



DEPARTMENT OF THE ARMY
OFFICE OF THE ASSISTANT SECRETARY OF THE ARMY
FINANCIAL MANAGEMENT AND COMPTROLLER
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MEMORANDUM FOR SEE DISTRIBUTION

SUBJECT: Department of the Army Financial Management Guidance for Contingency Operations

1. Purpose. This document provides Army policy regarding financial management operations in support of contingency operations (CONOPS). The attached guidance supersedes the Army Financial Management Guidance in Support of Contingency Operations, dated 28 June 2012, and all other previously published guidance concerning responsibilities for executing Army financial management functions in support of CONOPS. It incorporates all related funding guidance from the Office of the Under Secretary of Defense (Comptroller) and Office of Management and Budget.

2. Applicability. The standing funding guidance at Enclosure 1 is effective immediately and applies to all commands and activities that receive CONOPS funding from HQDA. Enclosure 2 is the current Office of Management and Budget (OMB) and Office of the Secretary of Defense (OSD) criteria for Overseas Contingency Operations (OCO) funding requests and is also effective immediately and applicable as stated above. Updates to these documents will be published only for substantive changes to policy, procedures, or processes.

3. Proponent. The Army Budget Office, Operations and Support Directorate (SAFM-BUO-O), Contingency Operations (CONOPS), is the proponent for this guidance. Please contact LTC David Lyon at (703) 693-2682 or email: David.L.Lyon2.mil@mail.mil if you have any questions or need additional information.

THOMAS A. HORLANDER
Major General, U.S. Army
Director of Army Budget

- 2 Encls
1. HQDA CONOPS Funding Guidance
2. OMB/OSD OCO Criteria

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Department of the Army Financial Management Guidance for Contingency Operations



30 October 2015
UNCLASSIFIED

1. Purpose

a. This document provides Army guidance regarding financial management operations in support of contingency operations (CONOPS). This funding guidance is effective immediately and applies to all commands and activities that receive Army CONOPS funding. This guidance will remain in effect until rescinded or superseded.

b. This memorandum supersedes Financial Management Guidance for Contingency Operations dated 28 June 2012 and all other previously published guidance concerning responsibilities for executing Army financial management functions in support of named contingency operations; and, incorporates all related CONOPS funding guidance from the Office of the Under Secretary of Defense (Comptroller).

c. This guidance does not apply to direct or reimbursable Army missions in support of U.S. civil authorities, including response to domestic natural disasters or international disaster relief efforts. The Army POC for reimbursable support to other governmental agencies for domestic natural disasters and/or acts of terrorism within the Continental United States (CONUS) is the US Army North (ARNORTH) Reimbursement Cell (ARC). Specific guidance for such support is outlined in the Financial Management Guidance for Disaster Relief Operations posted on the Assistant Secretary of the Army (Financial Management and Comptroller) website: <http://asafm.army.mil/Documents/OfficeDocuments/Budget/Guidances//drfmg.pdf>

2. References:

a. Presidential Proclamation 7463 of September 14, 2001, Declaration of National Emergency by Reason of Certain Terrorist Attacks, found at: <http://www.gpo.gov/fdsys/pkg/WCPD-2001-09-17/pdf/WCPD-2001-09-17-Pg1310.pdf>

b. Executive Order 13223 of September 14, 2001, Ordering the Ready Reserve of the Armed Forces to Active Duty and Delegating Certain Authorities to the Secretary of Defense and the Secretary of Transportation, found at: <http://www.gpo.gov/fdsys/pkg/FR-2001-09-18/pdf/01-23359.pdf>

c. Army Regulation 715-9, Operational Contract Support Planning and Management, 20 June 2011, found at: http://www.apd.army.mil/pdf/r715_9.pdf

d. Assistant Secretary of the Army (Financial Management & Comptroller) Standard Operating Procedures (SOP): Investment Contingency Operations Execution Reporting (CONOPS Report), 13 January 2010

e. Office of the Under Secretary of Defense (Comptroller) memo, Cost of War Reporting Requirements, found at: <https://guidanceweb.ousdc.osd.mil/OCO.aspx>

f. Office of the Under Secretary of Defense (Comptroller) Budget Guidance, found at: <https://guidanceweb.ousdc.osd.mil/>

g. Office of the Deputy Secretary of Defense memo, Coordination of Contracting Activities in the US Central Command Area of Responsibility (AOR), dated 22 November 2010, found at: <http://www.oaa.army.mil/FetchFile.ashx?DocID=380>

h. Department of the Army Personnel Policy Guidance (PPG) for Contingency Operations in Support of OCO, updated: 27 April 2012, found at: <http://www.armyg1.army.mil/MilitaryPersonnel/ppg.asp>

i. DFAS-IN Regulation 37-1, Finance and Accounting Policy Implementation, found at: <http://www.asafm.army.mil/offices/BU/Dfas371.aspx?OfficeCode=1200>

j. DFAS-IN Manual 37-100-XX, The Army Management Structure (AMS), updated annually <http://www.asafm.army.mil/offices/BU/Dfas37100.aspx?OfficeCode=1200>

k. DoD Financial Management Regulation 7000.14-R, Volume 2A, Chapter 3, dated December 2010 found at: http://comptroller.defense.gov/Portals/45/documents/fmr/Volume_02a.pdf

l. DoD Financial Management Regulation 7000.14-R, Volume 12, Chapter 23, dated September 2007 found at: http://comptroller.defense.gov/Portals/45/documents/fmr/current/12/12_23..

m. DoD Directive 3000.10, Contingency Basing Outside the United States, 10 January 2013, found at: <http://www.dtic.mil/whs/directives/corres/pdf/300010p.pdf>

n. DoD Directive 5101.1, DoD Executive Agents, 21 November 2003, found at: <http://www.dtic.mil/whs/directives/corres/pdf/510101p.pdf>

o. DoD Instruction 3020.41, Operational Contract Support, 20 December 2011, found at: <http://www.dtic.mil/whs/directives/corres/pdf/302041p.pdf>

p. DoD Directive 1235.10, Activation, Mobilization, and Demobilization of the Ready Reserve, 21 September 2011, found at: <http://www.dtic.mil/whs/directives/corres/pdf/123510p.pdf>

q. DoD Instruction 1235.12, Accessing the Reserve Component (RC), 4 April 2012, found at: <http://www.dtic.mil/whs/directives/corres/pdf/123512p.pdf>

r. Federal Acquisition Regulation (FAR), found at: <https://www.acquisition.gov/?q=browsefar>

s. DoD Instruction 1225.06, Equipping the Reserve Forces, 16 May 2012, found at: <http://www.dtic.mil/whs/directives/corres/pdf/122506p.pdf>

t. Office of Management and Budget (OMB) Letter to USD(C), Criteria for War/Overseas Contingency Operations Funding Requests, 9 September 2010 <http://asafm.army.mil/offices/BU/GeneralInfo.aspx?OfficeCode=1200>

u. Office of the Under Secretary of Defense (Comptroller) memo, Intra-theater Transportation Payments in Support of Operations ENDURING FREEDOM (OEF) and IRAQI FREEDOM (OIF), 3 September 2009, found at: [http://www.acq.osd.mil/log/tp/Deploy/Intratheater Trans payments support OEF OIF.pdf](http://www.acq.osd.mil/log/tp/Deploy/Intratheater%20Trans%20payments%20support%20OEF%20OIF.pdf)

3. Background and Scope

a. The Office of Management and Budget (OMB) set the current Overseas Contingency Operations (OCO) based on a 9 September 2010 letter to the Office of the Under Secretary of the Defense (Comptroller) (OUSD (C)). The OUSD (C) periodically issues clarifying guidance to Headquarters Department of the Army (HQDA) as ongoing operations evolve and new activities emerge.

b. To be considered eligible for OCO funding activities must be conducted in specified geographic locations and have a clear link to the OCO. Specific criteria may be found in the attached OMB memo in Enclosure 2.

