

22.2.3. Whether the comptroller is the project officer or not, he or she must certify that obligations reported in the 30 September accounting reports represent all known obligations and expenses, supported by documentary evidence. All base activities controlling and using funds, regardless of the appropriation, must work together to assure the validity of obligations and expenses.

22.2.4. To achieve end of year validation, responsible individuals must test each item or service to determine its positive need and availability within a reasonable time. The valid obligation is the amount that is eventually paid. In screening documents for cancellation, positive evidence must exist

that the obligations are firm. Even though listed as an essential or urgent requirement, retaining "non-firm" obligations in the accounting system results in the loss of fund utilization. Resource advisors (RAs) are in the best position to make these determinations.

22.2.4.1. RAs are the key to an installation's successful close-out. RAs must always be extremely familiar with their organizational and program requirements and how much money they have available to accomplish them. This is especially critical during close-out. If surpluses or deficits develop, consult with the FMA office for the proper course of action. You should request funds for high priority needs only and direct excess funding in one area to areas where priorities and needs exist.

22.2.4.2. The effective RA begins this process of program validation in the late June or early July time frame, recognizing the hectic pace encountered in September on the financial management community. Early starting provides enough lead time for document processing. At mid-September, all actions should be completed and the accounting records closed out in the base's support areas. The only remaining actions during the last two weeks of the fiscal year should be ongoing mission requirements, personnel travel, and comptroller administrative adjustments.

22.2.5. The project officer establishes supply and funding control procedures to ensure ongoing mission operations do not degrade during fiscal year close-out. Minimize all other requirements and funnel through the project officer for processing.

22.2.6. TDY travel should be limited during the last two weeks of September to only those requirements that cannot defer until after 1 October. The effective date of blanket travel orders should end two weeks before the end of September. Cover all travel after that date by special orders and report it to the FSO travel accounting section immediately.

22.2.6.1. Do not perform any travel without published orders in advance. In the event anyone must proceed on verbal orders, request confirmation special orders as soon as possible, but not later than the first workday after the travel begins.

22.2.6.2. Commanders and staff officers will direct their personnel returning from TDY in September to submit reimbursement vouchers within three working days. If no claims exist for these TDYs, advise the travel accounting section in writing so they may properly deobligate the funds.

22.2.6.3. RAs must ensure their organization's orderly room or administrative support staff are familiar with end of year travel order processing.

22.2.7. Administratively, comptroller personnel will continuously audit existing commitments and obligations for validity and accuracy. This process will have minimal impact on organizations whose RAs have kept control and maintained good oversight on their programs throughout the fiscal year. The RA who keeps constant vigilance on existing commitments, obligations, and expenses will enjoy a smooth close-out.

22.3. O&M, TWCF and MFH Programs.

22.3.1. Call in your final position for each of the O&M, TWCF, and MFH programs to your HQ AMC base analyst in accordance with the dates and times prescribed in the AMC close-out guidance. Amounts should identify direct targets, obligations, and expenses, undelivered orders outstanding (UOOs) for TWCF and limitations. Once you report your final position, we do not expect a change

unless extraordinary circumstances prevail. Report any variations from this position immediately by telephone to your HQ AMC analyst.

22.3.2. We expect all FMAs to obligate nearly 100 percent of their allocated funds. Identify any other unobligated balances for withdrawal before 28 September. HQ AMC/A88 will apply withdrawn funds to the command's highest priority unfunded requirements.

22.3.3. For the TWCF, emphasize the validation of all obligations and properly segregate expenses and undelivered orders for SMAG due-outs. Deobligate all invalid obligations. Ensure that you record outstanding obligations in UOO or AEU depending on whether or not goods or services have been received. Report amounts available for withdrawal as early as possible to assist the command in reducing overall shortfalls.

Chapter 23

MORALE, WELFARE, AND RECREATION (MWR)

23.1. General Information. Within the last few years many changes have occurred as to what and how much APF support that MWR activities can receive. Consult AFI 65-106 to determine APF funding support for NAF/MWR activities.

23.2. MWR Activities. There are three separate types of MWR activities. AFI 65-106, figure 2.1., provides a complete list of MWR activities by each category. MWR categories are defined as follows:

23.2.1. Category A, Mission Sustaining Activities. These programs are absolutely essential to the military mission and provided in all but the most extenuating conditions. Consequently, they may receive maximum APF support. Category A activities have the least capacity to generate revenue. The Air Force goal is 100 percent APF support where authorized. Category A activities group common support activities such as Resource Management Flight (RMF) and Human Resources Office (HRO) for reporting purposes only. The functions performed by these activities are the basis for APF support. Examples of unauthorized APF support are the personnel administration of NAF employees, or accounting for NAF resources.

23.2.2. Category B, Basic Community Support Activities. These activities closely relate to Category A and are essentially community support programs with the capacity to generate some NAF revenue and may receive substantial support from APF. This category includes the essential MWR activities that offer a fundamental core of the MWR programs at Air Force bases. The Air Force goal for APF support of category B activities is 50 percent of its direct costs.

23.2.3. Category C, Revenue Generating Activities. Category C activities have the highest capacity to generate revenue and are self sustaining, capable of funding most expenses. Category C activities are desirable to the military community and make major contributions to mission accomplishment and personnel recruitment and retention. Category C activities may receive indirect APF support but not direct APF support. ***EXCEPTIONS:*** You may use direct APF support to correct health and safety deficiencies as well as any authorized exemptions for overseas and designated remote and isolated locations.

23.3. Support for Special Morale and Welfare (SM&W) Purposes. SM&W funding is NAF expenditures necessary to contribute to the overall morale and welfare of the military community. The source of these funds comes from a portion of the profits made by NAF activities and Base exchanges, and managed by the Services squadron. Expenditures must be conservative, in the best interest of the Air Force, benefit the military community, and not limited to specific grades or levels of personnel.

23.3.1. AFI 34-201, chapter 12, provides specific guidance for events and expenditures authorized SM&W funding support. AMCS1 to AFI 34-201 authorizes light refreshments for specific base events and establishes command SM&W dollar limitations for the various change of command ceremonies, flowers for spouses at retirement ceremonies, flowers or wreaths at funerals, donations to charitable organizations in lieu of flowers, and fruit baskets for visiting dignitaries. SM&W prohibitions include support for conferences, workshops, and seminars.

23.3.2. Do not use SM&W funds in lieu of APF for purposes authorized in AFI 65-603 unless specifically authorized in AFI 34-201, chapter 12.

23.3.3. In certain situations, you may use both SM&W and APF. In these instances, use SM&W funds only when regulatory restrictions preclude the use of APF. For example, APF only allows light refreshments for award programs while SM&W allows the purchase of meals for the award winners.

23.4. Grounds Maintenance for NAF Category C Activities. When routine grounds maintenance is scheduled and performed by CE (in-house and contract), APFs pays, excluding grounds maintenance contracted exclusively by a Category "C" activity. Grounds maintenance that are not scheduled, routine, or performed by CE (whether in-house or by contract) are a NAF funding responsibility unless the services are part of an activity for which APFs are authorized (e.g. facility construction). Maintenance for golf course grounds beyond the immediate area of the clubhouse are a NAF responsibility. An exception to this rule is at remote and isolated locations where APFs are appropriate.

23.5. Offsetting NAF Costs with APF in Support of Unique Circumstances. Per AFI 65-106, chapter 5, paragraph 5.2.4., if the installation commander authorizes the Child Care Center to extend operations beyond their normal hours in support of alerts, national emergencies, and the like, you may use APF to offset NAF costs that are not recouped through the fees paid by the sponsors for child care. Other types of NAF costs which may be reimbursed by APF under emergency conditions in accordance with DoDI 1400.32 include (1) ID checkers required outside normal requirements under THREATCON C, D, or B, when directed by the installation commander, and (2) cost of administrative leave for NAF employees directed by the installation commander, in accordance with governing guidance or directives, i.e., not more than three days administrative leave per incident. Use Air Force ESP code 2C (Two Charlie) to track and record these APF-reimbursable costs. Leave in excess of three days requires installation commander approval and justification as to why the use of accrued leave or furlough was not appropriate. See also the MOA between SAF/FMC and HQ USAF/ILV dated 30 Nov 01, Subject: *Authority for Appropriated Funds to Reimburse Nonappropriated Funds Costs*, which grants limited APF reimbursement for Air Force Services NAF costs incurred as a result of Operations Noble Eagle and Enduring Freedom. Use Air Force ESP code 3C (Three Charlie) to track and record APF-reimbursable costs for NAF Category C Activities under THREATCON C or higher, in circumstances when necessary to sustain their capability to generate NAF revenue to support Category B Activity basic community services.

23.6. Mass Transit Subsidy for NAF Employees. See **Chapter 7**, paragraph **7.7.** of this publication for funding guidance.

23.7. MOA Funding for Services Programs.

23.7.1. Strategic MOA. A strategic MOA covers the "core" positions of the Services organization that were initially forfeited resulting from implementing an A-76 study. 10 U.S.C., Section 2482a, authorizes DoD entities to enter into a contract with the Wing Services organization to provide or obtain goods and services beneficial to the efficient management and operation of Services programs. Key activities in the strategic sourcing are libraries, skills development, outdoor recreation, community centers, marketing/training, linen exchange, and fitness centers with a non-UTC tasking. O&M 3400 funding for these MOAs should be executed with a MORD, with a separate MORD executed for each applicable RC/CC. Funding for the MOA should be budgeted through the base FINPLAN and MAJCOM POM. Once approved, the MOA is treated as a must pay contract and should be fully funded. These MOAs are reviewed annually by the Wing Nonappropriated Fund Financial Analyst (NAFFA) and Comptroller to ensure they are still in the best interest of the government.

23.7.2. Non-Strategic MOA. A non-strategic MOA covers noncore requirements, which the Services organization may provide through NAF channels. Non-strategic MOAs for goods and services are subordinate to strategic MOAs for funding purposes. There should be a “good faith” agreement that if funds requirements meet the validation (usually accomplished by the Wing NAFFA), funding will be available.

Chapter 24

MILITARY FAMILY HOUSING (MFH)

24.1. General Information. The Military Construction Appropriation is the primary source of the MFH program. There are two basic types of MFH funds - Fund Code (FC) 3Y (formerly FC 83) Operations and Maintenance (O&M) and FC 3X (formerly FC 89) MFH construction (five-year funds). AMC executes its MFH program out of both funds. Like O&M budget activities (BAs), MFH has fenced subdivisions of funding. These fences are called budget projects or sub-projects in FC 3Y and project or BAANs in FC 3X. ***NOTE:*** The FY 2001 Defense Appropriations Bill contains a restriction that O&M 3400 funds cannot be charged for the purpose of performing repairs to military family housing units of the Department of Defense, including areas in such military family housing units that may be used for the purpose of conducting official Department of Defense business. Therefore, MFH sustainment funds are the exclusive source funds for sustainment of all family housing units, including General Officer Quarters (GOQ).

24.2. MFH O&M Fund Code 3Y - Appropriation 7045.

24.2.1. The MFH program provides funds for the operation and maintenance of government-owned family dwelling units, other family housing properties, and leased family housing.

24.2.2. Operations and Utilities (P721 and P728). Funds in the operations program cover all obligations associated with the essential services needed to support MFH. Essential operations include categories for management, services, furnishings, and miscellaneous. Utilities are funded in project code P728 and discussed in paragraph **24.2.2.5.** below.

24.2.2.1. Management (P721.10). This sub-project provides funds for all costs associated with the family housing office, to include office personnel, TDY, supplies, equipment, custodial services, occupancy inspections, and housing market analysis. It also provides for all direct administration costs to support government-owned, leased, and other family housing properties and programs as well as housing referral services at installation level.

