

VOLUME 2B, CHAPTER 6: “MILITARY CONSTRUCTION/FAMILY HOUSING APPROPRIATIONS”

SUMMARY OF MAJOR CHANGES

Changes are identified in this table and also denoted by **blue** font.

Substantive revisions are denoted by an (*) symbol preceding the section, paragraph, table, or figure that includes the revision.

Unless otherwise noted, chapters referenced are contained in this volume.

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

The previous version dated **June 2013** is archived.

PARAGRAPH	EXPLANATION OF CHANGE/REVISION	PURPOSE
All	Updated and changed paragraph numbering system throughout the chapter.	Revision
All	Changed “Planning & Design” to “Design” to reflect the Under Secretary of Defense for Acquisition and Sustainment’s guidance.	Revision
All	Updated authoritative guidance references throughout the chapter.	Revision
1.0	Substantively revised the General paragraph to update the Purpose narratives and add the required list of Authoritative Guidance information. Added the Military Unaccompanied Housing Improvement Fund (MUHIF) and the Military Housing Privatization Initiative (MHPI) Investments and Credit Financing to the list of appropriations and accounts.	Revision/ Addition
2.0	Established the Policies and Procedures paragraph to capture policies and procedures previously included in paragraph 1.0. Updated narratives to reflect the current offices responsible for managing and/or overseeing the programs in this chapter. Added MUHIF to description of Treasury Accounts.	Revision/ Addition
3.0	Moved the Uniform Budget and Fiscal Accounting Classification paragraph from 2.0 to 3.0 and updated contents for relevancy. Updated the unspecified minor military construction (MILCON) thresholds and added the MUHIF as a Major Functional Category.	Revision/ Addition

PARAGRAPH	EXPLANATION OF CHANGE/REVISION	PURPOSE
4.0	Moved the Program and Budget Review Submission paragraph from 3.0 to 4.0. and updated contents for relevancy. Updated full funding policy, Economic Analysis requirements, and DD 1391 requirements. Added Exhibit UH-6 MHPI - Military Unaccompanied Housing Privatization to the submission for MILCON appropriations and updated narratives detailing the current process for MHPI credit financing and investment information reflected in the President's Budget. Added clarification for use of category codes applicable to MILCON. Added reference to Building Condition Index (BCI) and replaced Q-Ratings with BCI. Added the MUHIF.	Revision / Addition
3.2.2.13, 3.2.2.20.3, & 3.2.2.20.5 (previous version)	Removed requirement to report Family Housing (FH) maintenance and repair costs over \$20,000 per unit. Removed Exhibits FH-6 Budget Estimate Submission (BES) and FH-13 Detail of Awarded Family Housing Privatization Projects because the consolidated Exhibit FH-6 replaced these exhibits.	Deletion
5.0	Moved the Congressional Justification/Presentation paragraph from 4.0 to 5.0. and updated contents for relevancy. Removed reference to Exhibit FH-6 BES because it is not applicable.	Revision/ Deletion
6.0	Established the MILCON/Family Housing Appropriation Exhibits paragraph to display the list of required exhibits.	Addition
Appendix A	Created appendix to capture detailed instructions and formats/templates for BES MILCON exhibits previously included in paragraph 5.2. Added the Exhibit UH-6 MHPI.	Revision/ Addition
Appendix B	Created appendix to capture detailed instructions and formats/templates for BES Family Housing exhibits previously included in paragraph 5.3. Replaced Exhibit FH-6 BES with the FH-6 Consolidated MHPI exhibit. Deleted FH-10, General and Flag Officer Quarters 6,000 Net Square Feet (NSF). Updated the FH-11 exhibit to include BCI. Removed Exhibit FH-13, Detail of Awarded FH Privatization Projects (replaced with consolidated FH-6 exhibit).	Revision/ Addition
Appendix C	Created appendix to capture detailed instructions and formats/templates for BES Homeowners Assistance exhibits previously included in paragraph 5.4.	Revision/ Addition
Appendix D	Created appendix to capture detailed instructions and formats/templates for BES NATO Security Investment exhibits previously included in paragraph 5.5.	Revision/ Addition

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CHAPTER 6

MILITARY CONSTRUCTION/FAMILY HOUSING APPROPRIATIONS

*1.0 GENERAL

1.1 Purpose

1.1.1. This chapter provides instructions for budget formulation and congressional justification of Military Construction (MILCON), Family Housing, Homeowners' Assistance Program (HAP), North Atlantic Treaty Organization (NATO) Security Investment Program, Family Housing Improvement Fund (FHIF), Military Unaccompanied Housing Improvement Fund (MUHIF), and Military Housing Privatization Initiative (MHPI) Investments and Credit Financing appropriations. This chapter covers specific back-up material requirements for these accounts and provides additional specific guidance for the back-up material required for MILCON, Family Housing, Homeowners' Assistance Program and NATO Security Investment Program appropriations.