4. Definition.

a. Current Contingency Operations (CONOPS). A contingency operation is a military operation that is either designated by the Secretary of Defense as a contingency operation or becomes a contingency operation as defined in 10 United States Code (USC) §101(a) (13). It is a military operation that:

(1) Is designated by the Secretary of Defense as an operation in which members of the Armed Forces are or may become involved in military actions, operations, or hostilities against an enemy of the United States or against an opposing force; or

(2) Is created by definition of law. Under 10 USC §101(a)(13)(B), a contingency operation exists if a military operation results in (1) the call-up to, or retention on, active duty of members of the uniformed services under certain enumerated statutes 10 USC § 688, 12301(a), 12302, 12304, 12406 or 331-333, or (2) the call-up to, or retention on, active duty of members of the uniformed services under the (non-enumerated) statutes during war or national emergency declared by the President or Congress.

b. There are currently five CONOPS for which Army is currently the Financial Management Executive Agent. These CONOPS are:

(1) **New: Operation FREEDOM'S SENTINEL (OFS).** There are five continuing Operation Enduring Freedom contingency operations plus a new Iraq contingency included as part of Operation FREEDOM'S SENTINEL:

- (a) Operation Spartan Shield (OSS)
- (b) Joint Task Force- Guantanamo (JTF-GTMO)
- (c) Post-Operation NEW DAWN (OND) activities
- (d) Joint Task Force- Horn of Africa (JTF-HOA)
- (e) Operation Enduring Freedom- Philippines (OEF-P)

(2) **New: Operation INHERENT RESOLVE (OIR)**

(3) **New: European Reassurance Initiative (ERI)**

(a) Operation ATLANTIC RESOLVE (Baltics and Poland)

(4) **NEW: Iraq Train and Equip Fund (ITEF)**

(5) **NEW: Syria (Opposition) Train and Equip Fund (STEF)**

Budget execution for these operations may occur in Continental United States (CONUS) or Outside of the Continental United States (OCONUS).

c. Although OEF ended on 31 December 2014, the Office of Management and Budget (OMB) and Office of the Secretary of Defense (OSD) directed the continued use of current OCO funding guidance dated 9 September 2010. Due the volatile and uncertain national security environment, OMB and OSD may approve additional operations/missions for OCO on a case-by-case basis. Commanders have the responsibility and authority to approve the use of OCO funds for direct combat support operations in support of the named Operations above. OMB may approve operations not identified above on case-by-case basis.

d. There are a number of legacy "base" funded contingency operations that are on-going. These CONOPS transitioned from OCO funded to base funded during previous Program Objective Memorandum (POM) cycles. These on-going CONOPS are listed below. OCO funding is NOT authorized for use against any of these operations. Specific details regarding funding these missions and other emergent operations are covered in Department of the Army execution orders (EXORDs) pertaining to those operations:

- (1) OEF-Trans Sahara (OEF-TS)
- (2) Operation NOBLE EAGLE (ONE)
- (3) Operation JOINT GUARDIAN (OJG)/Kosovo Force (KFOR)
- (4) Operation JOINT FORGE (OJF)/Stabilization Force (SFOR) Bosnia
- (5) Operation OBSERVANT COMPASS (OOC)
- (6) Joint Task Force- Bravo (JTF-B) Honduras
- (7) Operation JUNIPER MICRON
- (8) Multinational Force and Observers (MFO) – Sinai

5. OCO Funding.

a. The Army Staff, Army Commands (ACOMs), Army Service Component Commands (ASCCs), Direct Reporting Units (DRUs), staff agencies, and activities will submit validated requirements for OCO funding to the Army Budget Office (ABO) in accordance with published data calls. All submissions for OCO funding must identify the supported operation (i.e., OFS, OIR, or ERI). Activities must ensure that requests for OCO funds are directly related to readiness of deploying forces and mission requirements in support of CONOPS in accordance with OMB guidance. Specific instructions for submitting OCO requirements are distributed each

year by the ABO, U.S. Army Reserve (USAR), and Army National Guard (ARNG) appropriation sponsors.

b. Before OCO requirements are built into the OCO budget, they must be validated by the appropriate HQDA functional proponent or executing Army Service Component Command (ASCC). For example, all RESET requirements must be validated by Army G-4, all OFS and OIR requirements must be validated by US Army Central (ARCENT), etc. All ERI RESET requirements must be validated by US Army Europe before submission to Army G-4. Requirements will undergo OUSD (C) and OMB review before inclusion in the President's Budget.

c. Operational Needs Statements (ONS) or other emerging requirements must be validated by the Army Requirements and Resources Board (AR2B) to be considered for OCO funding. The AR2B does not have funding to resource emerging requirements, rather the AR2B validates emerging requirements. Upon validation by the AR2B, requesting commands submit validated committee requirements to the Budget, Requirements and Program (BRP) for determination of funding solutions. In-theater requirements are managed by a variety of validation and funding boards conducted in accordance with US Army Central (ARCENT)/US Army Europe (USAREUR) policy published guidance.

6. CONOPS Funding Roles and Responsibilities.

a. Financial Management Executive Agent. Most CONOPS will be tasked to a Combatant Command (COCOM) by order of the Secretary of Defense. Unless otherwise specified in a HQDA EXORD, the COCOM's ASCC is the Army financial management executive agent for the specified CONOP. In that role, the ASCC coordinates with ABO and the COCOM comptroller to ensure financial management functions for the CONOP are conducted in accordance with current fiscal law, OMB OCO guidelines, DoD guidance, and Army financial management policy. The ASCC has the overall responsibility for all financial management functions associated with the CONOP. The ASCC must use existing funds to cover the costs in support of Department of the Army tasked CONOPS and may seek reimbursement (UFR submission, Mid-Year Review, etc.) if appropriate. The ASCCs described in this paragraph are generally identified as the *Supported Army Command*.

b. Supporting and Supported Commands. At times, a COCOM may be tasked to provide support within another COCOM's Area of Responsibility (AOR). Unless otherwise specified in a HQDA EXORD, the supporting COCOM's ASCC (such as ARNORTH is to NORTHCOM) is the *supporting Army command*. In its role as the *supporting Army command*, the resource manager coordinates with the *supported Army command*, ABO and COCOM comptrollers to ensure financial management functions for the CONOP are conducted in accordance with current fiscal law, DoD guidance, and Army financial management guidance. The *supported Army command* generally has funding responsibility for all incremental costs supporting Army mission command resource requirements directly associated with the deployment or CONOP support. This includes, but is not limited to: the movement from the Aerial Port of Embarkation (APOE)/Sea Port of Embarkation (SPOE) to theater and return back to the Aerial Port of Debarkation (APOD)/ Sea Port of Debarkation (SPOD), pre-deployment site surveys, procurement of theater specific equipment associated with mission support, requested TDY to theater, all in-theater operational and sustainment costs and reconstitution costs.

c. Operational Phases. Funding responsibilities are delineated by the following five operational phases:

(1) Pre-deployment.

(a) The supporting Army mission command funds the costs of home station pre-deployment training and preparation, including funding the costs of supplies and equipment requisitioned to bring Shop Stock List (SSL) to appropriate levels and the costs of required certification training. Commands will ensure units and individuals are prepared for deployment while exercising appropriate financial stewardship and internal controls. All Non-Unit Related Personnel (NRP) will deploy (as well as redeploy) through the CONUS Replacement Center (CRC). Civilians and Contractors will also go through the CRC, as directed, to receive specific training and equipment before deploying to theater.

(b) The standard rotation cycle for Active Component (AC) units at Division level and below is two-month pre-deployment, nine-month sustainment, and three-month reconstitution (2-9-3). The standard rotation cycle for Reserve Component (RC) is two-month pre-deployment, nine-month sustainment, and one-month reconstitution (2-9-1). However, for Reset, the planning timeline is 6 months for the Active Component and 12 months for the Reserve Component. Due to the dynamic nature of CONOPS, actual timelines must be time and condition-based to account for the variety of operational situations.