24.2.2.2. Services (P721.20). This sub-project provides for all costs of municipal type services, such as refuse collection and disposal, fire and police protection, entomological services, snow removal, and street cleaning that support government-owned family housing units and other family housing properties and programs.

24.2.2.3. Furnishings (P721.40). This sub-project provides for all costs for replacement of refrigerators and stoves, inventory increases, maintenance, repair, and moving of these appliances. It also provides for specifically authorized items in General Officer Quarters.

24.2.2.4. Miscellaneous (P721.50). This sub-project provides for costs of country-to-country agreements and reimbursements to other United States government agencies and foreign governments for other family housing properties and programs. AMC does not receive funding in this sub-project.

24.2.2.5. Utilities (P728). This project provides for costs of all authorized utilities consumed in MFH units and facilities. Includes sewage disposal and operations of heating plants or utility systems solely supporting MFH.

24.2.3. Maintenance (P722). Funds in this project cover the day-to-day maintenance (change of occupancy, service calls, etc.) such as, (1) sustainment of buildings, roads, driveways, sidewalks, utility

systems, and grounds, (2) maintenance, repair, and replacement of integral components of installed equipment of a housing unit such as hot water heaters, dishwashers, and garbage disposals, furnaces and air conditioners, (3) authorized minor alterations and additions, (4) authorized major sustainment projects, (5) supplies and materials, (6) self-help stores; (7) maintenance of community antennae and cable TV outlets and wiring after installation, and (8) the authorized restoration of damaged or destroyed housing facilities.

24.2.3.1. HQ AMC/A88 issues MFH maintenance funding in the following P722 sub-projects:

24.2.3.1.1. P722.62 - Maintenance and Repair - Government Dwellings.

24.2.3.1.2. P722.66 - Self-Help Store - Government Dwellings.

24.2.3.1.3. P722.67 - Self-Help Store - Other.

24.2.3.1.4. P722.71 - Maintenance and Repair of Utilities (Exterior) - Other.

24.2.3.1.5. P722.81 - Maintenance and Repair of Other Real Property - Other.

24.2.3.1.6. P722.91 - Minor Alterations - Government Dwellings.

24.2.3.1.7. P722.92 - Minor Alterations and Additions - Other.

24.2.3.1.8. P722.96 - Major Maintenance and Repair - Government Dwellings.

24.2.3.1.9. P722.97 - Major Maintenance and Repair - Other.

24.2.4. Domestic Lease Operations and Maintenance (P725 and P726).

24.2.4.1. Operating Cost of Leased MFH (P725). This project provides for leasing of family housing facilities in the United States from private owners, utilities (if not provided by the lessor), and services not provided by the lessor when separately contracted by the government.

24.2.4.2. Maintenance of Leased MFH (P726). This project provides for maintenance, whether provided by the lessor or separately contracted by the government.

24.2.4.3. Housing Privatization (P727). This project provides for concept development/portfolio management, Supervision Inspection Overhead (SIOH), consulting services, and to develop, evaluate, and oversee privatization projects, including the cost of consultants hired to assist in these efforts.

24.3. MFH Program Management.

24.3.1. Proper MFH management is critical to the overall financial well being of an installation. Like the O&M 3400 program, there are rules and guidelines concerning the use of MFH appropriated funds. Refer to AFI 65-601, Volume 1, chapter 21 or AFMAN 65-604 chapter 2 (Family Housing Construction, Air Force and Family Housing Operation and Maintenance, Air Force pages) for more details.

24.3.2. Inattentiveness to this program can dramatically reduce the effectiveness of the MFH program as well as the larger O&M program. The MFH executes a significant portion of its program as a reimbursement to O&M (e.g., labor costs, bench stock, etc.). Therefore, timely and accurate reporting of MFH reimbursements is critical. A close coordination of efforts between the CE RA, FMA office, and the supporting DFAS field site is essential to ensure sound financial management for the wing commander.

24.3.3. HQ AMC/A88 issues annual reimbursement authority in sub-project P720. You may reprogram reimbursement authority between projects and sub-projects. Earn reimbursements for rental collections in the budget project determined to be most beneficial, using EEIC 599. Collect utility reimbursements in the EEIC earned; do not use EEIC 599 for this purpose. Treat your annual reimbursable programs as a ceiling that you do not exceed. Reimbursements realized in excess of the authorized program do not create additional obligation authority unless there is an increase in the program. If you incur obligations to fill these orders before receiving authority to increase the program, the effect is a reduction in direct authority, but the total obligation authority remains unchanged.

24.3.4. HQ AMC/A88 issues direct quarterly authority by project and sub-project on the document, but you may reprogram between them as long as you do not exceed the annual project and sub-project authority. ***NOTE:*** The only exception to this rule is for RPMC-funded projects. Funds issued for RPMC projects cannot be reprogrammed without HQ AMC/A78/A88 approval. Additional quarterly authority is provided with each issue of RPMC/A-E funding.

24.3.5. Do not authorize any expenditure for maintenance and repair in excess of $20,000 per unit without congressional notification. Exclude costs for asbestos and lead-based paint removal from calculations to determine the requirements for advance congressional notification. When these costs exceed the threshold you must provide an after-the-fact notification to HQ AMC. Do not authorize any annual expenditure for maintenance and repair of GOQs in excess of $35,000 per unit without congressional approval.

24.3.6. Do not use MFH P72X funds to (1) acquire land, (2) provide for site preparation, or (3) install utilities for any family housing, except housing for which funds have been specifically made available in the annual military construction appropriations.

24.3.7. Do not use MFH funds provided in P721 Operations, P722 Maintenance, and P728 Utilities for the acquisition of any housing unit unless specifically authorized by law.

24.3.8. You must place strong emphasis on the execution of your MFH program. SAF/FMB requires a MFH quarterly execution report from the commands. Our obligation rate determines any additional current fiscal year funding, as well as the next year's program. The obligation rate also affects what we receive for a quarterly program. SAF/FMB issues quarterly authority using execution rates from the previous year. If MFH obligations are not properly or expeditiously input to the accounting system, it reduces the amount of quarterly authority that we receive and issue the following year. ***NOTE:*** SAF/FMB and OUSD(C) do not consider commitments when they determine execution rates (see AFI 65-601, Volume 1, chapter 3, paragraph 3.9.2.6.). Please ensure the proper recording of valid MFH obligations in the accounting system when incurred.

24.3.9. Commands may not obligate more than 20 percent of an appropriation during the last 2 months of the fiscal year, in accordance with Public Law. However, effective FY98, SAF/FMB issued a mid year goal for MFH. The new mid-year (March) obligation goal is 60 percent and the end of June remains 80 percent. SAF/FMB uses a new mid-year and end-of-year distribution system to reward those MAJCOMs who meet these goals. You need to closely monitor MFH execution and work with your local CE, LGC, and DFAS to ensure the prompt entry of obligations (especially Facility Projects) into the accounting system.

24.4. MFH Construction Fund Code 3X - Appropriation 7040.

24.4.1. This program provides funds for new construction, post acquisition construction, and advance planning and design.

24.4.2. New Construction (Budget Project 711). This project provides for (1) erecting, installing, assembling, relocating, or replacing family dwelling units, (2) related land acquisition, site preparation, excavating, filling, landscaping, or improving sites relating to the work in (1) above, (3) initial outfitting of dwelling units with major equipment and fixtures, e.g., kitchen ranges and refrigerators, washing machines, clothes dryers, and dishwashers, when authorized in the project approval document (DD Form 1391), (4) supervision and inspection of MFH construction (see AFI 65-601, Volume 1, chapter 21, paragraph 21.2.1), (5) construction of mobile home facilities and non-dwelling buildings associated with a family housing area, (6) construction of roads, driveways, sidewalks, and utility systems that primarily serve family housing units, (7) construction of community facilities integral to a family housing area, and (8) the replacement of damaged or destroyed family housing facilities.

24.4.3. Post Acquisition Construction (Budget Project 713). This project provides for construction to (1) upgrade inadequate family housing quarters and rental housing, (2) improve adequate public quarters, (3) convert existing facilities to family housing quarters, (4) alter, expand, extend, or repair family dwelling facilities, except as provided in P722 O&M MFH funding, (5) family housing real property (other that dwelling units), required subsequent to and because of previously acquired dwelling units, (6) retrofitting existing units to make them more energy efficient, and to provide substantial savings in utility costs such as upgrade ceilings, roofs, wall insulation, and heating and air conditioning systems to current standards, and (7) alter family housing to accommodate physically handicapped family members.

24.4.4. Advance Planning and Design (Budget Project 714). This project provides for planning and design of family housing facilities. It includes preliminary and site adaptation studies, working drawings, specifications, estimates, project planning reports, and final design drawings.

24.5. Housing Damage Liability. Personnel residing in MFH units are liable for damage to the dwelling and loss or damage of any equipment or furnishings contained therein provided the loss or damage was caused by abuse or negligence of the member, dependent, or guest of the member. Per AFI 65-601, Volume 1, chapter 5, paragraph 5.12.22., amounts received for such damages and losses are considered as a refund, and not a reimbursement, to the MFH appropriation. As a result, the amounts received as a result of the loss and damage are refunds; therefore, they are available for immediate obligation for the same purposes and circumstances as other funds in these accounts.

24.6. Flags for MFH Units. Per AFI 65-601, Volume 1, chapter 21, paragraph 21.3.1.10., use MFH O&M P722 funds to purchase *only* U.S. and Air Force flags for MFH units. O&M 3400 funds are not authorized for these purchases. All other flags for display on MFH units are a personal expense. In accordance with HQ AMC/A7H memorandum dated 22 Mar 01, Subject: *Purchase of Flags with Military Family Housing (MFH) Funds*, each AMC installation establishes a flag policy to determine flag size for each neighborhood and standard locations. While HQ AMC/A7H recommends the purchase of these flags be restricted to key representational and command billets, they authorize one flag per unit and one issue per family in base housing if the AMC installation so chooses.

24.7. Forms Adopted. AF Form 9, **Request for Purchase**, AF Form 86, **Request for Cataloging Data/ Action**, AF Form 79, **Head Count Report**, AF Form 134, **Report of Contingency Expenditures**, AF Form 315, **United States Air Force AVFUELS Invoice**, AF Form 616, **Miscellaneous Obligation**

Reimbursement Document, AF Form 676, **Authorization for Alternate Health Services**, AF Form 847, **Recommendation for Change of Publication**, AF Form 1297, **Temporary Issue Receipt**, AF Form 2005, **Issue/Turn-in Request**, AF Form 2282, **Statement of Adverse Effect – Use of Government Facilities**, AF Form 3215, **Communications-Computer Systems Requirements Document**, AF Form 4009, **Government Purchase Card Fund Cite Authorization**, DD Form 448, **Military Interdepartmental Purchase Request**, DD Form 1556, **Request, Authorization, Agreement, Certification of Training and Reimbursement**, DD Form 1610, **Request and Authorization of TDY Travel of DoD Personnel**, DD Form 2161, **Referral for Civilian Medical Care**, SF 1017, **Journal Voucher**, SF 1034, **Public Voucher for Purchases and Services Other Than Personal**, SF 1080, **Voucher for Transfers Between Appropriations and/or Funds**, SF 1081, **Voucher and Schedule of Withdrawals and Credits**, SF 1164, **Claims for Reimbursement for Expenditures on Official Business**, AMC Form 41, **Flight Authorization**.