<u>Paragraph</u>	<u>Appropriations and Accounts</u>
3.1:	<u>MILCON</u> MILCON, Army MILCON, Navy and Marine Corps MILCON, Air Force MILCON, Defense-Wide MILCON, Army National Guard MILCON, Air National Guard MILCON, Army Reserve MILCON, Navy Reserve MILCON, Air Force Reserve Chemical Demilitarization Construction, Defense
3.2:	<u>Family Housing</u> Family Housing, Army Family Housing, Navy and Marine Corps Family Housing, Air Force Family Housing, Defense-Wide
3.3:	<u>Homeowners' Assistance Program</u> Homeowners' Assistance Fund, Defense
4.4:	<u>NATO Security Investment Program</u>
4.5:	<u>NATO Security Program Expansion Costs</u>
4.6:	FHIF/MUHIF Program
4.7:	MHPI Investments and Credit Financing

1.1.2. Volume 2A, Chapter 1 provides general guidance for submission requirements, format, preparation of material, policies, and definitions concerning costs. The definitions clarify costs for MILCON appropriations to finance, as opposed to other appropriations for Research and Development facilities.

1.1.3. The covered appropriations/accounts will also submit any applicable exhibits required in Chapter 19.

1.2 Authoritative Guidance

The financial management and requirements prescribed by this chapter are in accordance with the applicable provisions of:

1.2.1. Title 2, United States Code, Chapter 17A, SUBCHAPTER III, (*2 U.S.C., Chapter 17A, Subchapter III*), “Federal Credit Reform Act of 1990”

1.2.2. *10 U.S.C. Chapter 169*, “Military Construction and Military Family Housing”

1.2.3. *10 U.S.C. Chapter 169, Subchapter IV*, “Alternative Authority for Acquisition and Improvement of Military Housing”

1.2.4. *10 U.S.C. § 114*, “Annual authorization of appropriations”

1.2.5. *10 U.S.C. § 2667*, “Leases: non-excess property of military departments and Defense Agencies”

1.2.6. *10 U.S.C. § 2672*, “Protection of buildings, grounds, property, and persons”

1.2.7. *10 U.S.C. § 2686*, “Utilities and services: sale; expansion and extension of systems and facilities”

1.2.8. *10 U.S.C. § 2801*, “Scope of chapter; definitions”

1.2.9. *10 U.S.C. § 2802*, “Military construction projects”

1.2.10. *10 U.S.C. § 2804*, “Contingency construction”

1.2.11. *10 U.S.C. § 2805*, “Unspecified minor construction”

1.2.12. *10 U.S.C. § 2806*, “Contributions for North Atlantic Treaty Organization’s Security Investment”

1.2.13. *10 U.S.C. § 2807*, “Architectural and engineering services and construction design”

- 1.2.14. 10 U.S.C. § 2809, “Long-term facilities contracts for certain activities and services”
- 1.2.15. 10 U.S.C. § 2812, “Lease-purchase of facilities”
- 1.2.16. 10 U.S.C. § 2824, “Authorization for acquisition of existing family housing in lieu of construction”
- 1.2.17. 10 U.S.C. § 2828, “Leasing of military family housing”
- 1.2.18. 10 U.S.C. § 2835, “Long-term leasing of military family housing to be constructed”
- 1.2.19. 10 U.S.C. § 2836, “Military housing rental guarantee program”
- 1.2.20. 10 U.S.C. § 2837, “Housing Requirements and Market Analysis”
- 1.2.21. 10 U.S.C. § 2851a, “Supervision of military housing by Chief Housing Officer”
- 1.2.22. 10 U.S.C. § 2865, “Work in Process Curve charts and outlay tables for military construction projects”
- 1.2.23. 10 U.S.C. § 2884, “Reports”
- 1.2.24. 12 U.S.C. Chapter 13: “National Housing”
- 1.2.25. 31 U.S.C. SUBTITLE II, Ch 15, Subchapter III, “Transfers and Reimbursements”
- 1.2.26. 37 U.S.C. § 403, “Basic allowance for housing”
- 1.2.27. Public Law 101-526 (P.L. 101-526), “Title II - Closure and Realignment of Military Installations”
- 1.2.28. P.L. 101-510, “Title XXIX - Defense Base Closures and Realignments”
- 1.2.29. Fiscal Year 2009 National Defense Authorization Act, Section 2801 (FY09 NDAA § 2805), “Imposition of requirement that acquisition of reserve component facilities be authorized by law”
- 1.2.30. (FY 96 NDAA § 2801), “Alternative authority for construction and improvement of military housing”
- 1.2.31. Office of Management and Budget Circular A-11 (OMB Circular A-11), “Preparation, Submission, and Execution of the Budget”