(c) All incremental pre/post mobilization costs are the responsibility of the RC. The RC will identify all incremental pre/post-mobilization training & support requirements and request OCO funding to cover. Once mobilized, all installation support costs (life support, transportation, facilities, MWR, etc) are the responsibility of Installation Management Command (IMCOM) and Army Material Command (AMC), each according to their respective core enterprise areas. The supporting Army mission command is responsible for costs associated with individual certification training mandated by the supported command and collective training events to ensure the deploying forces are prepared to deploy. This includes the cost to relocate to the training venue (e.g. from Fort Bliss to Fort Polk and back to Fort Bliss) as part of the collective training event.

(2) Deployment.

(a) The Army financial management executive agent for each CONOP will fund all US Transportation Command (USTRANSCOM) and other movement costs using base or OCO for deployment of Army personnel, supplies, and equipment into the theater from the Aerial Port of Embarkation (APOE) or Sea Port of Embarkation (SPOE), with the exception of Army Special Operations Forces (ARSOF), which are responsible for their own deployment (inter-theater only), and return to the APOE/SPOE.

(b) Unless otherwise directed in an Operations Order (OPORD)/Execute Order (EXORD), AMC will fund, using base or OCO, all unit movement transportation costs for Active Component (AC) personnel/units in support of Operation FREEDOM'S SENTINEL (OFS), Operation INHERENT RESOLVE (OIR), and the European Reassurance Initiative (ERI) from the permanent duty station to the APOE or SPOE, including OCONUS permanent duty locations, and return to the permanent duty station from the originating APOE/SPOE. The ASCC will fund transportation from the APOD to the theater of operation. The ASCC will also fund transportation from the theater back to the APOD. IMCOM will fund commercial airline tickets for individual travelers.

(c) AMC will also fund, using base or OCO, transportation costs for the Reserve Component (RC) units in support of OFS, OIR, and ERI, from the unit's home station or Equipment Concentration Site (ECS)/Mobilization and Training Equipment Sites (MATES) to the Mobilization Force Generation Installation (MFGI) and from the MFGI to the APOE/SPOE. Likewise, AMC will also fund the return trip from the originating APOE/SPOE to the mobilization station and back to HS following deployment. The ASCC will fund transportation from the APOD to the theater of operation. The ASCC will also fund transportation from the theater back to the APOD. IMCOM will fund commercial airline tickets for individual travelers.

(d) Costs associated with the movement of non-Army personnel and equipment will be funded by the parent department or agency that owns the personnel or equipment (e.g. Department of State, Defense Logistics Agency, Army Air Force Exchange Service, Red Cross and other Non-Governmental Organizations).

(e) For emerging contingencies, the financial executive agent for the Army Command responsible for the CONOP will contact the HQDA G-4 at tac.coordinator@hqda.army.mil to establish a contingency-specific Transportation Account Code (TAC) (or multiple TACs). The assigned TAC will serve the purpose of funding all equipment transportation costs for Active and Reserve Component equipment transportation from home station, ECS/MATES to MFGI, then to contingency and all return legs. The ASCC will fund transportation from the APOD to the theater of operation. The ASCC will also fund transportation from the theater back to the APOD.

(3) Sustainment.

(a) The supported Army command's financial management executive agent funds operational and sustainment costs for all Army units on arrival in theater/CONOP.

(b) Supporting Army commands are responsible for resourcing all other requirements at home station unless specified in this guidance or an execute or deployment order. These sustainment costs include, but are not limited to, civilian temporary hires and/or contract personnel needed to perform functions at home station normally performed by Soldiers who are deployed (e.g., truck drivers, equipment operators, postal clerks, legal personnel, supply room personnel, etc.) or to augment work normally performed by Soldiers.

(c) Logistics support for Army Special Operating Forces (ARSOF) deployed units is the responsibility of the theater financial management executive agent/parent service. Logistics support includes service-common sustainment, replenishment, maintenance, transportation, health services, medical support, facilities, and base operations support and services (BOSS). A BOSS standard or common level of support metric should be established to include specific resourcing responsibilities and requirements, by theater/AOR, to ensure the common level of BOSS is provided to ARSOF. Sustainment costs that are above the established BOSS and specific to ARSOF are the responsibility of ARSOF.

(d) Supplies and equipment purchased in an AOR with OCO funds will generally remain in that AOR until the end the operation and proper disposition can be determined.

(e) Costs associated with equipment not deployed but used for training purposes belong to the unit's parent organization not AMC.

(f) Establishing base camps is resource intensive – not only in terms of the labor, equipment, and materials needed for construction, and operations and maintenance of facilities and infrastructure; but also the command and staff efforts that are required throughout the base camp life cycle. Programming and funding procedures for base camp development seldom keep pace with rapidly changing mission requirements inherent in contingency operations. Expectations of base camp duration may shift as missions mature and develop. When new timelines are developed, Army Service Component Commands (ASCCs) should reevaluate base camp equipping and construction plans to ensure they meet the requirements of the new time horizon. ASCCs will identify base camp requirements as early as possible in the planning phase to provide lead time that will help ensure that base camp requirements are funded and fulfilled in a timely manner. A base operations standard or common level of support metric for bases should be established by the Combatant Command to include specific resourcing responsibilities and requirements, in order to inform the planning process. ASCCs will conduct cost benefit analysis for alternative means to construct or equip contingency bases and theater security cooperation locations to ensure the lowest life cycle costs.

(4) Redeployment.

(a) The supported Army command's financial management executive agent for each operation will pay all US Transportation Command (USTRANSCOM) and other related movement costs for redeployment of Army personnel, supplies, and equipment from the theater to the APOD or SPOD, with the exception of ARSOF which are responsible for their own redeployment (inter-theater only).

(b) Unless otherwise directed in an Operations Order (OPORD)/Execute Order (EXORD), AMC will pay all transportation costs to the active component permanent duty station from the APOD or SPOD, including OCONUS locations. AMC will pay all RC transportation costs from the APOD or SPOD to the Mobilization Force Generation Installation (MFGI) and from the MFGI to the RC unit's home stations and or ECS/MATES. IMCOM will fund commercial airline tickets for individual travelers.

(c) The parent military department or agency that owns the personnel or equipment is responsible for covering all costs associated with the movement their non-Army DoD personnel. For example, personnel deploying from the Defense Logistics Agency, Joint Staff, etc are responsible to covering their own personnel and equipment costs.

(d) Costs for blocking and bracing materials belong to the supported unit's ASCC, not AMC.

(5) Reconstitution. The supporting Army commands resource the costs of reconstitution upon return to home station. Reconstitution encompasses the activities to bring the unit back to operational readiness.

(a) These costs include, but are not limited to, unit level repair of equipment, repair or replacement of tents, replacing Shop Stock List (SSL), etc. Commercial Off The Shelf (COTS) equipment may be included in reconstitution; however, an organization must be able to demonstrate that the expense is an incremental cost of deployment (e.g., advanced wear due to deployment conditions that accelerated the need for life cycle replacement). All automation purchases must be approved by HQDA G-6 through the Goal 1 waiver process.

(b) Reset of equipment as a subset of reconstitution is critical to maintain the Army's strategic operational readiness and depth. HQDA G-4 policy will dictate Army commands' responsibilities and the maintenance standards required for all equipment returned from deployment. Reset and retrograde of equipment from Operation NEW DAWN remains an OCO requirement. The Army anticipates Reset requirements for three years after the last piece of equipment leaves the COCOM AOR.

(c) Costs associated with the increased use of base operations, training and range facilities due to multiple deployments or mobilization of RC Soldiers are also considered a reconstitution cost.