DAVID E. PRICE, Colonel, USAF
Comptroller

Attachment 1

GLOSSARY OF REFERENCES AND SUPPORTING INFORMATION

References

Public Laws

5 C.F.R., Part 1315, *Prompt Payment*

5 C.F.R., Part 2635, *Limitations on Outside Employment and Prohibition of Honoraria; Confidential Reporting of Payments to Charities in Lieu of Honoraria*

5 U.S.C., Section 501, *Outside Earned Income Limitation*

5 U.S.C., Section 4503, *Agency Awards*

5 U.S.C., Section 4110, *Expenses of Attendance at Meetings*

5 U.S.C., Section 7701, *Government Organization and Employees; Appeals*

10 U.S.C., Section 1095, *Health Care Services Incurred on Behalf of Covered Beneficiaries: Collection From Third-Party Payers*

10 U.S.C., Section 1124, *Cash Awards for Disclosures, Suggestions, Inventions, and Scientific Achievements*

10 U.S.C., Section 12301, *Reserve Components Generally*

10.U.S.C., Section 12302, *Ready Reserve*

10 U.S.C., Section 1593, *Uniform Allowance: Civilian Employees*

10 U.S.C., Section 2252, *Rewards: Missing Property*

10 U.S.C., Section 2387, *Procurement of Table and Kitchen Equipment for Officers' Quarters: Limitation On*

10 U.S.C., Section 2410, *Request for Equitable Adjustment or Other Relief*

10 U.S.C., Section 2482a, *Nonappropriated Fund Instrumentalities: Contracts with Other Agencies and Instrumentalities to Provide and Obtain Goods and Services*

10 U.S.C., Section 2539, *Industrial Mobilization: Plants; Lists*

10 U.S.C., Section 2575, *Disposition of Unclaimed Property*

10 U.S.C., Section 2667, *Leases: Non-Excess Property*

10 U.S.C., Section 2695, *Acceptance of Funds to Cover Administrative Expenses Relating to Certain Real Property Transactions*

10 U.S.C., Section 2733, *Military and Foreign Claims Act*

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Abbreviations and Acronyms

A-E—Architect-Engineer

ABGD—Air Base Ground Defense

ADA—Antideficiency Act

ADPE—Automated Data Processing Equipment

AEF—Air Expeditionary Force

AEP—Accrued Expenditures Paid

AETC—Air Education and Training Command

AEU—Accrued Expenditures Unpaid

AF—Air Force

AFAA—Air Force Audit Agency

AFAFO—Air Force Accounting and Finance Office

AFCIMS—Air Force Claims Information Management System

AFDD—Air Force Data Dictionary

AFI—Air Force Instruction

AFLIS—Air Force Library and Information System

AFMC—Air Force Materiel Command

AFPC—Air Force Personnel Center

AFPD—Air Force Planning Document

AFRC—Air Force Reserve Command

AFSCAPS—Air Force Standard Civilian Automated Pay System

AFSF—Air Force Stock Fund

AFWCF—Air Force Working Capital Fund

AG—Activity Groups

AG/SAG—Activity Groups/Sub Activity Groups

AGE—Aerospace Ground Equipment

ALFA—Status title for alert aircrews responding to mission departure within one hour

ALS—Airman Leadership School

AMARC—Aviation Maintenance and Reclamation Center

AMC—Air Mobility Command

AMC TES—AMC Test and Evaluation Squadron

AMCFSS—Air Mobility Command Financial Support Squadron

AMCI—Air Mobility Command Instruction

AMCRSS —Air Mobility Command Regional Supply Squadron

AMCS1—Air Mobility Command Supplement One

AMD—Air Mobility Division

AMOG—Air Mobility Operations Group

AMWC—Air Mobility Warfare Center

ANG—Air National Guard

APF—Appropriated Funds

APOD—Aerial Port of Debarkation

APOE—Aerial Port of Embarkation

ASIF—Airlift Services Industrial Fund (obsolete - replaced by TWCF)

AVCARD—Aviation Card (AVPOL Credit Card)

AVPOL—Aviation Petroleum, Oil, and Lubricants

AWP—Awaiting Parts

BA—Budget Activity

BAB—Budget Advisory Board

BAAN—Budget Activity Account Number

BAS—Basic Allowance for Subsistence

BCE—Base Civil Engineer

BDU—Battle Dress Uniform

BER—Budget Execution Report (replaces UR – Unfunded Requirements)

BES—Budget Estimate Submission

BFNR—Bona Fide Need Rule

BIR—Benefit to Investment Ratio

BOD—Beneficial Occupancy Date

BOG—Budget Operating Guidance

BOS—Base Operating Support

BP—Budget Project

BPAC—Budget Project Account Code

BPIE—Base Procured Investment Equipment

BPPBS—Biennial Planning, Programming, and Budgeting System

BQ—acronym reference to the Air Force Accounting and Finance System

BTO—Blanket Travel Orders

CA—Cost Account

CAS—Contract Administrative Surcharge (FMS)

CBA—Centrally Billed Account

CBAS—Command Budget Automated System

CC—Cost Center

CG—Comptroller General

CCM—Cost Center Managers

CDA—Central Design Activity

CDC—Consolidated Duplicating Center

CE—Civil Engineering

CECMC—Civilian Employment Cost Management Committee

CEERS—Command Excess Equipment Redistribution System

CFS—Corporate Food Service

CHAMPUS—Civilian Health and Medical Program of the Uniformed Services

CHE—Continuing Health Education

CHRMS—Civilian Human Resources Management System

CIC—Customer Identification Code

CJCS—Chairman, Joint Chiefs of Staff

CMA—Centrally Managed Allotment or Centrally Managed Account

CMAS—Command Man-Day Allocation System

COB—Coordination of Benefits (statute)

COCESS—Contractor Operated Civil Engineering Supply Store

CONUS—Continental United States

COPARS—Contractor Operated Parts Store

CPO—Civilian Personnel Office

CPT—Current Procedure Terminology

CSAF—Chief of Staff, Air Force

CTP—Commercial Ticket Program

CWDE—Chemical Warfare and Defense Equipment

DAPS—Defense Automated Printing Service

DAR—Defense Acquisition Regulation

DBOF-T—Defense Business Operations Fund-Transportation (obsolete - replaced by TWCF)

DCS—Defense Courier Service

DD—Defense Department

DECA—Defense Commissary Agency

DEFY—Drug Education for Youth

DESC—Defense Energy Support Center

DFAS—Defense Finance and Accounting Service

DFAS-DE—Defense Finance and Accounting Service-Denver

DHP—Defense Health Program

DLA—Dislocation Allowance

DLR—Depot Level Reparables

DMD—Deployment Manning Document

DMRD—Defense Management Report Decision

DoD—Department of Defense

DoDAAC—Department of Defense Activity Address Code

DODEE—Department of Defense Element of Expense

DoDPM—Department of Defense Pay Manual

DPC—Director of Civilian Personnel

DPEM—Depot Procured Equipment Maintenance

DRMO—Defense Reutilization and Marketing Office

DRU—Direct Reporting Unit

DTS—Defense Travel System

DV—Distinguished Visitor

EA—Economic Analysis

EAID—Equipment Authorization Inventory Data

ECCS—Executive Control and Command Supervision

EEIC—Element of Expense and Investment Code

EEO—Equal Employment Opportunity

EPA—Environmental Protection Agency

ERA—Environmental Restoration Account

ERI—En Route Inspection

ESP—Emergency & Special Program

ESPC—Energy Savings Performance Contract

EUM—Essential Unit Messing

FAA—Federal Aviation Administration

FAS—Fuels Automated System

FC—Fund Code

FCOC—Filled Customer Order Collected

FCOU—Filled Customer Order Uncollected

FDT—First Destination Transportation

FECA—Federal Employees Compensation Act

FES—FAS Enterprise Server

FET—Functional Equipment Transfer

FFCG—Federal Facility Compliance Guidance

FMB—Financial Management Board

FICA—Federal Insurance Contribution Act

FMA—Financial Management Analysis

FMCRA—Federal Medical Care Recovery Act

FMS—Foreign Military Sales

FOA—Forward Operating Agency

FOB—Forward Operating Base or Free-on-Board

FSM—Facility Sustainment Model

FSO—Financial Services Officer

FWG—Financial Working Group

FYDP—Future Year Defense Plan

GAO—Government Accounting Office

GOGO—Government-Owned and Government-Operated

GOQ—General Officer Quarters

GPMRC—Global Patient Movement Requirements Center

GPC—Government-Wide Purchase Card

GPO—Government Printing Office

GSA—General Services Administration

GSD—General Support Division

GSU—Geographically Separated Unit

HAZMAT—Hazardous Materials

HHG—Household Goods

HOR—Home of Record

HRO—Housing Referral Offices or Human Resources Office

IAPS—Integrated Accounts Payable System

ICASS—International Cooperative Administration Support Services

IDL—International Driver's License

IG—Inspector General

IMA—Individual Mobilization Augmentee

IMC—Interim Message Change

IMPAC—International Merchant Purchase and Authorization Card (replaced by GPC)

IPCOT—In Place Consecutive Overseas Tour

IPE—Information Processing Equipment

IT—Inland Transportation

IWIMS—Interim Work Information Management System

JA/ATT—Joint Airborne/Air Transportation Training

JAG —Judge Advocate General

JFTR—Joint Federal Travel Regulation

JTF—Joint Task Force

LAC—Latest Acquisition Cost (pertains to DLR pricing)

LAN—Local Area Network

LRS—Logistics Readiness Squadron

MAC—Military Airlift Command (obsolete – replaced by AMC)

MEGP—Mission Essential Ground Personnel

MFH—Military Family Housing

MFP—Major Force Programs

MHE—Material Handling Equipment

MHS—Military Health Service

MILCON—Military Construction

MIPR—Military Interdepartmental Purchase Request

MOA—Memorandum of Agreement

MORD—Miscellaneous Obligation Reimbursement Document

MOU—Memorandum of Understanding

MPA—Military Personnel Appropriation

MR—Maintenance and Repair

MRE—Meals, Ready to Eat

MRT—Maintenance Recovery Team

MSC—Military Sealift Command

MSD—Material Support Division (AFWCF)

MST—Mission Support Team

MSU—Medical Service Units

MTF—Medical Treatment Facility

MWR—Morale, Welfare, and Recreation

NAF—Nonappropriated Fund or Numbered Air Force

NAFFA—Nonappropriated Fund Financial Analyst

NAFI—Nonappropriated Fund Instrumentality

NCO—Noncommissioned Officer

NCOA—Noncommissioned Officer Academy

NCR—National Capital Region

NDAA—National Defense Authorization Act

NIB—National Industries for the Blind

NISH—National Industries for the Severely Handicapped

NMC—Not Mission Capable

NOR—Net Operating Results

NPV—Net Present Value

NSI—Nuclear Safety Inspection or Nuclear Surety Inspection

NULO—Negative Unliquidated Obligation

O&M—Operation and Maintenance

OAC—Operating Agency Code

OARS—Obligation Adjustment Reporting System

OASD—Office of the Assistant Secretary of Defense

OBAD—Operating Budget Authority Document

OBAN—Operating Budget Account Number

OCCR—Organization Cost Center Record

OCONUS—Outside the Continental United States

ODL—Open Document Listing

OMB—Office of Management and Budget

OPM—Office of Personnel and Management

OPR—Office of Primary Responsibility

ORF—Official Representation Funds

ORG—Organization (as in Organization Code)

ORI—Operational Readiness Inspection

ORM—Operational Risk Management

OSIA—On-Site Inspection Agency

OT&E—Operational, Test, and Evaluation

OUSD—Office of the Undersecretary of Defense

OUSD(C)—Office of the Undersecretary of Defense (Comptroller)

