

**SUMMARY OF MAJOR CHANGES TO
DOD 7000.14-R, VOLUME 3, CHAPTER 2**

“APPORTIONMENT AND REAPPORTIONMENT PROCESS”

All changes are denoted by **blue font**

Substantive revisions are denoted by a **★** preceding the section,
Paragraph, table or figure that includes the revision

Hyperlinks are denoted by **underlined, bold, italic, blue font**

PARA	EXPLANATION OF CHANGE/REVISION	PURPOSE
All	Date refresh	Update
Multiple	Inserted hyperlinks.	Update
020203	Deleted, no longer applies.	Update
020203	Paragraph renumbered. Subparagraphs A, B, and C reflect adjustment amounts increased to \$400,000 or two percent whichever is lower.	Update
020204	Subparagraph B deleted, no longer applies.	Update
020305	Deletion of supporting schedules Exhibit PB-48 and Exhibit PB-49 no longer required for apportionments.	Update
020501	Deleted, no longer applies.	Update
020504	Deleted, no longer applies.	Update

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CHAPTER 2

APPORTIONMENT AND REAPPORTIONMENT PROCESS★0201 GENERAL

★ 020101. This Chapter provides information on the apportionment process and guidance for the preparation and submission of the Apportionment and Reapportionment Schedule (Standard Form (SF) 132) required by Office of Management and Budget (OMB) Circular No. A-11. It includes all exceptions to apportionment procedures approved by the OMB National Security Division. Refer to OMB Circular No. A-11, sections 120, 121, 123, Appendix F, and the Apportionment application users guide for any additional and amplifying information not otherwise addressed in this chapter.

020102. Apportionment is part of the government-wide system for the administrative control of appropriations and funds. The legal requirement for apportionment is found at sections 1512 and 1513 of Title 31 United States Code (U.S.C). Unless expressly exempt, all DoD appropriated or collected resources require OMB approval through the apportionment process. The amounts so apportioned control the obligations that can be incurred on rare occasions, accounts may be apportioned on an expenditure basis. Apportionments could contain quarterly and programmatic limitations and account specific guidance in the form of specified footnotes. Revisions to the previous apportionment, called reapportionment, reflect changes to resources previously authorized for obligation. Apportionments, including footnotes are legally binding on DoD.

020103. OMB manages and approves apportionments at the Treasury appropriation fund symbol (TAFS) level. Each TAFS is comprised of a Treasury departmental index, a period of availability to incur new obligations, and a Treasury account symbol. A TAFS for Military Personnel, Army would be 21-20BB/20EE-2010, where BB and EE represent the fiscal year beginning point and ending point of authority to incur new obligations specified in appropriations and authorization acts.

★0202 COVERAGE

★ 020201. Accounts Requiring SF 132. DoD uses the Apportionment and Reapportionment Schedule (see Appendix A) for the following types of accounts:

A. All appropriated accounts (transfer accounts are exempt see paragraph 020202 A).

B. All revolving accounts.

C. All credit financing accounts

D. Special fund accounts

020202. DoD Accounts Exempted or Provided a Waiver from Requirements of SF 132. The most common accounts are identified below:

A. Accounts only available for transfer to other accounts.

B. Expired accounts.

C. Accounts that have been fully obligated before the beginning of the fiscal year.

D. Trust funds and deposit funds, unless OMB notifies the Department that specific accounts will be apportioned.

E. Other accounts individually exempted by the OMB (e.g., Payment to the Military Retirement Fund).

★ 020203. Adjustments Without Submission of SF 132. Unless the OMB determines otherwise, amounts apportioned will be adjusted as follows without submission of an SF 132:

★ A. Adjustments in the amount of unobligated balances brought forward, up to \$400,000 or 2 percent of total budgetary resources, whichever is lower, may be added to or subtracted from the apportionment for the period in progress when the adjustment is made. (Memorandum type SF 132s may be prepared at the option of the DoD Component for internal Component use).

★ B. Amounts of budget authority transfers or balances transferred, up to \$400,000 or 2 percent of total budgetary resources, whichever is lower, may be added to, or subtracted from the apportionment for the period in progress when the adjustment is made. (Memorandum type forms may be prepared at the option of the DoD Component for internal Component use).

★ C. Amounts of indefinite budget authority, and reimbursements, that are realized above or below anticipated amounts, up to \$400,000 or 2 percent of budgetary resources, whichever is lower, may be added to or subtracted from the amount apportioned for the last time period.

D. Amounts of estimated unobligated balances which are footnoted in accordance with paragraph 020301.C.

E. Actual recoveries of prior year obligations in multi-year and no-year accounts if so footnoted by the OMB. The following footnote will be included on all multi-year and no-year accounts containing unobligated balances:

“In addition to amounts apportioned herein, actual recoveries of prior-year obligations are automatically apportioned.”