7. Mobilization of U.S. Army Reserve (USAR) and Army National Guard (ARNG) Units.

a. Operation and Maintenance, Army Reserve (OMAR) and Reserve Personnel, Army (RPA) appropriations fund costs incurred up to the date of mobilization for USAR units. Operation and Maintenance, Army National Guard (OMNG) and National Guard Personnel, Army (NGPA) appropriations fund costs incurred up to the date of mobilization for ARNG units. All OCO related pre-deployment and reconstitution costs will be included in the respective RC appropriation sponsor's budget submissions.

b. Operation and Maintenance, Army (OMA) and Military Personnel, Army (MPA) appropriations fund costs incurred on and following the date of mobilization, to include costs associated with the muster prior to movement to the MFGI. First Army, thru Forces Command, will fund operational requirements with OCO for rear detachment RC mobilized units in Title 10 status in support of OFS, OIR, and ERI in order to support the specified rear detachment mission.

(1) The Mobilization Force Generation Installation (MFGI) is responsible for funding unit operations from the date of mobilization through the date of deployment to the theater of operation or handoff to the gaining major command employing the unit. For the duration of the deployment, AMC through Army Sustainment Command (ASC) will fund household goods shipment /storage, privately owned vehicle storage, and the costs incurred when the unit has directed Soldiers and units to meet collectively for administration and support purposes (upon mobilization until arrival at the MFGI) in accordance with Army Personnel Policy Guidance (PPG) for Contingency Operations in Support of OCO. IMCOM will fund their respective core enterprise areas, in particular, home station meals and lodging. Units will coordinate with their designated MFGI for funding support of mobilization requirements after the date of mobilization. The MFGI will coordinate with IMCOM and ASC to obtain funding for mobilizing units.

(2) When an RC unit returns to a MFGI after deployment, the MFGI is responsible for funding all the unit's demobilization operations through the entire process.

(3) Upon mobilization, the supporting Army mission command is responsible for funding:

(a) All mission training requirements needed to certify the unit prior to deployment. These may include, but are not limited to: transportation of personnel and equipment to support the training event if it takes place at a location other than the MFGI; contract support for the training event; purchase training aids, repair parts and fuel to support equipment used during pre-deployment training events, and Mission Rehearsal Exercise (MRX/MRE) or Command Post Exercise (CPX).

(b) Incremental pre-deployment supply and equipment requirements for units / individuals to support a deployment based on a Chairman of the Joint Chiefs of Staff (CJCS) or/HQDA EXORD. These may include but are not limited to: general supplies, equipment, medical kits/outfits, automation approved through the HQDA Goal 1 Waiver process, etc. Requirements are based on Modified Table of Organization and Equipment (MTOE) / Mission Essential Equipment List (MEEL) shortfalls, a HQDA approved Operational Needs Statement (ONS), or an approved Joint Urgent Operational Needs Statement (JUONS). Supply and equipment requisitions will be executed in accordance with the Combatant Commander's operational requirements and guidance.

(4) For unit personnel activated in advance of the unit's mobilization, pay and allowances and supporting O&M operational costs are charged to the appropriate Reserve Component appropriation. Once the unit personnel are mobilized, Military Personnel, Army (MPA and Operation & Maintenance, Army (OMA) appropriations are to be used.

(5) To the maximum extent possible, individual replacements will arrive at the Fort Bliss CONUS Replacement Center and units will arrive at the MFGI with all required OCIE. For Soldiers lacking deployment OCIE, Central Issue Facilities (CIF) will provide OCIE to authorized levels. CIFs will use OCIE Central Management Office funding for replenishment of stocks. Army Materiel Command is responsible for resourcing and reimbursing the CIFs. Soldiers are responsible for the replacement of lost or negligently damaged OCIE.

(6) All incremental costs for civilian pay costs for current federal employees deploying are borne by the Civilian Expeditionary Workforce (CEW), not the parent organization of the employee. The parent organization is responsible for the normal 80 hour regular pay. The CEW office is responsible to cover all incremental overtime, premium, differential and danger pay during an employee's deployment. The parent organization can use the OCO dollars to resource a temporary or term employee during the absence of the deployed employee.

8. Execution.

a. Intent. Resource managers will continue to exercise prudent control measures, allocate funds based on validated requirements, and use all available resources to support the CONOPS priorities. CONOPS will remain the highest funding priority.

b. Funds Distribution.

(1) OCO Targets. Initial OCO targets for the OMA appropriation are based on the current and projected level of operations and validated requirements submitted by Commands in response to HQDA data calls. Once each OCO appropriation is enacted, and as requirements and priorities are reassessed during annual midyear reviews, Army Budget Office, Current Operations Division, rebalances accounts on a case-by-case basis based on the commands involved and their justifications for the funding.

(2) OCO Funding by SAG and MDEP. The Assistant Secretary of the Army Financial Management & Comptroller ABO, Current Operations Division (SAFM-BUO-C) publishes an annual Operation & Maintenance, Army Funding Letter providing detailed execution guidance on the use of OCO based on Management Decision Packages (MDEPs) and Functional Cost Account codes (FCA).

c. Reimbursable Support.

(1) Reimbursable CONOPS support may be provided to other services, U.S. federal agencies, other troop-providing nations, or organizations such as NATO or the United Nations. If this occurs, the Command providing the support will create the bill and submit payment in accordance with existing procedures contained in DoD Regulation 7000.14-5, Volume 12, Chapter 23. Billings will be submitted by the Army commands through applicable DFAS centers. DFAS will submit required information or documents to the ABO, Budget Execution, Policy, and Funds Control Division (SAFM-BUC-E).

(2) Reimbursable military manpower in support of contingency operations may be provided by the U.S. Army Corps of Engineers (USACE) for missions specific to USACE's contingency construction and engineering missions such as Field Force Engineering (FFE) or Military Construction (MILCON). Since the FFE program receives funds from the Installations Program Evaluation Group (II PEG), USACE Soldiers supporting FFE contingency missions were not intended to be funded by military personnel appropriations. Thus, USACE FFE Soldiers are properly funded through the USACE Revolving Fund. USACE will reimburse the Army Budget Office, Military Personnel, Army Appropriations from the USACE Revolving Fund (33 U.S. Code Section 576). Unless otherwise specified in an HQDA Execution Order, Combatant Command Request for Forces, or as a Mobilization Table of Distribution and Allowances requirement, USACE must provide reimbursable funding to the Army Budget Office, Military Personnel Army when utilizing full-time military manpower support for contingency operations. USACE Soldiers on reimbursable contingency operations orders must be performing specific missions in support of FFE or MILCON requirements and cannot be used for administrative support at headquarters or districts.

d. Government Purchase/Travel Cards. Resource managers must establish prudent procedures before, during, and after CONOPS to ensure positive control and proper use by cardholders and to ensure that OCO funding is used only for authorized OCO expenses as described in this guidance. Requisite training, appointment letters, certifications, and approvals must be in place.

e. Cost Management/Cost Controls. Resource managers must seek out, coordinate, and implement cost management/cost control procedures to account for OCO execution, create efficiencies, instill a cost culture, and enable commanders to make resource informed decisions.

9. Tasks to Army Organizations.

a. U.S. Army Forces Command (FORSCOM)

(1) FORSCOM is responsible for funding mission training requirements that align to the FORSCOM unit's Mission Essential Task List (METL) and as resourced by the training resource model (TRM). Training requirements that exceed the scope of the unit's METL are the supported Command or HQDA's responsibility to fund (e.g. Non- Standard Weapon's training). This includes training necessary to certify a unit for deployment (i.e., general supplies, fuel, equipment, and Class IX repair parts, etc.) for AC deploying units and mobilized RC deploying units processing at a FORSCOM mission station or at a Mobilization Force Generation Installation (MFGI) during the pre-deployment and reconstitution phases.

(2) FORSCOM is responsible for funding pre-deployment incremental supply and equipment requirements for units/individuals to support a deployment based on a Chairman of

the Joint Chiefs of Staff or Department of the Army Execute Order. These may include but are not limited to general supplies, equipment, etc. Requirements are based on MTOE / Mission Essential Equipment List (MEEL) shortfalls or on a HQDA approved Operational Needs Statement (ONS) or on a Joint Urgent Operational Needs Statement (JUONS). The supported commander or HQDA are responsible to source theater specific equipment requirements.