PBAS—Program Budget Accounting System

PCO—Printing Control Officer

PCS—Permanent Change of Station

PDLA—Partial Dislocation Allowance

PDS—Permanent Duty Station

PDTATAC—Per Diem, Travel and Transportation Allowance Committee

PE—Program Element

PEC—Program Element Code

PFMR—Project Funds Management Record

PFY—Prior Fiscal Year

PMA—Preventive Maintenance Agreement

PME—Professional Military Education

PO—Private Organization

POD—Port of Debarkation

POE—Port of Embarkation

PPBES—Planning Programming and Budget Estimating System

PPD—Proportional Per Diem

PRIME BEEF—PRIME Base Engineer Emergency Force

PRIME RIBS—PRIME Readiness in Base Services

PRU—Personnel Readiness Unit

PTDY—Permissive Temporary Duty

QAFA—Quality Air Force Assessment

QOL,DA—Quality of Life, Defense Account

RA—Resource Advisor

RAP—Relocation Assistance Program

RC—Responsibility Center

RC/CC—Responsibility Center/Cost Center

RCM—Responsibility Center Manager

RCS—Reports Control Symbol

READY—Resource Augmentation Duty

RMF—Resource Management Flight

RMS—Resource Management System

RPIE—Real Property Installed Equipment

RPS—Real Property Services

RRRP—Resource, Recovery, and Recycling Program

RSA—Resource Sharing Agreement

RSD—Reparable Support Division

SAAM—Special Assignment Airlift Mission

SAG—Sub-Activity Groups

SAM—Support Agreement Manager

SBSS—Standard Base Supply System

SCCP—Small Commercial Cargo Program

SDDC—Surface Deployment and Distribution Command

SE—Support Equipment

SECDEF—Secretary of Defense

SECSTATE—Secretary of State

SEP—Supplemental Environmental Project

SF—Standard Form

SI—Seriously Ill/Injured

SIOH—Supervision, Inspection, and Overhead

SIK—Subsistence-in-Kind

SM&W—Special Morale and Welfare

SMAG—Supply Management Activity Group

SMS—Subject Matter Specialists

SNCOA—Senior NCO Academy

SRM—Sustainment, Restoration, and Modernization

SRMC—Sustainment, Restoration, and Modernization by Contract

SRRB—Spares Requirement Review Board

SWA—Southwest Asia

TA—Tuition Assistance

TAP—Transition Assistance Program

TACC—Tanker Airlift Control Center

TALCE—Tanker Airlift Control Element

TAFMSD—Total Active Federal Military Service Date

TCTO—Time Compliance Technical Order

TDY—Temporary Duty

TE—Test and Evaluation

TMO—Traffic Management Office

TO—Technical Order

TPC—Third Party Collection

TPFDD—Time Phased Force and Deployment Data

TRICARE—three choices (prime, extra, and standard) of military health care

TSP—Thrift Savings Plan

TWCF—Transportation Working Capital Fund

UBO—Uniform Business Office

UESC—Utility Energy Savings Contract

ULN—Unit Line Number

ULO—Unliquidated Obligation

UMD—Unit Manpower Document or Unmatched Disbursement

USTRANSCOM—United States Transportation Command

UOO—Undelivered Orders Outstanding

UP—Utilities Privatization

UPFIP—Unaccompanied Personnel Facility Improvement Program

UPH—Unaccompanied Personnel Housing

USAF—United States Air Force

UTC—Unit Tasking Code

VA—Veterans Administration

VAQ—Visiting Airmen Quarters

VOQ—Visiting Officers Quarters

VSI —Very Seriously Ill/Injured

VSIP—Voluntary Separation Incentive Program

WCF—Working Capital Fund

WRDCO—Wing Refueling Document Control Officer

WRM—War Readiness Material

Attachment 2

DETAILED SUMMARY OF REVISIONS

A2.1. Deleted all references of DFAS-DE 7000.6-R, *User Charges* and replaced it with DoDFMR 7000.14, Volume 11A, chapter 4. Changed all references to $100,000 expense/investment threshold to $250,000. Deleted all references to DFAS-DE 7010.2-R, *Commercial Transactions at Base Level*, as this publication was deleted by DFAS in April 2003. Deleted all references to DFAS-DE 7000.1-R, RC/CC Codes, as this publication is being replaced with AFI 65-series publication and the RC/CC codes are now available on the AFDD. Replaced all references of "UR" (Unfunded Requirements) with "BER" (Budget Execution Report). Changed all references of "medical funds" to DHP funds". Provides new A-Staff office symbols for HQ AMC Financial Management and other referenced HQ AMC A-Staff directorates throughout the publication, effective 1 Oct 03. All prior references to HQ AMC/FM, HQ AMC/FMB, HQ AMC/FMP, AMCFSS/FMBI, HQ AMC/FMBO, and AMCFSS/FMBT in the previous publication are changed to HQ AMC/A8, HQ AMC/A88, HQ AMC/A87, AMCFSS/A88I, HQ AMC/A88O, and AMCFSS/A88T respectively. Changed all prior references of "Accounting Liaison Office (ALO)" to "Financial Services Office (FSO)". Deleted all prior references to "Defense Accounting Office (DAO)"; replaced "DAO" with "FSO" where applicable. Changed all prior references of "DFAS OPLOC" to "DFAS field site". Changed all prior references of "AFM 67-1" to "AFMAN 23-110". Changed all prior references of "Base Supply" to "Logistics Readiness Squadron". Changed all prior references of "Air Mobility Element" and "AME" to "Air Mobility Division" and AMD". Changed all prior references of "DFAS-DE 7010.3-R" to "DFAS interim guidance, *Procedures for Travel Accounting Obligations* (formerly DFAS-DE 7010.3-R)".

A2.2. Chapter 1:

A2.2.1. Paragraph **1.2.** revised inquiry process for financial management policy issues.

A2.2.2. Paragraph **1.3.** revised the HQ AMC/A8 web site address and the download instructions to access the publication. Added the AMC Publications web site address and download instructions.

A2.2.3. Revised paragraph **1.4.** on the method of updates/revisions to the publication.

A2.3. Chapter 2:

A2.3.1. Paragraph **2.3.2.1.** added Title 31 U.S.C., Section 1553 reference.

A2.3.2. Paragraph **2.3.2.2.** added Title 31 U.S.C., Section 1553 reference.

A2.3.3. Paragraph **2.3.9.** added the "subject to Availability of Funds clause" as an exception to entering into a contract that cites the next year's unappropriated funds.

A2.3.4. Paragraph **2.3.12.** changed "base supply" to "the supply system" throughout the paragraph.

A2.3.5. Added paragraphs **2.3.17.1.**, **2.3.17.2.**, and **2.3.17.3.** providing details concerning the background on apportionments.

A2.3.6. Paragraph **2.3.20.** added AFI 65-608 as an ADA reference.

A2.3.7. Clarified paragraph **2.4.5.1.** with regard to fully funding contracts that cross fiscal years at the time of award. Also, included short-term lease contracts as applicable to 10 U.S.C., Section 2401(a).

A2.3.8. Clarified paragraph **2.4.5.2.2.** regarding who submits payment to the contractor.

A2.3.9. Added paragraphs **2.7.3.6.**, **2.7.3.6.1.**, and **2.7.3.6.2.** under paragraph **2.7.3.** (formerly located in **Chapter 3**, under Budget Execution).

A2.3.10. Revised paragraph **2.10.** to include new guidance on the Tri-Annual Review process effective FY04. Included the SAF/FM source for the new Tri-Annual Review checklist.

A2.3.11. Paragraph **2.10.1.** changed reference to DoDFMR 7000.14, Volume 3. Combined paragraph **2.10.2.** of the previous publication into paragraph **2.10.1.**

A2.3.12. Deleted paragraph **2.10.2.** of the previous publication (see **A2.3.10.** above).

A2.3.13. Renumbered paragraph 2.10.3. of the previous publication to **2.10.2.**

A2.3.14. Revised paragraph **2.11.1.** to reflect SAF/FMBMM ESP code YA changes.

A2.3.15. Revised paragraph **2.11.2.** (formerly paragraph **2.11.7.**) to reflect SAF/FMBMM ESP code 1A changes.

A2.3.16. Revised paragraph **2.11.3.** (formerly paragraph **2.11.2.**) to reflect SAF/FMBMM ESP code 2A changes.

A2.3.17. Revised paragraph **2.11.4.** (formerly paragraph **2.11.3.**) to reflect SAF/FMBMM ESP code 3A changes.

A2.3.18. Revised paragraph **2.12.3.1.** to include AFI 65-601, Volume 1 and AMCS1 to AFI 65-601, Volume 1 references involving upward obligation adjustments.

A2.3.19. Paragraph **2.12.3.2.** included bona fide need rule application.

A2.3.20. Added paragraph **2.12.3.2.1.** concerning prior year within-scope contract increases due to antecedent liability.

A2.3.21. Paragraph **2.12.3.4.** included a sentence concerning OARS requests containing proper justification to determine the application of the bona fide need rule.

A2.3.22. Revised paragraph **2.12.4.** for correctness.

A2.3.23. Added paragraph **2.12.5.** and subparagraphs **2.12.5.1.** through **2.12.5.4.** on replacement contracts and conditions by which funds cited on the original contract can be used to fund the replacement contract.

A2.3.24. Renumbered paragraph **2.12.5.** in the previous publication to **2.12.6.**

A2.3.25. Added a new paragraph **2.13.** and subparagraphs **2.13.1.** and **2.13.2.** on the Feed and Forage Act.

A2.3.26. Renumbered paragraph **2.13.** in the previous publication to paragraph **2.14.**

A2.3.27. Revised paragraph **2.14.** to change the AFI reference from 91-213 to 90-900 and to include new verbiage as a result of the AFI change. Provided AFPAM 90-902 as an additional ORM reference.

A2.4. Chapter 3:

A2.4.1. Revised paragraph **3.2.2.1.** to include the prohibition on executing one BA's requirements in another BA without SAF/FMBO approval.

A2.4.2. Paragraph **3.2.2.2.** included AFI references for detailed description of activity groups.

A2.4.3. Paragraph **3.3.1.** revised example to incorporate the new Logistic Readiness Squadron.

A2.4.4. Paragraph **3.3.1.1.** revised to include AFDD reference and deleted DFAS-DE 7000.1-R reference.

A2.4.5. Paragraph **3.3.1.2.** revised to include AFDD web site for RC/CC codes, and the HQ AMC/A8 web site for the AMC-assigned 1st two positions of the RC. Deleted DFAS-DE 7000.1-R reference.

A2.4.6. Paragraph **3.3.1.1.** revised example to reflect FY03 AMC RC coding policy guidance.

A2.4.7. Paragraph **3.3.1.4.** added a sentence concerning the length of the RA's additional duties.

A2.4.8. Paragraph **3.3.2.** added AMCI 65-601 as a RA reference.

A2.4.9. Paragraph **3.3.3.** added a sentence that makes the RA responsible to train the CCM.

A2.4.10. Paragraph **3.3.3.2.** revised RC/CC examples to incorporate the new Logistic Readiness Squadron.

A2.4.11. Added paragraph **3.4.3.4.** concerning publication of the FMB minutes.

A2.4.12. Paragraph **3.5.1.** changed frequency of FWG meetings to at least monthly.

A2.4.13. Paragraph **3.7.6.1.** added AMCI 65-602 reference.

A2.4.14. Deleted paragraphs 3.7.6.1.1., 3.7.6.1.2., 3.7.1.6.3., and 3.7.6.2.