1.2.32. [OMB Circular A-76](#), “Performance of Commercial Activities”

1.2.33. [OMB Circular A-94](#), “Guidelines and Discount Rates for Benefit-Cost Analysis of Federal Programs”

1.2.34. DoD Directive 2010.05 ([DoDD 2010.05](#)), “The North Atlantic Treaty Organization Security Investment Program”

1.2.35. [DoDD 4165.06](#), “Real Property”

1.2.36. [DoDD 4165.50E](#), “Homeowners Assistance Program (HAP)”

1.2.37. [DoDD 4270.5](#), “Military Construction”

1.2.38. DoD Instruction 1225.08 ([DoDI 1225.08](#)), “Reserve Component (RC) Facilities Programs and Unit Stationing”

1.2.39. [DoDI 4165.03](#), “DoD Real Property Categorization”

1.2.40. [DoDI 4165.63](#), “DoD Housing”

1.2.41. [DoDI 4165.71](#), “Real Property Acquisition”

1.2.42. [DoDI 7041.03](#), “Economic Analysis for Decision-making”

1.2.43. DoD Manual 4165.63 ([DoDM 4165.63](#)), “DoD Housing Management”

***2.0 POLICIES AND PROCEDURES**

2.1 Family Housing Program Policies and Guidelines

2.1.1. Policy

2.1.1.1. It is DoD Policy: 1) to provide Military Family Housing for military families and for eligible civilian families only when suitable housing in the community does not exist; 2) to provide for the housing and support services, as authorized by law, that are necessary to meet the requirements of the DoD; 3) that the program **must** be financed and managed in the most cost effective and efficient manner possible in order to support these requirements and to maximize the use of available program resources; 4) that the program **must** include the provision of assistance to all military personnel and certain eligible civilians in locating and utilizing privately owned housing including leasing; 5) that the program **must** include, within available resources, the provision of Government-owned or leased family housing and furnishings (referred to as Defense Family Housing Property); and 6) that the program **must** include the efficient and effective financial and program management of Defense Family Housing Property, including acquisition, privatization, operation, improvement, maintenance, debt financing, leasing, and family housing support programs.

2.1.1.2. The Family Housing Program encompasses Military Family Housing as defined and authorized by the provisions of 10 U.S.C. Chapter 169 and includes all DoD Component family housing in the Defense Family Housing Property Account, leases of real property utilized by DoD Components for family housing, and associated family housing support services programs.

2.1.2. Responsibilities

2.1.2.1. The Under Secretary of Defense for Acquisition and Sustainment (USD(A&S)) is responsible for program management as set forth in the DoDI 4165.63, and DoDM 4165.63, which also addresses Unaccompanied Housing. 10 U.S.C. § 2851a established the Assistant Secretary of Defense for Energy, Installations, and Environment (ASD(EI&E)) as the DoD Chief Housing Officer (CHO). The CHO oversees family and unaccompanied housing under the jurisdiction of the DoD or acquired or constructed under the MHPI. The Office of the Deputy Assistant Secretary of Defense for Housing (ODASD(H)) carries out the day-to-day responsibilities of the CHO with respect to the creation and administration of policies and processes regarding privatized, DoD-owned, and DoD-controlled family and unaccompanied housing. The ODASD(H) also has responsibility for overseeing the HAP. The Under Secretary of Defense (Comptroller) (USD(C)) is responsible for financial management, program budget policies, program accounting policies, and financial reporting. As prescribed by the USD(C), the Director, Defense Finance and Accounting Service, is responsible for central accounting and financial reporting for the program. As prescribed by DoDI 4165.63, the Secretaries of the Military Departments and the Directors of the Defense Agencies are responsible for execution of the program for personnel under their respective jurisdictions, including program and financial management, accounting and reporting.