(3) FORSCOM is responsible for transportation costs related to training equipment to include Pre-Deployment Training Equipment (PDTE). Additional guidance regarding maintenance cost responsibilities may be specified by HQDA G-4 policy published separately in accordance with this guidance.

(4) Although HQDA G-3/5/7 is the executive agent for the CONUS Replacement Centers (CRC), FORSCOM is the Army executing agent for operations. FORSCOM is responsible for funding mission training requirements needed to certify individual personnel processing through the CRCs during the pre-deployment and reconstitution phases. Any theater specific equipment or specialized training specific to a CONOP is the supported Command's or other Army Command's funding responsibility (e.g. Personnel Protective Equipment that was required for Operation UNITED ENDEAVOR and MEDCOM funded).

(5) Operational Mentoring and Liaison Teams (OMLT). FORSCOM will fund all requirements for OMLT's during activation and pre-deployment (Phase 0 and 1). USAREUR will fund TDY and life support requirements for OMLT assigned to the USEUCOM AOR for the 2-6 months of training with their European counterparts prior to arriving in Afghanistan (Phase 2). USAREUR will provide life support to OMLTs through the use of Acquisition and Cross-Servicing Agreements (ACSA). IMCOM will fund OMLT TCS orders for deployment to the AOR.

b. Training and Doctrine Command (TRADOC). TRADOC is responsible for funding all mission training support requirements for mobilized RC deploying units (i.e., general supplies, fuel, equipment and Class IX repair parts) while processing at a TRADOC mission station during the pre-deployment and reconstitution phases. Requirements are based on MTOE / Mission Essential Equipment List (MEEL) shortfalls or on a HQDA approved Operational Needs Statement (ONS) or on a Joint Urgent Operational Needs Statement (JUONS).

c. Army Materiel Command (AMC)

(1) AMC is the lead for Reset of redeployed equipment. AMC is responsible for sustainment level maintenance, training equipment, Aviation Special Technical Inspection and Repair (STIR), Army Prepositioned Stock (APS), Theater Provided Equipment (TPE), Forward Repair Activity (FRA), and the Tactical Wheeled Vehicle (TWV) programs in accordance with HQDA Army G-8/G-4 policy.

(2) Pre-deployment Training Equipment (PDTE). AMC is responsible for PDTE maintenance and equipment accountability.

(3) AMC is responsible for installation-level support to individual Soldiers and units deploying/redeploying, mobilizing/demobilizing in support of CONOPS, for its respective core enterprise areas. Specifically, AMC will fund transportation of personnel and equipment; all blocking, bracing, and tie down equipment needed to transport equipment at railheads; Installation Directorate of Logistics (DOL) labor; household goods and Privately Owned Vehicle (POV) storage, and other base support costs at mobilization stations. Additionally, upon

mobilization, base support type costs incurred at the reserve component (RC) unit home station are an AMC responsibility. Exception: IMCOM will fund commercial airline tickets for individual travelers.

d. Installation Management Command (IMCOM). IMCOM is responsible for installation-level (garrison support of, mobilization force generation installations & deployment centers) support to individual Soldiers and units deploying/redeploying, mobilizing/demobilizing in support of CONOPS, for its respective core enterprise areas.

(1) For all CONOPS, IMCOM will fund all incremental costs associated with base operations in support of deploying/redeploying and mobilizing/demobilizing units. Upon mobilization, base support type costs incurred at the RC unit home station are an IMCOM responsibility. These costs include meals and lodging, per diem, and other incremental costs for the unit to mobilize and demobilize. OCO funds are currently only authorized in support of OFS, OIR, ERI, OEF-HOA and OND. All other costs in support of other CONOPS must be base funded.

(2) Installations housing Soldiers or units in support of a valid OCO CONUS or OCONUS mission will maximize on-post housing. If contract lodging is used, resource managers will pursue the most cost effective methods to house Soldiers off-post. Agencies must contact IMCOM for the line of accounting.

(3) IMCOM has funding responsibility for OFS, OIR, and ERI personnel deployments from the Active and Reserve Components and for all travel except APOE/SPOE to theater and return leg from theater to APOD/SPOD. IMCOM will also fund commercial airline tickets for individual travelers. For contingencies other than OFS, OIR, and ERI funding personnel travel funding will be provided by the financial management executive agent assigned to the COCOM responsible for the CONOPS.

e. U.S. Army Central (ARCENT)

(1) ARCENT is the Army financial management executive agent for OFS, OSS, ITEF and OIR. ARCENT is responsible for deployment, sustainment, and redeployment of Army units in the USCENTCOM AOR. Additionally, ARCENT will budget and pay for all intra-theater surface transportation and inter-theater oceanic transportation for contingency operations in the USCENTCOM AOR. ARCENT will also pay for emergency leave commercial travel if government transportation is not available.

(2) Rest & Recuperation (R&R). Resource Services - Washington (RS-W) funds the main leg of travel from Theater to the APOD and from the APOE back to Theater. ARCENT is responsible for funding the additional R&R travel from the APOD to the Soldier's designated leave address and travel back to the APOE.

(3) Commander's Emergency Response Program (CERP). The Army is the executive agent for the appropriated CERP funding executed by U.S. Forces Afghanistan (USFOR-A). The OSD Comptroller will provide under separate cover guidance concerning the CERP budget amount, execution and reporting requirements.

(4) Military Information Support Operations (MISO). The Army is also the executive agent for the appropriated MISO funding executed by U.S. Forces Afghanistan (USFOR-A). This program provides full spectrum information operations support to Army and joint war fighters

during operations, exercises, and developmental activities by protecting information and information systems and affecting adversary information and information systems. The OSD Comptroller will provide under separate cover guidance concerning the MISO budget amount. All MISO actual and budgeted requirements must be captured. The Army must report annually, to OSD, all MISO actual and budgeted costs in the PBA-27 budget exhibit.

(5) Lift and Sustainment. ARCENT provides transportation and logistical support to coalition forces supporting U.S. military operations in Afghanistan.

(6) Legacy retrograde/drawdown costs from New Dawn will continue to be charged to OCO until the completion of all residual operations.

f. U.S. Army Europe (USAREUR)

(1) USAREUR is the Army financial management executive agent for European Reassurance Initiative (ERI) and Operation Atlantic Resolve (OAR) responsible for deployment, sustainment, and redeployment of Army units in the Area of Operations.

(2) For assigned units, USAREUR is responsible for funding all mission training requirements needed to support a unit prior to deployment, i.e., general supplies, fuel, equipment and Class IX repair parts for AC deploying units.

(3) For assigned units, USAREUR is responsible for funding all pre-deployment incremental supply and equipment requirements for units/individuals to support a deployment based on a JCS or HQDA EXORD. These may include but are not limited to: general supplies, equipment, medical kits/outfits, etc. Requirements are based on MTOE / Mission Essential Equipment List (MEEL) shortfalls or on a HQDA approved Operational Needs Statement (ONS) or on a Joint Urgent Operational Needs Statement (JUONS).

(4) USAREUR will continue to fund, through OCO, legacy OEF, OSD and State Department negotiated treaty liabilities as well as NATO Special Operations Headquarters (NSHQ) support to NATO force operations.

(5) Multi-modal operations at Mihail Kogalniceanu (MK) Air Base Romania will remain as long as troops deploy to the U.S. CENTCOM area of operation. This requirement remains relatively fixed with no direct correlation to troop strength.

(6) USAREUR will capture all ERI Reset requirements and include them in subsequent OCO budget submissions.

g. U.S. Army Pacific (USARPAC)

(1) Operation ENDURING FREEDOM – Philippines (OEF-P). This joint operation underway administered by Special Operations Command, Pacific (SOCPAC) has been in one form or another, in the southern Philippines since March of 2001. Under OEF-P, the Joint Special Operations Task Force-Philippines (JSOTF-P) operates hand in hand with the Armed Forces of the Philippines (AFP) to conduct civil/military operations and combat operations to limit the power and scope of the Al Qaeda linked Abu Sayeff Group and other rogue elements in the area.