A2.4.15. Paragraph **3.9.2.2.** added a sentence concerning funding of facility projects equal to or greater than $100,000 on quarterly authority.

A2.4.16. Paragraph **3.10.** removed detailed guidance on the UR process as it is contained in the official AMC/A88 UR guidance package.

A2.4.17. Paragraph **3.11.2.** added AMCI 65-601 reference on RA training and changed the timeline for new RA training from 30 days after appointment to 90 days.

A2.4.18. Paragraph 3.12.16. deleted last sentence referencing AF Form 1269, which is now obsolete.

A2.4.19. Paragraph **3.13.4.** modified and deleted some of the limitations listed under this paragraph from the previous publication. Added B-10, B-60 and all "R" limitations. Deleted A-15, B-50, B-80, B-85, and B-90 limitations. Added EEIC 61952 to M-40 limitation.

A2.4.20. Paragraph **3.14.2.** added 3rd exception for issuing more than one CBAS funding document per month (month of initial distribution).

A2.4.21. Revised paragraph **3.14.2.1.2.** concerning when CBAS funding documents are mailed.

A2.4.22. Revised paragraph **3.14.2.2.** on timing of issuing of PBAS funding documents.

A2.4.23. Revised paragraph **3.14.2.4.4.** to exclude reprogramming authority within TWCF BPAC 101 for CE-related commodities.

A2.5. Chapter 4:

A2.5.1. Paragraph **4.2.3.** changed "Military Traffic Management Command (MTMC)" to "Surface Deployment and Distribution Command (SDDC)".

A2.6. Chapter 5:

A2.6.1. Paragraph **5.4.1.** removed DFAS-DE 7000.4 reference and replaced it with DoDFMR 7000.14, Volume 3, concerning orders placed under the Economy Act.

A2.6.2. Paragraph **5.4.5.** remover DoD 7220.9-M reference and replaced it with DoDFMR 7000.14, Volume 11A, concerning Economy Act charges from non-DoD government agencies, and included guidance for suspending reimbursement for less than $1,000 (excluding working capital funds).

A2.6.3. Added paragraph **5.4.6.** on suspended small billings.

A2.6.4. Revised paragraphs **5.5.1.** and **5.5.2.** concerning guidance on orders required by law.

A2.6.5. Added paragraph **5.5.3.** on the prohibition of using unexpended balances on orders issued to agencies that are required by law, after the requesting agency's appropriation has expired.

A2.6.6. Revised paragraph **5.6.3.** concerning the use and acceptance of project orders by AMC organizations from outside agencies.

A2.6.7. Revised paragraph **5.8.** to reflect current procedures.

A2.6.8. Revised paragraph **5.10.** that allows for the collections of landing fees from civil aircraft at AMC joint use locations to be credited to the base's O&M appropriation.

A2.6.9. Added paragraph **5.11.** that allows for the collection of landing fees from civil aircraft at AMC bases to be credited to the base's O&M account along with the reference for the annual reporting procedures to HQ AMC/A88O.

A2.6.10. Added paragraph **5.12.** concerning gifts received from the private sector to the Air Force.

A2.6.11. Added paragraph **5.13.** that provides the AMCI reference for TWCF sale of services other than airlift.

A2.6.12. Added paragraph **5.14.** on anticipated reimbursement accounting procedures.

A2.7. Chapter 6:

A2.7.1. Added paragraph **6.1.4.2.** on funding escorts for military prisoners/inmates, to include related governance.

A2.7.2. Added paragraph **6.1.4.3.** on payments for rewards and apprehension, detention, and delivery of absentees, deserters, and escaped prisoners, and applicable governance authorizing these payments.

A2.7.3. Added paragraph **6.4.** on mass transit subsidy for military personnel.

A2.7.4. Added paragraph **6.5.** regarding on-base lodging for mission essential military personnel who reside off-base at their PCS location.

A2.7.5. Added paragraph **6.6.** on PDLA (or Partial DLA).

A2.8. Chapter 7:

A2.8.1. Incorporated paragraph 7.1.1. of previous publication into paragraph **7.1.**

A2.8.2. Deleted paragraph 7.1.2. of previous publication concerning the CIVCOST program, as it is no longer used.

A2.8.3. Added paragraph **7.2.3.20.** to include mass transit subsidy as an appropriate work-year cost.

A2.8.4. Paragraph **7.5.1.** deleted AMCI 65-601 reference to the FMB review of CECMC activities. Reference no longer exists.

A2.8.5. Added paragraph **7.7.** on mass transit subsidy for civilian personnel, to include NAFI employees.

A2.8.6. Added paragraph **7.8.** on MAJCOM POC coordination prior to establishing new manpower authorizations for reimbursable activities.

A2.9. Chapter 8:

A2.9.1. Expanded paragraph **8.1.** to include that it is an organization commander's call to validate a TDY. Deleted the reference to AFI 37-128, which has been rescinded.

A2.9.2. Added paragraph **8.1.1.** that provides AFI 65-103 reference for determining the need for TDY travel.

A2.9.3. Added paragraph **8.1.2.** that provides reference to AFI 33-328 for processing travel orders.

A2.9.4. Added paragraph **8.1.3.** on reconciling transportation obligations for TWCF passenger transportation movement.

A2.9.5. Revised paragraph **8.2.11.** concerning contractor reimbursement for authorized TWCF airlift transportation.

A2.9.6. Added paragraphs **8.2.12.** and subparagraphs **8.2.12.1.**, **8.2.12.2.**, and **8.2.12.3.** on the prohibition of authorizing bottled water on travel orders and claiming it on travel settlement vouchers and the circumstances when bottled water can be purchased with unit funds.

A2.9.7. Added paragraph **8.2.13.** and **8.2.13.1.** through **8.2.13.5.** concerning travel of aircrews on AMC Form 41.

A2.9.8. Added paragraph **8.2.14.** on permissive TDY to attend sports tournaments and the reference for determining those events where permissive TDY is authorized.

A2.9.9. Added paragraph **8.2.15.** on recalling military members from leave.

A2.9.10. Added paragraph **8.2.16.** and subparagraphs **8.2.16.1.**, **8.2.16.1.1.** through **8.2.16.1.4.**, and **8.2.16.2.**, 8.21.6.2.1. through **8.2.16.2.4.** on funding for spouse/family member travel.

A2.9.11. Added paragraph **8.2.17.** on TDY funding to attend PME graduations.

A2.9.12. Added paragraph **8.2.18.** on retaining promotional items while performing TDY.

A2.9.13. Added paragraph **8.2.19.** on TDY funding for Home Day Care Providers.

A2.9.14. Added paragraph **8.2.20.** on TDY funding for Corneal Refractive Surgery.

A2.9.15. Added paragraph **8.2.21.** on AFAFO/FMF guidance memorandum for providing TDY funding to other Air Force organizations.

A2.9.16. Revised paragraph **8.2.3.1.** to include the AFMAN reference for meal availability.

A2.9.17. Revised paragraph **8.2.3.1.3.** to provide additional guidance on PPD.

A2.9.18. Paragraph **8.3.1.** changed EEIC 49510 to EEIC 44700.

A2.9.19. Added paragraph **8.3.3.** concerning the allowance of communication charges on travel settlement vouchers when warranted.

A2.9.20. Added paragraph **8.3.4.** on excess baggage authorization (transferred from **Chapter 9**, paragraph **9.1.1.**).

A2.9.21. Added paragraph **8.3.5.** providing the JFTR reference authorizing TDY members certain reimbursable expenses when leasing or renting an apartment, house, recreational vehicle, etc.

A2.9.22. Added paragraph **8.3.6.** on reimbursement of international or host nation driver's licenses.

A2.9.23. Added paragraph **8.3.7.** on the JFTR/JTR references for reimbursement of laundry/dry cleaning costs while TDY.

A2.9.24. Revised paragraph **8.4.8.** to include the required statement' "Government meals are available and directed." and the elimination of all BTOs when the DTS is brought on line.

A2.9.25. Revised paragraph **8.6.1.6.** to include IMA personnel.

A2.9.26. Revised paragraph **8.6.1.7.** for manning assistance funding responsibility.

A2.9.27. Revised paragraph **8.6.1.8.** on tracking costs for base support to the Secret Service to protect the President, Vice President, and other designated officials.

A2.9.28. Revised paragraph **8.6.4.** providing the AMCS1 to AFI 65-601, Volume 1 reference for TDY funding of MRTs.

A2.9.29. Deleted paragraphs 8.6.4.1. through 8.6.4.3. of the previous publication.

A2.9.30. Added paragraph **8.6.5.** providing appropriate reference in this publication for funding of escorts for apprehended military prisoners/inmates.

A2.9.31. Revised paragraph **8.11.2.** to conform to Air Force policy on Air Force students attending overseas NCO Academies.

A2.9.32. Revised paragraph **8.13.** to include the GPC as a means of CHE registration/tuition payment.

A2.9.33. Paragraph **8.14.** added the AMCS1 to AFI 65-601, Volume 1 reference on funding for Phoenix Raven personnel.

A2.9.34. Moved paragraph on stewards to **8.14.1.**, deleted all other information, and added the AMCS1 to AFI 65-601, Volume 1 reference for funding guidance.

A2.9.35. Added paragraph **8.14.2.** to provide AMCS1 to AFI 65-601, Volume 1 reference for funding guidance concerning comptroller paying agents who accompany AMC TWCF aircraft to make cash payments for aircraft services.

A2.9.36. Added paragraph **8.17.4.** on insurance for rental vehicles.

A2.9.37. Added paragraph **8.19.4.** on **Chapter 19** reference for flying clothing funding related to TDY incident to formal retraining.

A2.9.38. Paragraph **8.20.** added OPLAN 8044 and UCI inspections. Revised the last sentence for correctness.

A2.9.39. Revised paragraph **8.20.3.** to provide new guidance concerning host Transportation Commander's responsibility regarding HQ AMC/IG vehicle requirements when inspecting AMC-gained ANG/AFRC unit-equipped and FOB locations

A2.9.40. Paragraph **8.20.4.** added DD Form 448 to the 3rd sentence.

A2.9.41. Revised paragraph **8.20.6.** to include DTS reference.

A2.9.42. Added paragraph **8.28.** providing the AMCS1 to AFI 65-601, Volume 1 reference on TDY funding guidance for MPA Man-day (volunteer) TDY costs of ANG/AFRC/IMA personnel.

A2.9.43. Added paragraph **8.29.** providing the AMCS1 to AFI 65-601, Volume 1 reference on TDY funding guidance for mobilized (non-volunteer activation) ANG/AFRC/IMA personnel.

A2.9.44. Added paragraph **8.30.** on funding for medical deployments.

A2.9.45. Added paragraph **8.31.** (et seq.) on TDY funding of witnesses required to attend EEO/MSPB hearings.

A2.10. Chapter 9:

A2.10.1. Revised paragraph **9.1.1.** in accordance with paragraph **A2.9.14.** above. It now only references **Chapter 8**, paragraph **8.3.4.**

A2.10.2. Deleted paragraph **9.1.4.** in the previous publication and renumbered the following paragraphs accordingly.

A2.10.3. Revised paragraph **9.3.** to clarify funding policy on local drayage.

A2.10.4. Revised paragraph **9.6.3.** to include AMCI 24-101, Volume 15 reference.

A2.10.5. Revised paragraph **9.7.** to provide the AMCS1 to AFI 65-601, Volume 1 reference concerning funding policy for transportation of aircraft parts from AFRC/ANG bases to MRTs supporting NMC aircraft flying AMC missions.