F. Amounts transferred from/to the Foreign Currency Fluctuations, Defense; Foreign Currency Fluctuations, Construction, Defense; and Environmental Restoration Funds. Accounts for which these transfers are applicable are to include the following footnote:

“This apportionment is adjusted automatically to reflect transfers to or from the Foreign Currency Fluctuations, Defense; Foreign Currency Fluctuations, Construction, Defense, and Environmental Restoration Funds.”

G. Reprogramming of resources for payment of obligations that otherwise would have been chargeable to canceled accounts shall be made in accordance with the purposes stated in Title 31 U.S.C. Section 1553, as supplemented by current DoD reprogramming policies, accounting directives and guidance. Accounts for which these obligations are permissible are to include the following footnote:

“Pursuant to Title 31 U.S.C. Subsection 1553(b), not to exceed 1 percent of the total appropriations for this account is apportioned for the purpose of paying legitimate obligations related to canceled appropriations.”

H. Amounts reported as orders received for the reimbursable programs of accounts listed in paragraph 020602.

020204. Categories of Distribution. The SF 132 displays three categories to distribute budgetary resources. A combination of categories may be included on an SF 132:

A. Category A reflects distribution of budgetary resources by quarter.

B. Category B reflects distribution of budgetary resources by activity, projects, objects, or total.

C. Category C is used with multi-year and no-year accounts to apportion resources into future fiscal years.

★0203 SUBMISSION REQUIREMENTS

★ 020301. Initial Apportionment Request. Initial SF 132s will be submitted to the OUSD(C), Directorate for Program and Financial Control (P&FC), utilizing OMB’s web-based apportionment module, at the following times:

A. Within 5 calendar days after completion of congressional action on a DoD appropriations act or substantive act or not later than August 14 where congressional action on a new appropriations act is completed prior to August 9. At the direction of the OUSD(C), the SF 132s also are to include certain transfers specified in the appropriations act.

B. Not later than August 14 for revolving, public enterprise, and special funds estimates. Amounts must reconcile to the current budget request.

C. Not later than August 14 for multi-year appropriations and other accounts having balances available for obligation in the next fiscal year. The following footnote should be included:

“Amounts apportioned are automatically adjusted by the difference between the estimated and actual unobligated balance brought forward (+ or -).”

D. At such time and in such manner as determined by the OUSD(C) and/or the OMB for apportionments required under Continuing Resolution Authority, and for other reasons.

020302. Reapportionment Request. Reapportionment requests will be submitted on SF 132s to the OUSD(C), utilizing OMB’s web-based apportionment module, under the following circumstances:

A. Whenever a change in the apportionments previously made becomes necessary because of changes in amounts available (e.g., projected reimbursements differ significantly from estimates), program requirements, cost factors, rescissions and transfers.

B. Whenever a change is required to quarterly apportioned amounts.

- C. Whenever a change is required to budget activity level (construction category) amounts in Military Construction and Family Housing Construction accounts.
- D. Whenever a change is required to contract authority authorizations.
- E. Whenever a change is required to borrowing authorities.
- F. Whenever a change is required in credit financing accounts.

020303. Apportionment Submission Module. All Requests will initiate through the OMB government-wide apportionment system. This system is accessed through the OMB MAX system internet site at: <https://max.omb.gov/maxportal/>. Only authorized users from the Army, Navy and Air Force departmental funds control staff and Office of the Undersecretary of Defense (Comptroller) personnel may access the module.

020304. Signature. An official not below the level of the Assistant Secretary (Financial Management and Comptroller) will sign the original of SF 132 submitted by the Military Department. Signature authority may be delegated to another official in the Comptroller organization.

020305. Supporting Information. The following materials are required:

- A. Each apportionment document shall be accompanied by a written explanation of the requested apportionment action (footnotes will suffice for most requests).
- B. For the Defense Working Capital Fund, a schedule is required showing Service/Agency business areas by appropriations, obligations, orders, capital and contract authority.

0204 NOTIFICATION TO COMPONENT OF DOD COMPTROLLER AND OFFICE OF MANAGEMENT AND BUDGET ACTION

020401. Notification to DoD Components of OUSD(C) Action. The OUSD(C) will notify the Component involved of amounts recommended by the OUSD(C) if such amounts differ significantly from those requested by the DoD Component.

020402. Action by OMB. The OMB will indicate to the OUSD(C) the action taken in regard to the initial request for apportionment within the time prescribed by law, and in regard to reapportionment, generally within ten days after receipt of the request. This is accomplished via email notification.

