



OFFICE OF THE UNDER SECRETARY OF DEFENSE  
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APR 11 2024

COMPTROLLER  
(Program/Budget)

MEMORANDUM FOR DEPUTY ASSISTANT SECRETARY OF THE ARMY FOR  
BUDGET, OFFICE OF THE ASSISTANT SECRETARY OF THE  
ARMY (FINANCIAL MANAGEMENT AND COMPTROLLER)  
DIRECTOR, OFFICE OF BUDGET/FISCAL MANAGEMENT,  
OFFICE OF THE ASSISTANT SECRETARY OF THE NAVY  
(FINANCIAL MANAGEMENT AND COMPTROLLER)  
DEPUTY ASSISTANT SECRETARY (BUDGET), OFFICE OF THE  
ASSISTANT SECRETARY OF THE AIR FORCE (FINANCIAL  
MANAGEMENT AND COMPTROLLER)  
DEPUTY ASSISTANT SECRETARY (HEALTH AFFAIRS)  
CHIEF OF STAFF, OFFICE OF THE INSPECTOR GENERAL OF  
THE DEPARTMENT OF DEFENSE  
COMPTROLLERS OF THE DEFENSE AGENCIES  
COMPTROLLERS OF THE DOD FIELD ACTIVITIES  
BUSINESS FINANCIAL MANAGER, OPERATIONAL TEST AND  
EVALUATION

SUBJECT: Applying Reductions to Fiscal Year 2024 Appropriations and Prior Year  
Unobligated Balances

This memorandum provides guidance on how to apply reductions to congressionally directed spending items in the Department of Defense Appropriations Act, 2024 (Division A of Public Law 118-47). The joint explanatory statement accompanying the Act includes certain tabular entries given statutory effect by general provision (GP) 8006, as well as items provided for in several other GPs that earmark a portion of an appropriation only for a specific purpose.

Section 8006 incorporates into law increased funding levels specified in the Explanation of Project Level Adjustments tables in the joint explanatory statement for a particular program, project, or activity whenever the amount provided for a program, project, and activity (PPA) exceeds the amount requested in the President's Budget. Statutory adds must be carried out at the prescribed level unless reprogrammed under established procedures; DoD will not authorize impoundment of statutory adds. The Components may reduce these "statutory adds" only under limited circumstances. The Components may not reduce such statutory adds for general administrative costs or any other general reduction unless the statutory language mandating such reduction expressly requires or authorizes that it be applied to each PPA within the affected appropriation account or accounts. Components may use a portion of a section 8006 statutory add for program oversight or administrative costs if directly allocable to the execution of the statutory adds, as it would not entail a reduction of the add. Further, if the statutory language requires or authorizes reduction to a statutory add, it must be applied to the PPA on a proportional, pro-rata basis.

If limited to a proportionally spread pro-rata share, undistributed reductions required by the following GPs may be taken, when applicable, to section 8006 statutory adds:

- Federally Funded Research Development Centers (FFRDC), where execution of the project level adjustment congressional add involves FFRDCs (sec. 8026(e))
- Small Business Innovation Research (SBIR)/Small Business Technology Transfer Program (STTR) program set-asides (sec. 8052)

Certain GPs earmark a portion of an appropriation for a specific purpose. No reductions may be taken against amounts provided for or pursuant to the following general provisions unless the reduction is pursuant to statutory language that requires or authorizes reduction to a statutory add or is directly allocable to the execution of the earmark:

- Procurement, Defense-wide (DW), Indian Financing Act of 1974 (sec. 8020)
- Operation and Maintenance, Defense-wide (O&M, DW) Mitigation of Environmental Impacts (sec. 8022)
- Working Capital Fund, Army, Competitive Rates at Arsenalns (sec. 8024)
- Civil Air Patrol Corporation (sec. 8025)
- United Service Organizations and Red Cross Grants (sec. 8051)
- Fisher House Foundation (sec. 8068)
- Procurement, DW and RDT&E, DW, Israeli Cooperative Programs (sec. 8072)
- O&M, DW, International Security Cooperation Programs (sec. 8109)
- O&M, DW, reimbursements for enhanced border security (sec. 8110)
- O&M, DW, key cooperating nation reimbursements for logistical support (sec. 8117)
- O&M, DW, Sexual Assault Special Victims' Counsel Program (sec. 8131)
- O&M, DW, Ukraine Security Assistance Initiative (sec. 8148)

Any questions concerning this matter should be directed to Robert Talcovitz at (703) 697-0023 or robert.d.talcovitz.civ@mail.mil.

  
Anne J. McAndrew  
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cc:  
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