A2.10.6. Added paragraph **9.8.** on AFI 24-202 reference for unit funding responsibility associated with the General Reusable Container Program.

A2.11. Chapter 10:

A2.11.1. Paragraph **10.1.** changed AFI reference in previous publication to DoDD 5330.3. Changed title of paragraph from "General Information" to "Reprographics Equipment"

A2.11.2. Added paragraph **10.2.** on funding for vehicle leases.

A2.11.3. Added paragraph 10.2.3. on funding for other non-vehicle equipment leases.

A2.11.4. Added paragraph 10.2.4. providing the source document for guidance concerning GSA leased vehicles.

A2.12. Chapter 11:

A2.12.1. Revised paragraph **11.2.** to provide AMCI 65-602 reference to a list of facilities that qualify for TWCF funding for CE requirements. Deleted sentence that described every type of facility relating to TWCF operations.

A2.12.2. Paragraph **11.2.2.1.** changed EEIC 49910 to EEIC 449.

A2.12.3. Revised paragraph **11.2.4.** to prohibit TWCF funding for non-TWCF facilities due to scarce O&M funding.

A2.12.4. Added paragraph **11.3.** on utilities privatization contracts.

A2.13. Chapter 12:

A2.13.1. Revised paragraph **12.2.** to include cable TV reconnection and PDLA application for MFH residents.

A2.13.2. Corrected paragraph **12.3.3.** on charging fiber cable installation for on-base residences that require official LAN services to MFH O&M.

A2.13.3. Revised paragraph **12.4.** to include DoDFMR 7000.14, Volume 2A reference for budgeting and funding ADPE/IPE requirements.

A2.13.4. Paragraph **12.8.1.** included reference to the TWCF Operating/Capital threshold ($100,000) as well as the expense/investment threshold (O&M/3080 - $250,000).

A2.13.5. Paragraph **12.8.2.** included reference to the TWCF Operating/Capital threshold ($100,000) as well as the expense/investment threshold (O&M/3080 - $250,000).

A2.13.6. Paragraph **12.9.1.** included reference to the TWCF Operating/Capital threshold ($100,000) as well as the expense/investment threshold (O&M/3080 - $250,000).

A2.13.7. Paragraph **12.11.** included reference to the TWCF Operating/Capital threshold ($100,000) as well as the expense/investment threshold (O&M/3080 - $250,000).

A2.13.8. Added paragraph **12.13.** on funding for site surveys required to field investment/capital-funded ADP systems. Included the TWCF Operating/Capital threshold ($100,000) as well as the expense/investment threshold (O&M/3080 - $250,000).

A2.13.9. Added paragraph **12.14.** on funding for cellular telephones and services.

A2.13.10. Added paragraph **12.15.** on funding for morale calls.

A2.13.11. Added paragraph **12.16.** on requisitioning and funding for telephone calling cards.

A2.13.12. Added paragraph **12.17.** on funding daily operational costs of HQ AMC/A6 program offices that manage TWCF centrally managed information technology programs.

A2.14. Chapter 13:

A2.14.1. Revised paragraph **13.1.** to clarify the distribution of O&M 3400 funds for copier contracts.

A2.14.2. Paragraph **13.2.** added APF prohibition for audio/video tapes when used for personal reasons.

A2.14.3. Revised paragraph **13.3.1.** to include funding for printing of non-personal invitations for official graduation ceremonies from Air Force schools and academies and wreath-laying ceremonies on national patriotic observance days.

A2.15. Chapter 14:

A2.15.1. Revised paragraph **14.3.** to include HQ AMC/A88 memorandum on funding policy for emergency facility and storm damage.

A2.15.2. Revised paragraph **14.4.2.** to provide only the appropriate AMCI 65-602 reference pertaining to TWCF in-house reimbursements. Deleted paragraphs 14.4.2.1. through 14.4.2.4. in the previous publication.

A2.15.3. Revised paragraph **14.4.3.** to provide only the appropriate AMCI 65-602 reference pertaining to carpet installation for TWCF-assigned facilities. Deleted subparagraphs 14.4.3.1. through 14.4.3.5. in the previous publication.

A2.15.4. Deleted paragraph 14.4.4. in the previous publication.

A2.15.5. Revised paragraph **14.5.** to include off-base tenant funding for A/E design services.

A2.15.6. Added paragraph **14.7.** on the MC threshold change from $500 thousand to $750 thousand.

A2.15.7. Added paragraph **14.8.** on spending organizational O&M 3400 funds for CE SRM facility projects.

A2.16. Chapter 15:

A2.16.1. Paragraph **15.2.1.** changed MC statutory ceiling to $750 thousand and added a sentence on A-E SIOH costs counting against the MC threshold.

A2.16.2. Paragraph **15.3.** deleted the DFAS-DE 7010.2-R reference and replaced it with DoDFMR 7000.14, Volume 11A reference.

A2.16.3. Revised paragraph **15.4.1.** to clarify EEIC coding of various TWCF-funded CE services.

A2.16.4. Revised paragraph **15.4.2.** to include EEIC 53310 for CE grounds services.

A2.16.5. Paragraph **15.4.4.** changed EEIC references to 53350.

A2.16.6. Revised paragraph **15.5.2.** to include host/tenant funding responsibilities for environmental non-compliance fines and penalties.

A2.16.7. Added paragraph **15.5.3.** to include HQ USAF/ILE guidance on SEPs, the source of funding for environmental non-compliance fines, penalties and SEPs (PE 41856 or 78008), and the prohibition for deferring or displacing funded environmental quality projects to pay these fines, penalties, or SEPs.

A2.16.8. Added paragraph **15.5.4.** on TWCF funding responsibility for environmental fines and penalties.

A2.16.9. Added paragraph **15.7.** and subparagraphs **15.7.1.** through **15.7.5.** on funding for signage.

A2.16.10. Added paragraph **15.8.** on RC/CCs for PE 27574 (Weapons of Mass Destruction).

A2.17. Chapter 16:

A2.17.1. Added paragraph **16.3.** on continuation training.

A2.17.2. Added paragraph **16.4.** on the prohibition of funding for training courses required as a result of convictions for civil law or traffic violations.

A2.17.3. Added paragraph **16.5.** on funding training for contractors.

A2.17.4. Added paragraph **16.6.** on funding tours and books/reading material in support of professional development.

A2.17.5. Added paragraph **16.7.** on funding for mandated training programs obtained from commercial sources.

A2.18. Chapter 17:

A2.18.1. Added paragraph **17.4.** on reimbursement by base organizations for damages to government vehicles and GSA motor pool vehicles.

A2.19. Chapter 18:

A2.19.1. Revised paragraph **18.1.** in its entirety to focus of lodging of alert aircrews who reside off-base and are directed to stay on-base.

A2.19.2. Revised paragraph **18.2.1.** to exclude personal clothing.

A2.19.3. Revised paragraphs **18.6.1.** and **18.6.2.** for collection of meal surcharges into MILPERS (3500), sales code 96 for base dining facilities and sales code 93A for medical dining facilities.

A2.19.4. Revised **18.8.** to include AMCS1 to AFI 65-601, Volume 1 guidance.

A2.19.5. Added note to paragraph **18.9.1.** that authorizes unit-funded coins (using the same coins for unit/squadron level mission accomplishment awards) for presentation to military personnel upon their reenlistment.

A2.19.6. Revised paragraph **18.9.1.1.** to prohibit coin dies required under paragraph **18.9.1.** to be used for private purposes, e.g., organizational booster clubs) to produce coins for resale purposes.

A2.19.7. Paragraph **18.9.1.2.** added AFI 65-601, Volume 1 reference.

A2.19.8. Revised paragraph **18.9.3.** to provide additional guidance on purchasing retirement flags for military personnel.

A2.19.9. Paragraph **18.9.5.** added AFI 65-601, Volume 1 reference.

A2.19.10. Added paragraph **18.9.7.** on prohibition of funding for meals of base-level award winners at home station.

A2.19.11. Added paragraph **18.9.8.** on the prohibition of purchasing gifts.

A2.19.12. Added paragraph **18.9.9.** on funding of entry fees for national award programs.

A2.19.13. Revised paragraph **18.10.2.1.** to include appropriate EEICs for facility sustainment and restoration.

A2.19.14. Revised paragraph **18.10.2.2.** to include appropriate EEICs for facility sustainment and restoration.

A2.19.15. Revised paragraph **18.11.** by adding AMCS1 to AFI 65-601, Volume 1 reference. Deleted paragraphs **18.11.1.** through 18.11.6. of the previous publication.

A2.19.16. Added paragraph **18.11.1.** on funding for vendor fairs.

A2.19.17. Added paragraph **18.11.2.** on AFI guidance for funding static displays, museums, and air parks.

A2.19.18. Revised paragraph **18.12.1.** that changes the AFI reference to AFI 34-270, provides additional guidance on authorized publications for unit funding and prohibits organizations from using unit funds to establish their own libraries without specific authorization.

A2.19.19. Clarified paragraph **18.12.3.** concerning the prohibition of NAF funding for newspapers and periodicals.

A2.19.20. Paragraph **18.12.5.** changed AFI reference to AFI 34-270.

A2.19.21. Added paragraph **18.12.6.** on funding for books that are a part of a reading program in conjunction with an official professional military education course.

A2.19.22. Added paragraph **18.12.7.** that permits funding for squadron newsletters printed/distributed from office PCs.

A2.19.23. Paragraph **18.13.** added authority for TWCF funding for light refreshments at awards ceremonies.

A2.19.24. Revised paragraph **18.13.5.** to limit funding for light refreshments at individual award ceremonies to only those awards that are substantial in nature.

A2.19.25. Added paragraph **18.13.6.** to allow funding for light refreshments at unit award ceremonies that are significant in nature.

A2.19.26. Added paragraph **18.13.7.** to allow funding for light refreshments at award ceremonies involving significant gallantry or heroism.

A2.19.27. Paragraph **18.14.3.** added a new sentence authorizing the use of APF to pay for light refreshments at conferences.

A2.19.28. Revised paragraph **18.14.4.** to include limitation on funding for light refreshments at conferences to TDY attendees, based on CG Decision B-288266, 27 January 03.

A2.19.29. Revised paragraph **18.14.4.4.** prohibiting light refreshments for conferences to be passed on to attendees as a hospitality fee if the sponsoring unit elects to use their unit funds to pay for them.

A2.19.30. Added paragraph **18.14.4.5.1.** that prevents conference centers from charging a fee to Air Force organizations that request the use of the facilities, excluding snacks and refreshments. Non-Air Force tenant organizations may be charged for direct incremental costs only and collections are deposited as a miscellaneous receipt to the Treasury.

A2.19.31. Added paragraph **18.14.10.** that allows APF to pay for a contractor to administer conferences and other meetings concerned with scientific, technical, and professional fields.

A2.19.32. Added paragraph **18.14.11.** that allows the Air Force to co-sponsor scientific, technical, and professional conferences with a non-Federal entity.

A2.19.33. Added paragraph **18.14.12.** that provides the delegation of approval authority for off-base conferences.

A2.19.34. Added paragraph **18.14.13.** on conference cancellation fees.

A2.19.35. Added paragraph **18.17.** that provides the AMCS1 to AFI 65-601, Volume 1 reference on funding for the reconstitution of WRM assets.

A2.19.36. Added paragraph **18.18.** on funding for passports and visas.

A2.19.37. Added paragraph **18.19.** on funding for physical fitness facilities for TDY personnel.

A2.19.38. Added paragraph **18.20.** along with subparagraphs **18.20.1.** through **18.20.3.** on funding for promotional items.