(a) USARPAC is the Army's financial management executive agent responsible for funding Army personnel deployment, sustainment, and redeployment for the OEF-P Area of Operations.

(b) Deployment/Redeployment. USARPAC will budget and fund all intra-theater surface transportation and inter-theater oceanic transportation of Army units tasked to support OEF-P.

(c) Sustainment. USARPAC, as the ASCC to U.S. Pacific Command (USPACOM), is responsible for the incremental sustainment costs supporting OEF-P Casualty Evacuation (CASEVAC)/Rotary Wing Operations and Fixed Wing Operations. Sustainment requirements beyond the scope of CASEVAC/Rotary Wing Operations and Fixed Wing Operations will be resourced based upon the requirements validation process (AR2B) and/or EXORD/DEPORD directive. Sustainment costs that are specific to Special Operations Forces (SOF) are the responsibility of the SOF.

(2) OEF-P responsibilities

(a) USARPAC is responsible for funding all mission training requirements needed to certify a unit prior to deployment (i.e., general supplies, fuel, equipment, and Class IX repair parts).

(b) USARPAC is responsible for funding all incremental pre-deployment supply and equipment requirements for units/individuals to support a deployment based on Joint Chief of Staff (JCS) or HQDA EXORD. These may include but are not limited to general supplies, equipment, medical kits/outfits, etc. Requirements are based on MTOE / Mission Essential Equipment List (MEEL) shortfalls or on a HQDA approved Operational Needs Statement (ONS) or on a Joint Urgent Operational Needs Statement (JUONS).

h. U.S. Army Africa (USARAF). USARAF, as the ASCC to US Africa Command (USAFRICOM), is the Army financial management executive agent for OEF-HOA and responsible for deployment, sustainment, and redeployment of Army units in the Area of Operations, including intra-theater and inter-theater transportation.

i. U.S. Army North (ARNORTH). As the ASCC to U.S. Northern Command (USNORTHCOM), ARNORTH is the Army financial management executive agent for Homeland Defense and Civil Support operations assigned to USNORTHCOM and responsible for all financial management functions relating to these operations.

j. U.S. Army South (ARSOUTH). As the Army Service Component Command (ASCC) to US Southern Command (USSOUTHCOM), ARSOUTH is the Army financial management executive agent for detainee operations at Naval Station Guantanamo (NAVSTA-GTMO). ARSOUTH is responsible for programming and budgeting for detainee operations. NAVSTA-GTMO provides base operations support on a reimbursable basis in accordance with inter-service support agreements between Joint Task Force-Guantanamo (JTF-GTMO) and NAVSTA-GTMO. During OMA OCO data calls, ARSOUTH will provide cost estimates, as a minimum, in the following categories:

(1) JTF-GTMO Detainee Operations

(2) Office of Military Commissions (OMC) /Expeditionary Legal Complex (ELC)

- (3) ELC airlift
- (4) JTF-GTMO facility sustainment, restoration and modernization
- (5) JTF-GTMO minor construction
- (6) Rest and Recuperation (R&R)

k. U.S. Army Special Operations Command (USASOC)

(1) USASOC, as the ASCC, is responsible for funding all Army Special Operating Forces (ARSOF) peculiar resource requirements for ARSOF units / activities. This includes "SOF unique" requirements (above Army common standard) as well as issuing numbers of items above Army standard equipment density.

(2) USASOC is responsible for the deployment and redeployment of ARSOF in and out of the areas of operation (inter-theater).

(3) Logistical support (i.e. all classes of supplies and contracting) for ARSOF deployed units is the responsibility of the supported command. Logistical support includes sustainment, replenishment of Army common supplies, maintenance on Army common equipment, intra-theater transportation, common Army health services and medical supplies, and the standard level of Army common support for facilities and base operations requirements.

l. U.S. Army Criminal Investigation Command (CIDC).

(1) CIDC is the Army executive agent for the Criminal Investigation Task Force (CITF). Secretary of Defense (SD) memorandum (19 Jan 02) directed the Secretary of the Army (SA) to exercise overall responsibility and direction within the Department of Defense (DoD) for all matters pertaining to the investigation of alleged or suspected war crimes, acts of terrorism, and other related offenses committed against the United States or US personnel as a result of the 9-11 attacks. While combat operations in the USCENTCOM AOR have ceased, the actual prosecutions of detainees captured continues. OCO funds are required to support on-going and future criminal investigations.

(2) Defense Forensics Science Center (DFSC) Expeditionary Forensics: DFSC efforts support both the COCOM and strategic-level counter-terrorism and law enforcement efforts. The DFSC is currently supported with both traditional forensics mission (base funding) and contingency operations (OCO Funding).

m. Resource Services - Washington (RS-W) (OA-22)

(1) RS-W is responsible for funding the main leg of R&R travel from the U.S. Central Command (USCENTCOM) area of responsibility to the APOD and travel back from APOE to theater (excluding space-required government airlift). ARCENT is responsible for funding the additional R&R travel from the APOD to the Soldier's designated leave address and back to the APOE.

(2) The centrally-managed Second Destination Transportation (SDT) program funds over-ocean movement of equipment and supplies, including AAFES products, APO mail,

subsistence, GSA items, ammunition, medical supplies and equipment for Table of Organization (TOE) units, replacement equipment, war reserve stocks, and War Reserve Secondary Items (WRSI) shipped into and for authorized shipments out of the AOR.

n. Joint Force Headquarters, National Capital Region (JFHQ-NCR). Plans, coordinates, maintains situational awareness, and when directed, JFHQ-NCR transitions to Joint Task Force-NCR (JTF-NCR) and receives, stages, integrates Joint Reception, Staging, Onward Movement, and Integration and employs forces for homeland defense and defense support of civil authorities to mitigate effects of attacks or incidents in the NCR Joint Operations Area (JOA) and to help safeguard the Nation's Capital. Commander, U.S. Army Military District of Washington is designated the Commander, JFHQ-NCR, Operational Command to the United States Northern Command (USNORTHCOM), in providing planning and coordinating HLD and DSCA operations in the JOA.

o. **Acquisition Support Center.** The Acquisition Support Center will fund the Program Executive Officers (PEOs) / Program Managers (PMs) for incremental CONUS and OCONUS OCO requirements. In coordination with Assistant Secretary of the Army (Acquisition, Logistics, and Technology) (ASA (ALT)), ASC will develop, validate, and submit requirements to the ABO. PMs will include pre-deployment, deployment, sustainment, redeployment, and reconstitution costs of contract logistics personnel in their OCO funding requests.

10. Other Special Interest Areas

a. Coalition Support. When ordered, select commands will provide specified support to coalition support forces. Only designated Army commands will provide support to coalition forces and only when the Troop Contributing Nation (TCN) has an Acquisition and Cross-Servicing Agreement (ACSA) or other authorizing agreement with the U.S. Government.

b. Special Events. OCO funds are available only to support the readiness, warfighting, operational, and reconstitution aspects of OFS, OIR, OEF-HOA, ERI and OND and operations in direct support of these CONOPS. Consequently, welcome home ceremonies, family support programs, and other non combat/direct combat support type events must be funded with base not OCO funding.

c. Reset. Funds identified as reset are available for intended purposes only and may not be reapplied to any effort outside of reset. Reset is defined throughout DoD as "actions taken to restore units to a desired level of combat capability commensurate with the units' future mission. It encompasses maintenance and supply activities that restore and enhance combat capability to unit and pre-positioned equipment that was destroyed, damaged, stressed, or worn out beyond economic repair due to combat operations by repairing, rebuilding, or procuring replacement equipment."

(1) Operation & Maintenance. Reset accounting structure has been established to closely track funding distribution and execution. All funding for reset will be issued against SAG 137.

(2) Procurement. Funding provided for Reset must be obligated at 80% of the authorization by the end of the first FY and the remaining 20% by the end of the second FY for multi-year appropriations. Field activities will set up separate cost or other accounts to collect reset obligations and disbursement data to report execution progress to ABO.