020403. Notification to DoD Component of OMB Action. Upon receipt of the email notification of OMB action, the OUSD(C) will forward the OMB approved apportionment document, together with any correspondence relating thereto, to the DoD Component and to other staff.

0205 SPECIAL INSTRUCTIONS

020501. Military Construction, NATO and Family Housing

- A. Completion of SF 132

1. Military construction apportionment or reapportionment requests will be structured to correspond to the budget activities approved for use in the President's Budget, utilizing lines 8B1 through 8B5 under Category B of the SF 132, as follows:

8B(1). Major construction. This summary estimate will cover the acquisition of land for, and construction of, major construction projects usually authorized in specific dollar amounts in Military Construction Authorization Acts.

8B(2). Minor construction. This summary estimate will cover unspecified minor construction projects

8B(3). Planning. This program will cover planning and design activities.

8B(4). Supporting activities. This summary estimate will cover general authorizations not included in 8B(2) and 8B(3) above, for all other activities which directly or indirectly support the military construction program when financed from these appropriations. Examples are the defense access road program and minor land acquisitions.

8B(5). Reimbursable. This summary estimate will cover any construction work and service orders undertaken for others on a reimbursable basis.

2. NATO Security Investment Program. NATO infrastructure recoupments will be reported on SF 132 lines 3D1 through 3D4 for the apportionment and will be used to finance the United States' share of NATO Infrastructure programs.

3. Family Housing. Family Housing multi-year funds (Construction), Family Housing annual funds (Operation and Maintenance) and the Family Housing Improvement Fund (Program and Credit Financing accounts) will require separate apportionment requests:

(a) Family Housing Construction. Family Housing Construction apportionment requests will be structured to correspond to the budget activities approved for use in the President's Budget, utilizing lines 8B1 through 8B3 under Category B of the SF 132, as follows:

8B(1). Construction of new housing. This summary estimate will cover the cost of new construction projects authorized in the appropriate Military Construction Authorization Acts.

8B(2). Post Acquisition Construction. This summary estimate will cover the cost of regular improvements, energy conservation improvements, and minor construction.

8B(3). Planning and Design. This summary estimate will cover planning and design activities.

(b) Family Housing Operation and Maintenance. The Family Housing Support apportionment request will be structured utilizing Category A lines of the SF 132 as follows:

8A(1-4). Operation, Maintenance, Leasing. The estimate will be the amount required to operate, maintain and lease family housing units on a fiscal year quarter basis.

(c) Family Housing Improvement Fund and associated Loan Financing Accounts. Category B apportionment shall be used to reflect applicable administrative expenses, direct loan subsidy, guaranteed loan subsidy and other miscellaneous items. See OMB Circular A-11, section 185.

020502. Surcharge Collections, Sales of Commissary Stores - Trust Revolving Fund. Title 10 U.S.C. Section 2685 to permit obligation of anticipated proceeds from the adjustments or surcharges authorized by Section 2685. Prior to any such obligation of funds, the amounts must be apportioned as contract authority on line 3C of the SF 132.

020503. Letter Apportionments. Letter apportionments may be requested by OUSD(C) under certain circumstances, such as periods under Continuing Resolution Authority, or for prior approval reprogramming actions or internal reprogramming actions. Subsequent requests for reapportionment will reflect the amounts approved on the letter apportionment in all columns of the SF 132.

020504. Interim Apportionment Authority for Initial Appropriations Act. In cases where OMB is reviewing the first apportionment request for newly enacted appropriations, OMB automatically apportions up to a 30-day level of resources. Once the written apportionment is approved by OMB, the automatic apportionment ceases to remain in effect. This authority may be further limited or modified by OUSD(C) and OMB direction.

0206 AUTOMATIC APPORTIONMENT OF REIMBURSEMENTS

020601. In May 1992, the OMB repealed all policies addressing automatic apportionment of reimbursables. Only the accounts listed in paragraph 020602 can continue with automatic reimbursable authority. The Defense Health Program was added to the list in October 1992.