A2.19.39. Added paragraph **18.21.** on funding for specific items relating to recognition for base volunteers and no provision for funding volunteers' personal expenses at an Air Force installation.

A2.19.40. Added paragraph **18.22.** and its subparagraphs **18.22.1.**, **18.22.2.**, and **18.22.3.** concerning the new ICASS payment policy and procedures.

A2.19.41. Added paragraph **18.23.** on AFI/DoD references on the disposition of abandoned personal property.

A2.19.42. Added paragraph **18.24.** on the prohibition for funding group/squadron aerobics or physical fitness instructors except for Spinning Class Instructors to provide training to squadron physical training leaders.

A2.19.43. Added paragraph **18.25.** on runway closures.

A2.20. Chapter 19:

A2.20.1. Revised paragraph **19.1.** concerning credit/non-credit turn-ins.

A2.20.2. Paragraph **19.2.1.** changed "Chief of Supply" to "LRS commander".

A2.20.3. Revised paragraph **19.2.1.2.** to include contacting AMCRSS for possible redistribution of SMAG obligation authority.

A2.20.4. Revised paragraph **19.2.2.** concerning the availability of SMAG obligation authority.

A2.20.5. Paragraph **19.2.3.** replaced "AFM 67-1" with "AFMAN 23-110".

A2.20.6. Paragraph **19.2.4.** replaced "AFM 67-1" with "AFMAN 23-110".

A2.20.7. Added paragraph **19.4.3.** concerning host base dormitory furniture and furnishings responsibilities.

A2.20.8. Revised paragraph **19.5.2.** on availability of SMAG obligation authority for UPFIP dormitory furnishings requisition. Last sentence, added "authority" after "obligation".

A2.20.9. Paragraph **19.5.4.** changed reference from AFI 32-1031 to AFI 32-1001.

A2.20.10. Paragraph **19.6.** changed funding responsibility of flying clothing required for personnel TDY for formal training enroute to a PCS assignment to the losing organization. Included suggested sources to acquire flying clothing.

A2.20.11. Clarified paragraph 19.7.3.2. on base funding requests for TWCF Capital requirements.

A2.20.12. Added paragraph 19.7.5. that provides AFI 65-601, Volume 1 references on BPIE Investment and TWCF Capital funding guidance.

A2.20.13. Added paragraph **19.8.6.** on funding for tenant A and B mobility bag requirements.

A2.20.14. Added paragraph **19.8.7.** on funding for first aid kits and replacement items for mobility bags.

A2.20.15. Added paragraph **19.9.5.** on availability of Supply SMAG obligation authority for requisitioning action.

A2.20.16. Revised paragraph **19.11.** to provide only the AMCI 65-602 reference.

A2.20.17. Revised paragraph **19.14.2.** to add "not included in the basic Base Service Contract" and changed EEIC "533XX to "53350".

A2.20.18. Paragraph **19.14.3.** changed PEs 41876 and 41878 to 41976 and 41978 respectively; changed EEIC relating to PE 41978 costs to 521.

A2.20.19. Revised paragraph **19.15.** by deleting former reference to CEERS requirements process and free issue of items obtained through that process.

A2.20.20. Deleted paragraph **19.16.** in previous publication on office furniture repair/replacement. Renumbered all subsequent paragraphs accordingly. Added the $100,000 TWCF Capital threshold to the new paragraph **19.16.**

A2.20.21. Revised paragraph **19.16.1.** by adding the $100,000 TWCF Capital threshold.

A2.20.22. Added new paragraph **19.16.4.** regarding funding standard warranties on procurement-funded items.

A2.20.23. Added new paragraph **19.18.2.11.** that allows APF funding of food and food serving items under the DEFY program.

A2.20.24. Revised paragraph **19.19.** to provide the AFI 65-601, Volume 1 and AMCS1 to AFI 65-601, Volume 1 references on funding guidance for break area furnishings.

A2.20.25. Added paragraph 19.19.3. on funding of cooking/food-serving items for organizations that require their personnel to consume their meals and sleep in the work area while performing 24-hour shifts.

A2.20.26. Added paragraph 19.19.4. prohibiting APF for purchasing small appliances for personal use of assigned employees or for office booster club purposes.

A2.20.27. Revised paragraph **19.20.** by replacing "AFM 67-1" with "AFMAN 23-110".

A2.20.28. Paragraph **19.22.1.2.** last sentence, deleted "the LAC directed allocable" and added "recovery" to the end of the sentence.

A2.20.29. Paragraph **19.22.1.4.** last sentence, deleted "standard recovery cost" and replaced it with "material cost recovery and business overhead cost recovery" and added the word "recovery" to the end of the sentence.

A2.20.30. Added paragraph **19.22.5.** on SRRB impact on availability of DLRs in execution year.

A2.20.31. Revised paragraph **19.22.6.** by adding new AMC funding process for AFRC aircraft DLR requirements when flying AMC missions.

A2.20.32. Revised paragraph **19.23.1.** to indicate new monthly AVPOL reporting to HQ AMC/A88.

A2.20.33. Revised paragraph **19.23.2.** to incorporate new DESC procedures for AVPOL and fuel processing at Air Force locations.

A2.20.34. Added paragraph **19.23.2.1.** on the FAS and FES AVPOL processing.

A2.20.35. Added paragraph **19.23.2.2.** on AVPOL transactions that are not processed into FES.

A2.20.36. Paragraph **19.24.7.** replaced previous verbiage with AMCS1 to AFI 65-601, Volume 1 reference.

A2.20.37. Revised paragraph **19.24.9.** by replacing "AFM 67-1" with "AFMAN 23-110".

A2.20.38. Added paragraph **19.24.11.** on funding guidance references for civilian uniforms, to include Foreign Nationals.

A2.20.39. Added paragraph **19.24.12.** on funding uniforms issued as individual equipment.

A2.20.40. Added paragraph **19.24.13.** on funding desert BDUs for AFRC/ANG personnel performing AMC missions in Southwest Asia.

A2.20.41. Added paragraph **19.24.14.** on funding for uniform clothing requirements of mobilized (non-volunteer activation) ANG/AFRC/IMA personnel accessed to an AMC location.

A2.20.42. Added paragraph **19.24.15.** on funding of nametags for the new Air Force service dress uniform.

A2.20.43. Revised paragraph **19.25.2.** to provide current guidance on funding for sporting equipment and uniforms.

A2.20.44. Paragraph **19.25.4.** added AMCI 65-602 reference on prohibition of TWCF funds for sporting equipment and uniforms.

A2.20.45. Added paragraph **19.25.5.** prohibiting APF for sports uniforms for dependent or privately-sponsored sports teams.

A2.20.46. Paragraph **19.26.** added AMCI 65-602 reference on prohibition of TWCF funds for unit level fitness centers and exercise rooms.

A2.20.47. Added paragraph **19.26.1.** that provides the **Chapter 18** reference for group/squadron-level aerobics/physical fitness instructors.

A2.20.48. Revised paragraph **19.27.** by deleting the verbiage in the previous publication and providing the AMCS1 to AFI 65-601, Volume 1 reference for funding guidance concerning contact lenses for aircrew members.

A2.20.49. Revised paragraph **19.28.** to provide the AMCS1 to AFI 65-601, Volume 1 reference on funding for NMC AFRC and ANG aircraft.

A2.20.50. Revised paragraph **19.29.** to summarize AFI 65-601, Volume 1 guidance. Deleted paragraphs 19.30.1. and 19.30.2. in the previous publication.

A2.20.51. Added paragraph **19.30.** on funding for immunizations, inoculations, and atropine injectors.

A2.20.52. Added paragraph **19.31.** on the AMCS1 to AFI 65-601, Volume 1 reference on funding support for theater oversight organizations.

A2.20.53. Added paragraph **19.32.** and subparagraphs **19.32.1.**, **19.32.2.**, **19.32.3.** on new OSD funding policy guidance for RPIE replacement costs.

A2.20.54. Added paragraph **19.33.** on funding policy for deployed support equipment.

A2.21. Chapter 20:

A2.21.1. Deleted paragraph **20.1.2.** in previous publication and paragraphs **20.1.3.** through **20.1.5.** of the previous publication are renumbered as paragraphs **20.1.2.** through **20.1.4.** For current paragraph **20.1.2.** changed "basic daily food allowance" to "Meal Cost Allowance". For current paragraph **20.1.3.** (formerly 20.1.4) deleted the last sentence containing the reference to AFI 41-115. For current paragraph **20.1.4.** (formerly **20.1.5.**) deleted the 1st sentence containing the reference to AFI 34-401 and deleted Table 25-8 from the DoDFMR 7000.14, Volume 7A reference.

A2.21.2. Added paragraph **20.1.5.** on funding and ordering procedures for MREs and UGRs.

A2.21.3. Added paragraph **20.1.6.** and subparagraphs **20.1.6.1.**, **20.1.6.2.**, **20.1.6.3.**, and **20.1.6.4.** concerning furnishing box lunches/MREs to military members.

A2.21.4. Paragraph **20.2.** added guidance that bases may assign local ESP codes to track programs/events unique to their operations.

A2.21.5. Added paragraph **20.2.2.** and subparagraphs **20.2.2.1.** through **20.2.2.7.** listing those assigned command ESP codes that are considered reimbursable by HQ AMC.

A2.21.6. Revised paragraph **20.3.1.** to provide clarification of HQ AMC/TE's budget and funding process.

A2.21.7. Revised paragraph **20.3.2.** to provide clarification of HQ AMC/TE's budget and funding process for their field test agency. Changed "33 FLTS" to "AMC TES" and "AFM" to AFB".

A2.21.8. Paragraph **20.4.3.** clarified application of AFI 65-601, Volume 1, figure 7.1 for Air Force host/tenant support agreements.

A2.21.9. Revised paragraph **20.4.6.** to include the AFI 25-201 references for FM responsibilities of support agreement management, including the annual budget review. Provided the AMC/A8 web site to obtain the SAF/FM guidance for annual budget reviews.

A2.21.10. Revised paragraph 20.4.8.3. of the previous edition concerning Air Force tenant budget lead time away responsibility and relocated it to new paragraph **20.4.9.5.**

A2.21.11. Added paragraph **20.4.9.3.** on establishing MOAs/MOUs in lieu of a support agreement for infrequent or small scale recurring host support of tenant activities.

A2.21.12. Added paragraph **20.4.9.4.** that provides the AMCS1 to AFI 65-601, Volume 1 reference for support for unified joint combatant commands that reside on AMC bases.

A2.21.13. Paragraph **20.4.10.** added DoDFMR 7000.14, Volume 10 reference.

A2.21.14. Added paragraph **20.4.11.** that provides AFI 65-601 Volume 1 reference for support for Air Force satellite tenants.

A2.21.15. Added paragraph **20.4.12.** on civilian post office support.

A2.21.16. Added paragraph **20.4.13.** on Community/Regulated Service Organization support.

A2.21.17. Added paragraph **20.4.14.** and subparagraphs **20.4.14.1.**, **20.4.14.1.1.**, **20.4.14.1.2.**, and **20.4.14.2.** on reimbursement for official mail/postage costs and the prohibition of care/morale packages as official APF postage costs.

A2.21.18. Added paragraph **20.4.15.** on the **Chapter 23** reference concerning MOAs for strategic/non-strategic support from Wing Services organizations.

A2.21.19. Paragraph **20.5.** deleted and replaced with paragraphs **20.5.1.** concerning issuing Economy Act MIPRs and **20.5.2.** for issuing a MIPR to other Air Force, ANG, or AFRC agencies in lieu of an AF Form 616.

A2.21.20. Revised paragraph **20.8.** to correct AFI reference.