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Janis S.

d. Military Training. OCO funding will not be used for expenses related to military schooling that is normally considered part of an officer, warrant officer, or non-commissioned officer's professional development (i.e. Basic Officer Leadership Course, Captains Career Course, Sergeant Major Academy, etc.) These expenses include military pay and allowances for RC Soldiers as well as temporary duty and other associated costs for all Soldiers. All professional development courses and their associated expenses will be funded with base budget dollars.

(1) An exception to this rule applies when the course is conducted in the combat theater of operations for the benefit of the deployed Soldiers.

(2) Additionally, in instances where individuals must complete previously scheduled Professional Military Education (PME) (e.g., Sergeants Major Academy, Senior Service College, CAPSTONE, etc.) without breaking their mobilization/OCO funded orders, services/components will reimburse the OCO account with the appropriate base funding source(s) so that all associated costs for such PME are funded in the base program. USAR and ARNG will provide a Military Interdepartmental Purchase Request (MIPR) to MPA citing base RPA/NGPA funding for PME funding and follow-up monthly by providing documentation (e.g., soldier name, rank, and duration of training and travel time) for purposes of drawing down funding on the MIPR.

e. Managing Financial Resources for Civilian Deployments. DoD and the Army have given a priority to increasing the civilian deployment capacity.

(1) Temporary lack of funding will not limit support for civilian deployments. COCOMs with Army as their support agent, Army Commands (ACOMs) and Army Service Component Commands (ASCCs) will alert their ABO command analyst prior to denying a deployment due to lack of funding.

(2) The Army Command (ACOM) and ASCC Supporting Command will continue to fund the base salary and home station benefits portion of any of their civilian(s) selected for deployment.

(3) Army Supported COCOMs, ACOMs and ASCCs may fund temporary employees hired specifically as backfills for their deploying civilians using OCO. These civilian employees may only be hired as a temporary or term status employee – no permanent status employees may be hired using OCO funds.

(4) Incremental costs incident to deployment will be funded by the supported command (for example, ARCENT in the case of OFS) using OCO funds. Incremental costs include overtime, danger pay, post differential, premium pay, travel/TCS costs, pre-deployment training, etc.

(5) Supported Commands will fund all costs (base salary, overtime, danger pay, post differential, premium pay, travel/PCS, pre-deployment training, etc.) for new hire civilian employees deployed as part of the Civilian Expeditionary Workforce (CEW). These employees are typically "new hires" and are not employed by DoD prior to deployment. There are exceptions; however, and a current DoD employee may enter into the CEW program for deployment. In this case, the supported commands will fund all costs.

f. OCO for base purposes. In FY 2014 and FY 2015 Congress moved base funding into OCO and these Congressional marks may continue in the future. OSD has stated the Army

Civil -

may use this funding for Base or OCO requirements. The ABO will track these funds differently than normal OCO requirements to facilitate an accurate depiction in the Cost of War report. The annual Funding Letter guidance contains information on the use of the proper GFEBS fund used in track expenditures. If funding Base requirements, utilize the Base MDEPs. If funding OCO requirements, use OCO MDEPs. Funds issued in this Base to OCO (BTO) fund will not be reprogrammed out of the fund.

g. Military Intelligence Program (MIP). CONOPS funding for programs, projects, or activities that support the Army's intelligence, counterintelligence, and related intelligence missions are to be identified as a part of the Military Intelligence Program (MIP). All requests for MIP CONOPS resources must be submitted to the Army MIP Manager, ODCS, G-2 (DAMI-RI). This includes procurement of equipment, as well as the incremental resources needed to sustain Intelligence capabilities already deployed in support of CONOP. DAMI-RI will consolidate the MIP request for all appropriations and submit through RS-W to ASA (FM&C) for inclusion in the total Army request. All MIP resources must be aligned within an OSD Program Element with an SPC Code of 365. Further, MIP O&M CONOPS resources must be categorized in SAG 411. Execution of all MIP resources must be reported through the Army MIP Manager to the Office of the Undersecretary of Defense, Intelligence (OUSD (I)).

h. Travel in an area of responsibility (AOR). TDY into an AOR, to include Pre-Deployment Site Surveys (PDSS), requested visits, assistance, training and certifications, will be arranged and funded by the supported command. The ASCC performing as the financial management executive agent will fund TDY costs incurred as a result of theater requesting the TDY and properly validated and coordinated in advance with the supporting unit through a fragmentary order from the supported unit in theater. OCO funding is only authorized for TDY in support of OFS, OIR, OEF-HOA, ERI and OND.

11. Special Funding. There are several special fund categories currently used in support of contingency operations that are expended for specific purposes and under strict guidelines. Among these are the:

a. Afghanistan Security Forces Fund (ASFF). ASFF is used to provide assistance to Afghanistan's security forces. The Combined Security Transition Command - Afghanistan (CSTC-A) is assigned the overall responsibility for providing assistance to Afghanistan's security forces utilizing ASFF. CSTC-A will develop and submit budget requests, justification materials, and financial and activity plans through USCENCOM to the Under Secretary of Defense (Comptroller) [USD(C)]. Army is responsible for funds distribution and financial reporting.

b. Afghanistan Infrastructure Fund (AIF). The AIF supports a program that bridges the resources and capabilities and serves the missions of the Departments of Defense and State in supporting projects critical to counterinsurgency (COIN) objectives and economic development. The initial focus of this fund, established in FY11, was to support critically important infrastructure projects, such as the initiative to bring electricity to Kandahar City. Projects support DoD's counterinsurgency strategy in the region. The fund also supports additional essential facility and infrastructure projects in the transportation, water, and other sectors.

c. Iraq Train & Equip Fund (ITEF). In FY 2015 the Secretary of Defense authorized, in coordination with the Secretary of State, funds to provide assistance, including: training, equipment, logistics support, supplies, and services, stipends, facility and infrastructure repair and renovation, and sustainment to military and other security forces of or associated with the

Government of Iraq (GOI), including Kurdish and tribal security forces or other local security forces, with a national security mission, appropriately vetted, for the following purposes:

(1) Defending Iraq, its people, allies, and partner nations from the threat posed by the Islamic State of Iraq and the Levant (ISIL) and groups supporting ISIL.

(2) Securing the territory of Iraq.

The Commander, Combined Joint Task Force – Operation INHERENT RESOLVE is assigned management responsibility for ITEF.

d. Syria (Opposition) Train and Equip Fund (STEF). Starting in FY 2016, the Army will provide resources through SOTEF to support training, equipment, supplies, stipends, construction of training and associated facilities, and sustainment, to appropriately vetted elements of the Syrian opposition and other appropriately vetted Syrian groups and individuals for the purpose of:

(1) Defending the Syrian people from attacks by the Islamic State of Iraq and the Levant (ISIL).

(2) Securing territory controlled by the Syrian opposition.

(3) Protecting the United States, its friends and allies from the threats posed by terrorists in Syria.

(4) Promoting the conditions for a negotiated settlement to end the conflict in Syria.

e. Joint Improvised Explosive Device Defeat Fund. Defeating the strategic influence of all forms of Improvised Explosive Devices (IEDs) against US Forces requires a comprehensive approach that combines an aggressive offense with a solid defense, and uses the latest technology to maintain a capability that remains ahead of enemy innovations. The Joint Improvised Explosive Device Defeat Office (JIEDDO) coordinates DoD actions to rapidly provide Counter-Improvised Explosive Device (C-IED) capabilities in support of the Combatant Commands (COCOMs) and to enable the defeat of the IED as a weapon of strategic influence, striking a balance of focused intelligence fusion, technology, and training.

f. Commander's Emergency Response Program (CERP).

(1) CERP supports contingency operations by providing ground commanders a source of funds to respond to urgent humanitarian relief and reconstruction requirements in their areas of responsibility. They provide U.S. appropriated funds directly to operational forces enabling them to initiate projects in their immediate areas of responsibility and to meet emergency humanitarian needs.