020602. Reimbursable authority will be automatically apportioned to the extent orders are received for the following accounts:

- A. Military Personnel, Navy
- B. Military Personnel, Marine Corps
- C. Operation and Maintenance, Army
- D. Operation and Maintenance, Navy
- E. Operation and Maintenance, Marine Corps
- F. Operation and Maintenance, Air Force
- G. Operation and Maintenance, Army Reserve
- H. Operation and Maintenance, Navy Reserve
- I. Operation and Maintenance, Marine Corps Reserve
- J. Operation and Maintenance, Air Force Reserve
- K. Operation and Maintenance, Army National Guard
- L. Operation and Maintenance, Air National Guard
- M. Defense Health Program
- N. Research, Development, Test and Evaluation, Army
- O. Research, Development, Test and Evaluation, Navy
- P. Military Construction, Army
- Q. Military Construction, Navy

020603. A footnote shall be included on all SF 132 submissions as follows:

“In addition to the amounts apportioned herein, an amount or amounts equal to the value of orders received and accepted within the fiscal year is hereby automatically apportioned upon receipt and acceptance of such orders pursuant to the OMB letter of May 15, 1992.” (The date of the OMB letter for the Defense Health Program is October 28, 1992)

020604. Amounts automatically apportioned shall be included on subsequent reapportionment documents in all columns.

0207 DEFERRALS AND RESCISSIONS

020701. Deferrals: The following information is provided in the unlikely event that an official deferral of DoD resources is submitted to Congressional Committees:

A. Available budgetary resources may be withheld from obligation temporarily through the apportionment process with the intent of apportioning them for use later, before they expire. Such deferral action may be taken by the OMB on its own initiative or at the request of the Department. Budgetary resources may be deferred under Title 31 U.S.C. Section 1512 and the Impoundment Control Act (Title 2 U.S.C. Section 684) to provide for contingencies; to achieve savings made possible by or through changes in requirements or greater efficiency of operations; or as specifically provided by law, except that funds available for only one fiscal year may not be deferred through the end of that year.

B. All funds deferred through the apportionment process must be reported to the Congress in special messages. The Congress may overturn a deferral at any time by passing a law disapproving the deferral. If the Congress takes no action to disapprove reported deferrals, those deferrals may remain in effect until the end of the fiscal year unless a special message indicates that an earlier release is planned. For annual accounts and the last year of multiple-year accounts, however, funds may be deferred only for part of the year.

C. As the fourth quarter approaches, Components should review all deferrals (particularly of funds expiring at the end of the year) to ensure that amounts deferred for only part of the year will be released in time to be used prudently before the year ends. If a determination is made that such amounts should not be used, a rescission will be proposed prior to the beginning of the fourth fiscal quarter. Only in exceptional cases will rescissions be proposed during the fourth quarter. All proposed rescissions must be approved by the OMB.

D. If amounts actually becoming available are less than anticipated for indefinite budget authority, transfers, reimbursements, or recoveries, the difference will be deducted from amounts apportioned and not from amounts deferred or otherwise unapportioned, unless specific provision is made for a different treatment on the approved apportionment form or reapportionment action is taken. Whenever it is determined that a deferred amount will not be required to carry out the purposes of the appropriation or other authority, it will be recommended for rescission as required by law (Title 31 U.S.C. Section 1512 and Title 2 U.S.C. Section 683).

020702. Rescissions: The following information is provided in the unlikely event that an official rescission of DoD resources is submitted to Congressional Committees:

A. The Impoundment Control Act specifies that, whenever the President determines that all or part of any budget authority will not be required to carry out the full objectives or scope of programs for which it is provided, the President will propose to the Congress that the funds be rescinded. Likewise, if all or part of any budget authority limited to a

fiscal year (e.g., annual appropriations or budget authority for the last year of multiple-year accounts) is to be reserved for the entire fiscal year, a rescission will be proposed. Budget authority also may be proposed for rescission for other reasons. Generally, amounts proposed for rescission will be withheld during the time the proposals are being considered by the Congress. This may be accomplished through OMB apportionment action and through agency withholding action.

B. All funds proposed for rescission, including those withheld, must be reported to the Congress in special messages. Positive action in the form of an enacted law must be completed to rescind funds. If both houses of the Congress have not completed action on a rescission proposed by the President within 45 calendar days of continuous session, any funds being withheld must be apportioned and made available for obligation.

020703. DoD Policy

OMB Circular No. A-11 recognizes the possibility of agency deferrals that are not identified in connection with the apportionment process. These are categorized as deferrals of funds provided for a specific purpose or project when such deferral would result in obligation for such specific purpose or project at a pace significantly slower than intended by the Congress. Since it is the policy of the Secretary of Defense to obligate programs consistent with the expressed intent of the Congress, this category of action should not take place within the Department. Strict adherence to this policy, however, does not preclude the continuance of prudent administrative actions reflected on financial authorizations that affect the timing of obligations for reasons related to the routine financial management of an appropriation, program, or project or to comply with procurement regulations or sound procurement practices. Any action taken in this regard must consider the intent of the Congress in providing funds as the primary criterion in determining whether a reportable deferral exists. Accordingly, DoD officials responsible for such actions must, at all times, be ready to support these judgments to any reviewing authority.