A2.21.21. Revised paragraph **20.9.** deleted last sentence concerning the prohibition of using subsistence funds to purchase liquid substitutes/sports beverages.

A2.21.22. Paragraph **20.9.1.** added requirement for local MTF commander or other qualified medical authority to authorize the purchase sports beverages for consumption by units whose official activities subject them to long periods of heat stress.

A2.21.23. Revised paragraph **20.9.2.** to reflect that medical authority allowing the purchase of liquid substitutes or sports beverages must be in writing.

A2.21.24. Added paragraph **20.9.3.** that provides the AMCS1 to AFI 65-601, Volume 1 reference on guidance for funding for sunscreen and other skin protection.

A2.21.25. Revised paragraph **20.11.** to include guidance on paying landing and parking fees under protest at foreign air bases.

A2.21.26. Revised paragraph **20.13.** to reverence the new AFI 64-117 that provides policy on the use of the GPC.

A2.21.27. Paragraph **20.13.2.** changed “First Bank” to “U.S. Bank”.

A2.21.28. Paragraph **20.13.5.1.** added new sentence on making a copy of the GPC purchase log to support the dollar amount of the 30 September MORD.

A2.21.29. Revised paragraph **20.13.7.** on the use of the GPC for medical supplies and NAFI.

A2.21.30. Added paragraph **20.13.10.** that provides the AFI 64-117 reference for guidance on the use of the GPC pertaining to aircraft flying hour supplies.

A2.21.31. Revised paragraph **20.15.2.** concerning O&M contingency expense reports submitted to SAF/FM. Deleted subparagraphs provided under paragraph **20.15.2.** provided in the previous publication.

A2.21.32. Revised paragraph **20.17.** to allow the use of APF to purchase light food and refreshments at treaty inspection briefings.

A2.21.33. Revised paragraph **20.18.1.** to provide AFI 65-601, Volume 1 reference concerning the use of APF to pay for licenses and certificates in compliance with certain state and local regulations.

A2.21.34. Added paragraph **20.18.5.** on new policy for paying professional credential costs for federal civilian employees.

A2.21.35. Added paragraph **20.20.3.** that provides the appropriate DoDFMR reference concerning the availability of samples, drawings, etc.

A2.21.36. Revised paragraph **20.21.1.** to provide AFI 65-601, Volume 1 reference on commingling O&M 3400 funds and OSD appropriations on the same contract.

A2.21.37. Revised paragraph **20.22.1.** by including the Economy Act exception to the prohibition of receiving reimbursement by one federal agency from another federal agency, for damage or replacement of personal property.

A2.21.38. Revised paragraph **20.22.2.** by adding the AFI 65-601, Volume 1 reference.

A2.21.39. Revised paragraph **20.22.5.3.** to include MSPB claims and attorney fees for prevailing federal employees, along with the GAO, Title 5, and DODFMR 7000.14 references.

A2.21.40. Revised paragraph **20.22.5.4.7.** to provide guidance on the correct appropriation to use when reimbursing the Judgment Fund.

A2.21.41. Added paragraph **20.22.7.** to provide the GAO reference on damage resulting from interagency loans of personal property.

A2.21.42. Added paragraph **20.22.9.** concerning claims for the U.S. Government.

A2.21.43. Added paragraph **20.22.10.** that provides the U.S. Code reference on the authority to settle claims.

A2.21.44. Paragraph **20.23.1.** replaced OMB Circular A-125 with 5 C.F.R., Part 1315.

A2.21.45. Paragraph **20.23.6.** provided AFI 65-601, Volume 1 reference for guidance on FMS interest penalty payments and the DFAS-DE office to contact for the most current FMS fund cite for interest payments.

A2.21.46. Paragraph **20.23.7.** replaced the DFAS-DE 7010.2-R, *Commercial Transactions at Base Level* reference with the DFAS *Standard Vendor Pay Guide* reference.

A2.21.47. Revised paragraph **20.26.** to provide AMCS1 to AFI 65-601, Volume 1 reference on funding guidance for memorialization costs. Deleted paragraphs 20.26.1. through 20.26.4. in the previous publication.

A2.21.48. Revised paragraph **20.27.** to provide AMCS1 to AFI 65-601, Volume 1 reference on funding guidance for contest entry fees and prized/awards. Deleted paragraphs 20.27.1. through 20.27.4. as well as 20.27.2.1. and 20.27.2.2. in the previous publication.

A2.21.49. Added paragraph **20.29.6.** on war risk insurance related to a loss of a commercially chartered aircraft..

A2.21.50. Added paragraph **20.30.** on payment of state and local taxes.

A2.21.51. Renumbered paragraphs **20.30.** and 20.30.1. through 20.30.9. in previous publication to **20.31.** and **20.31.1.** through **20.31.9.** respectively, to include all subparagraphs.

A2.21.52. For the new paragraph **20.31.** added the exclusion of TWCF funding if prohibited by AMCI 65-602, paragraph **6.6.**

A2.21.53. For the new paragraph **20.31.1.** added funding authority on Thanksgiving and Christmas decorations for main dining facilities at Air Force installations.

A2.21.54. Added paragraph **20.31.1.1.** concerning funding guidance on purchasing seasonal decorations for national holidays.

A2.21.55. Added paragraph **20.31.1.2.** prohibiting APF on decorations for birthdays or "special" meals.

A2.21.56. Added paragraphs **20.31.2.1.**, **20.31.2.2.**, **20.31.2.3.**, and **20.31.2.4.** that provides additional guidance on using O&M 3400 funds, NAF, MFH, and prohibiting ORF funds for groundbreaking and dedication ceremonies.

A2.21.57. Revised paragraph **20.31.3.** to include bottled water purchases for established base emergency sheltering requirements.

A2.21.58. Revised new paragraph **20.31.4.** to include prohibition on APF purchase of model aircraft; however, APF may fund for the moving of an aircraft from the AMARC at Davis-Monthan AFB to use as a static display.

A2.21.59. For new paragraph **20.31.5.1.** revised to prohibit charging admission for EEO programs.

A2.21.60. For new paragraph **20.31.6.** revised to include limitation of retirement flags to military members and prohibition of government funds for display boxes.

A2.21.61. For new paragraph **20.31.7.** revised to include AFI 65-601, Volume 1 references.

A2.21.62. Added paragraph **20.31.8.5.** on the use of APF for Wing-Wide Sports Days.

A2.21.63. Added paragraph **20.31.10.1.** concerning the use of APF or TWCF funds to pay rewards for missing government property.

A2.21.64. Added paragraph **20.31.10.2.** concerning the payment of rewards to information leading to the apprehension of individuals suspected of criminal offenses.

A2.21.65. Added paragraph **20.31.10.3.** providing the reference in **Chapter 6** of this publication concerning APF involvement in apprehending military deserters, absentees, and escaped prisoners.

A2.21.66. Added paragraph **20.31.10.4.** concerning funding for the confinement of military prisoners in civilian detention facilities.

A2.21.67. Added paragraph **20.31.10.5.** on funding for civil apprehension and detention of military absentees, deserters, or escaped prisoners.

A2.21.68. Added paragraph **20.31.11.** on funding for space in NAF Category C facilities to host significant graduation ceremonies.

A2.21.69. Added paragraph **20.31.12.** concerning funding for fines and penalties on individual military/civilian employees and Air Force units.

A2.21.70. Added paragraph **20.31.13.** that gives the DoDFMR reference concerning authorizing payment for personal expenses.

A2.21.71. Added paragraph **20.31.13.1.** that further prohibits APF for personal-related items in the office workplace.

A2.21.72. Added paragraph **20.31.13.2.** providing certain exceptions to the prohibition of APF for personal items.

A2.21.73. Added paragraph **20.31.13.3.** on "video postcards" and other personal stationery.

A2.21.74. Added paragraph **20.31.13.4.** on purchasing luggage and suitcases for TDY personnel.

A2.21.75. Added paragraph **20.31.14.** on exception for using APF to purchase alcoholic beverages.

A2.21.76. Added paragraph **20.31.15.** on funding for blood drive refreshments.

A2.21.77. Added paragraph **20.31.16.** that provides the source of funding guidance for Air Force band operations.

A2.21.78. Added paragraph **20.31.17.** on funding for advertising.

A2.21.79. Added paragraph **20.31.18.** on the proper funding source to lease back facilities constructed on Air Force installations by private corporations.

A2.21.80. Added paragraph **20.31.19.** on funding for parade floats.

A2.22. Chapter 21:

A2.22.1. Paragraph **21.2.** 2nd sentence, change "establish" to "establishes".

A2.22.2. Paragraph **21.3.** added AMCI 65-602 reference; 2nd sentence, change "Element" to "Division".

A2.22.3. Paragraph **21.3.7.** 3rd sentence, change "JCE" to "CJCS".

A2.22.4. Paragraph **21.3.9.** 1st sentence, change "Exercise" to "exercise".

A2.22.5. Revised paragraph **21.3.10.** to exclude EEIC 59270 expenses from TWCF CJCS Exercise quarterly reimbursement issued by HQ AMC/A88.

A2.22.6. Revised paragraph **21.4.** to include approval process for PE 28011 funding of CJCS exercise incremental costs.

A2.22.7. Added paragraph **21.4.6.** to provide the AFI 65-601, Volume 1 reference on CJCS funding guidance.

A2.22.8. Revised paragraph **21.5.** to include approval process for PE 28011 funding of CJCS exercise planning conferences.

A2.22.9. Added paragraph **21.10.** and subparagraphs **21.10.1.** through **21.10.5.** that describe the SCCP funding process in support of CJCS exercises, using Fund Code Z4.

A2.22.10. Added paragraph **21.11.** and subparagraphs **21.11.1.** through **21.11.7.** that describes the inland transportation budgeting and funding process, using Fund Code Z4.

A2.23. Chapter 22 – no revisions.

A2.24. Chapter 23:

A2.24.1. Added paragraph **23.4.** on grounds maintenance funding for NAF Category C Activities.

A2.24.2. Added paragraph **23.5.** on offsetting NAF costs with APF in support of unique circumstances, along with the application of Air Force ESP codes 2C and 3C for this purpose.

A2.24.3. Added paragraph **23.6.** providing the publication reference concerning the application of the mass transit subsidy for NAF employees.

A2.24.4. Added paragraphs **23.7.**, **23.7.1.**, and **23.7.2.** on strategic/non-strategic MOAs with Wing Services organizations for goods and services.

A2.25. Chapter 24:

A2.25.1. Revised paragraph **24.1.** to include restriction on using O&M 3400 funds to perform repairs on MFH facilities (housing units (including GOQ) or those facilities used to conduct MFH business). Changed FC 83 and 89 to 3Y and 3X respectively.

A2.25.2. Paragraph **24.2.** changed FC 83 to 3Y.

A2.25.3. Added paragraph **24.2.4.3.** on Housing Privatization (P727).

A2.25.4. Revised paragraph **24.3.4.** to provide exception for MFH reprogramming on facility maintenance contracts without HQ AMC/A78/A88 approval.

A2.25.5. Paragraph **24.3.5.** changed annual maintenance and repair threshold for non-GOQ from $15,000 to $20,000 and GOQ from $25,000 to $35,000.

A2.25.6. Paragraph **24.4.** changed FC 89 to FC 3X.

A2.25.7. Added paragraph **24.6.** on funding for U.S. and Air Force flags on MFH units.

A2.25.8. Added paragraph **24.7.** listing all forms adopted in this publication.

A2.26. Attachment 1 is revised to include new publication references, policy memoranda, and acronyms. Deleted all references that are no longer applicable or nonexistent.