(2) Funds are used for projects related to: water and sanitation; food production and distribution; agriculture/irrigation; electricity production/ distribution; healthcare; education; telecommunications; transportation; civic support vehicles; civic cleanup; repair of civic/cultural facilities; economic, financial and management improvements; rule of law and governance; condolence payments; or repair battle damage for losses incurred as a result of U.S., coalition or supporting military operations (not otherwise compensable under the Foreign Claims Act); hero payments; protective measures to ensure the viability and survivability of critical

infrastructure sites; former detainee payments; temporary contract guards for critical infrastructure; and other urgent humanitarian projects.

12. Overseas Contingency Operations (OCO) Cost Reports

a. Cost Reports. Accurate reporting is a key to auditability, accountability, and to justifying future OCO funding requests. Reporting agencies will submit monthly cost reports to the ABO in accordance with separately published guidance. Reports are required from all Army activities incurring direct appropriated fund costs to support named CONOPS missions.

b. Incremental costs. Reporting agencies are required to capture and report the obligation of all funds (regardless of source) to cover the incremental costs for all CONOPS. Incremental costs are those above the base budget training, operations, and personnel costs that occur as a result of a CONOPS.

13. Proponent. The Army Budget Office, Operating Forces Division (SAFM-BUO-O) is the proponent for this guidance. Please contact Mario Beckles at (703) 614-4771 mario.r.beckles.civ@mail.mil or LTC David Lyon at (703) 693-2682, David.L.Lyon2.mil@mail.mil you have any questions or need additional information.



EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

September 9, 2010

The Honorable Robert Hale
Under Secretary of Defense (Comptroller)
1100 Defense Pentagon
Washington, D.C. 20301-1100

Dear Mr. Hale:

In early 2009 OMB and the Department developed criteria for deciding whether funding properly belongs in the base budget or in the budget for overseas contingency operations (OCO). These criteria have been very successful in delineating between these two sources of funding and have facilitated the development of coherent and defensible OCO funding requests. Since then, and in close collaboration with Comptroller representatives, we have developed updated criteria that build on our experience in the subsequent two budget cycles. This update clarifies language, eliminates areas of confusion and provides guidance for areas previously unanticipated.

The enclosure to this letter contains the updated criteria and replaces the 2009 criteria. OMB will use these updated criteria when reviewing the Department's budget submissions.

We recognize that in developing these updated criteria several policy issues arose that remain unresolved. These will be addressed in the FY 2012 budget review.

Please contact

t 202-395-3879 if you have any questions about these

criteria.

Sincerely,

A handwritten signature in cursive script that reads "Steven M. Kosiak".

Steven M. Kosiak
Associate Director for
Defense and Foreign Affairs

Enclosure

Criteria for War/Overseas Contingency Operations Funding Requests

Item	Definition of Criteria
Geographic area covered/ "Theater of operations" (for non-classified war/overseas contingency operations funding)	Geographic areas in which combat or direct combat support operations occur: Iraq , Afghanistan, Pakistan, Kazakhstan, Tajikistan, Kyrgyzstan, the Horn of Africa, Persian Gulf and Gulf nations, Arabian Sea, the Indian Ocean, the Philippines, and other countries on a case-by-case basis. Note: OCO budget items must also meet the criteria below.
<i>Inclusions</i>	
Major equipment (General)	Replacement of losses that have occurred but only for items not already programmed for replacement in the Future Years Defense Plan (FYDP) -- no accelerations. Accelerations can be made in the base budget. Replacement or repair to original capability (to upgraded capability if that is currently available) of equipment returning from theater. The replacement may be a similar end item if the original item is no longer in production. Incremental cost of non-war related upgrades, if made, should be included in the base. Purchase of specialized, theater-specific equipment. Funding must be obligated within 12 months.
Ground equipment Replacement	Combat losses and washouts (returning equipment that is not economical to repair); replacement of equipment given to coalition partners, if consistent with approved policy; in-theater stocks above customary equipping levels on a case-by-case basis.
Equipment modifications (enhancements)	Operationally-required modifications to equipment used in theater or in direct support of combat operations, for which funding can be obligated in 12 months, and that is not already programmed in FYDP.
Munitions	Replenishment of munitions expended in combat operations in theater. Training ammunition for theater-unique training events is allowed. Forecasted expenditures are not allowed. Case-by-case assessment for munitions where existing stocks are insufficient to sustain theater combat operations.
Aircraft Replacement	Combat losses, defined as losses by accident or by enemy action that occur in the theater of operations.
Military Construction	Facilities and infrastructure in the theater of operations in direct support of combat operations. The level of construction should be the minimum to meet operational requirements. At non-enduring locations, facilities and infrastructure for temporary use are covered. At enduring locations, construction requirements must be tied to surge operations or major changes in operational requirements and will be considered on a case-by-case basis.
Research and Development	Projects required for combat operations in these specific theaters that can be delivered in 12 months.

Item	Definition of Criteria
Operations	<p>Direct War costs:</p> <ul style="list-style-type: none"> • transport of personnel, equipment, and supplies to, from and within the theater of operations; • deployment-specific training and preparation for units and personnel (military and civilian) to assume their directed missions as defined in the orders for deployment into the theater of operations; <p>Within the theater, the incremental costs above the funding programmed in the base budget to:</p> <ul style="list-style-type: none"> • support commanders in the conduct of their directed missions (to include Emergency Response Programs); • build and maintain temporary facilities; • provide food, fuel, supplies, contracted services and other support; and, • cover the operational costs of coalition partners supporting US military missions, as mutually agreed. <p>Indirect War Costs: Indirect war costs incurred outside the theater of operations will be evaluated on a case-by-case basis.</p>
Health	Short-term care directly related to combat. Infrastructure that is only to be used during the current conflict.
Personnel (Incremental Pay)	Incremental special pays and allowances for Service members and civilians deployed to a combat zone; incremental pay, special pays and allowances for Reserve Component personnel mobilized to support war missions.
Special Operations Command	Operations and equipment that meet the criteria in this guidance.
Prepositioned Supplies and Equipment	Resetting in-theater stocks of supplies and equipment to pre-war levels – Excludes costs for reconfiguring prepositioned sets or for maintaining them.
Security Force Funding	Training, equipping, and sustaining Iraqi and Afghan military and police forces.
Fuel	War fuel costs, and funding to ensure that logistical support to combat operations is not degraded due to cash losses in DoD's baseline fuel program. Would fund enough of any base fuel shortfall attributable to fuel price increases to maintain sufficient on-hand cash for the Defense Working Capital Funds to cover seven days disbursements. (This would enable the Fund to partially cover losses attributable to fuel cost increases.)
<i>EXCLUSIONS from war/overseas contingency funding – Appropriately funded in the base budget</i>	
Training equipment	Training vehicles, aircraft, ammunition, and simulators. Exception: training base stocks of specialized, theater-specific equipment that is required to support combat operations in the theater of operations, and support to deployment-specific training described above.
Equipment Service Life Extension Programs (SLEPs)	Acceleration of SLEPs already in the FYDP.
Base Realignment and Closure (BRAC)	BRAC projects.
Family Support Initiatives	Family support initiatives to include the construction of childcare facilities; funding private-public partnerships to expand military families' access to childcare; and support for service members' spouses professional development.
Industrial Base Capacity	Programs to maintain industrial base capacity (e.g. "war-stoppers").
Personnel	Recruiting and retention bonuses to maintain end-strength. Basic Pay and the Basic allowances for Housing and Subsistence for permanently authorized end strength. Individual augmentees will be decided on a case-by-case basis.
Office of Security Cooperation	Support for the personnel, operations, or the construction or maintenance of facilities, at U.S. Offices of Security Cooperation in theater
<i>Special Situations</i>	
Reprogrammings and paybacks	Items proposed for increases in reprogrammings or as payback for prior reprogrammings must meet the criteria above.