2.1.2.2. In the financial management and execution of the program, DoD Components **must** conduct program budget formulation, presentation, and execution in accordance with the guidance and provisions contained in this chapter and adhere to the program accounting and financial reporting guidance and provisions contained in Volume 4.

2.1.3. Objectives and Procedures

2.1.3.1. Assistance in Locating and Utilizing Privately Owned Family Housing. Assistance provided to DoD personnel to obtain privately owned family housing under the program includes privatized housing referral service, including administration of private rental housing for DoD personnel overseas; DoD leasing of private housing; rental guarantee payments pursuant to 10 U.S.C. § 114 and service members' mortgage insurance payments on their privately owned housing made pursuant to 12 U.S.C. Chapter 13.

2.1.3.2. Defense Family Housing Property. The Family Housing Program will manage and control all DoD-owned or DoD-controlled physical property described in subparagraph 2.1.3.2.1. The properties will be recorded in a property account entitled the Defense Family Housing Property Account, which should be fully consistent with the DoD Real Property Inventory and Select & Native Programming (SNaP) databases. Guidance for the maintenance of property accounting records is contained in Volume 4. A continuing permanent accounting record

will be maintained of the real property included in each installation's Family Housing Property Account. Appropriate classifications will be entered on the records to distinguish between real and personal property. Property will be removed from the Defense Family Housing Property account when the property is disposed of as (DoD property), when it is transferred to DoD non-family housing use. The Report Control Symbol assigned to the special record keeping requirements is DD-COMP (AR)1501.

2.1.3.2.1. The Defense Family Housing Property Account includes the following properties, under the jurisdiction of the DoD, to which the Government has a right, title, or interest, with exceptions noted in paragraph 2.1.3.2.2.

2.1.3.2.1.1. All types of family dwelling units and mobile home park facilities, without regard to the military status of the occupant and including housing that is: located on or off station, owned or leased, occupied or unoccupied; situated in dispersed locations or in community-type areas; located at an active, inactive, standby, or reserve facility; or, operated or maintained by the Government, directly or by contract.

2.1.3.2.1.2. Non-dwelling buildings directly associated with family dwelling units or a family housing area, including structures outside the housing area required solely for family housing support.

2.1.3.2.1.3. Roads, driveways, walks, and utility systems which primarily serve family housing units or areas.

2.1.3.2.1.4. The grounds area of a group of family housing units and the yards of dispersed family housing units or areas.

2.1.3.2.1.5. Community facilities which are integral to a family housing area and are available for use only by family housing area residents and their house guests.

2.1.3.2.1.6. Fixtures and other appliances or equipment in a housing unit that are either integral components or movable items, such as: refrigerators, kitchen ranges and, when authorized, food freezers, room air conditioners, washing machines, clothes dryers, dishwashing machines, garbage disposals, exhaust fans, roof or attic television antennas; and those appliances provided for family housing rented privately by DoD personnel in areas outside the conterminous United States, pursuant to DoDM 4165.63.

2.1.3.2.1.7. Furniture, furnishings, and other personal property that are directly associated with providing and supporting family housing units, including personal property provided for use outside the conterminous United States, pursuant to DoDM 4165.63.

2.1.3.2.2. The Defense Family Housing Property Account excludes the following properties, irrespective of the Government's right, title, or interest therein:

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2.1.3.2.2.1. Aerial roads, public walks, utility lines, and utility mains that may pass through or in front of family housing locations but serve those locations as an incidental or secondary purpose to other station requirements.

2.1.3.2.2.2. Facilities similar to hotels or motels, which are provided for temporary family occupancy.

2.1.3.2.2.3. Community facilities which are not integral to a family housing area or are available for use by other than family housing area residents and their house guests.

2.1.3.2.2.4. Educational facilities.

2.1.3.2.2.5. Telephone and other communication facilities for official use, and telephone facilities for unofficial use, installed in a family housing unit.

2.1.3.2.2.6. Community Antenna Television distribution service by other Government agency, commercial cooperative, or private enterprise.

2.1.3.2.2.7. Properties financed by and supporting the Defense Security Assistance Program.

2.1.3.2.2.8. Food service facilities.

2.1.3.2.2.9. Facilities used primarily for religious services or religious activities.

2.1.3.3. Management of Defense Family Housing Property. Management undertakings, which arise in connection with the DoD responsibility for and jurisdiction over Defense Family Housing Property, include:

2.1.3.3.1. The acquisition, privatization, construction, and replacement of family housing facilities and the preliminary design studies on prospective projects, including housing requirement surveys.

2.1.3.3.2. The conversion of other real property facilities to family housing quarters.

2.1.3.3.3. The upgrading to “adequate public quarters” of those family dwelling units designated as rental, substandard, or inadequate.

2.1.3.3.4. The alteration of, or addition, expansion, or extension to, family housing facilities.

2.1.3.3.5. The outfitting of family housing facilities, as defined in [subparagraph 2.1.3.1.2.](#), with fixtures and other equipment that are either integral components or

movable items of major equipment of a housing unit, including major appliances; and furniture, furnishings, and other personal property. This function includes maintenance and repair (M&R).

2.1.3.3.6. The M&R of family housing facilities.

2.1.3.3.7. The furnishing of the following services to family housing facilities: utilities services, except telephone service and cable television; refuse collection and disposal; insect and rodent control; snow removal; handling and moving Government-owned furnishings; police and fire protection; and administrative, supervisory and clerical services related to the performance of services rendered the family housing facilities.

2.1.3.3.8. The maintenance and security of family housing property declared excess to DoD needs, which rests with the DoD Component until the DoD is relieved of this responsibility. The following rules and principles apply:

2.1.3.3.8.1. If the General Services Administration (GSA) is disposing the property, the transfer of financial responsibility to GSA will be in accordance with Federal Property Management Regulations, Part 101-47, 402.

2.1.3.3.8.2. When the DoD recommends to GSA that disposal of excess property be delayed because of economic considerations and a contract has been made with a local agency to rent the property and to protect and maintain it, the residual financial responsibility for maintenance and security rests with the DoD.

2.1.3.3.8.3. It has been agreed with the GSA that, in interpreting property disposal regulations, the DoD will be deemed to have declared the property excess to GSA on the date that the protection and maintenance contact is discontinued.

2.2 Family Housing Procedures for Administration and Management of Program Funds

2.2.1. Treasury Accounts

For Family Housing Construction, funds are appropriated to remain available for five years. For Family Housing Operation and Maintenance (O&M), funds are appropriated with annual account limitations. For the DoD FHIF and MUHIF, funds are appropriated to support MHPI administrative program expenses, including accounting and financial reporting services, and remain available until expended. These and other funds made available for family housing are administered under the Treasury accounts outlined in Volume 2A, Chapter 1, paragraph 6.3.

2.2.2. Funding the Family Housing Program

2.2.2.1. The Family Housing Program will be financed from:

2.2.2.1.1. Those funds primarily appropriated for family housing purposes.

2.2.2.1.2. Authorized reimbursements and collections from housing rentals and services furnished as set forth in subparagraphs 2.2.2.1.2.1 through 2.2.2.1.2.8.

2.2.2.1.2.1. Charges will be made for rentals and services furnished certain occupants or users of family housing facilities. Determine the amount of rent charged in accordance with the provisions of DoDM 4165.63. Disposition of the proceeds of handling or disposal of excess family housing property is treated in subparagraph 2.2.2.1.3.

2.2.2.1.2.2. Collections for rents and services to finance family housing expenses in accordance with applicable statutes are listed in subparagraphs 2.2.2.1.2.3 through 2.2.2.1.2.8. Such reimbursements will be utilized within the financial authority issued by the USD(C) but limited to the amount of reimbursements earned.

2.2.2.1.2.3. Utilize the collections received for rental of Defense housing within the applicable DoD Component family housing account to defray O&M expenses. If the housing is rented with Government furniture provided, treat the combined total charge for shelter rent and furniture rent as indicated in subparagraph 2.2.2.1.2.2.

2.2.2.1.2.4. Utilize the collections from the sale of utilities and services within the appropriation currently available for the supply of that utility or service in accordance with the authority set forth in 10 U.S.C. § 2686.

2.2.2.1.2.5. Collections from other agencies related to O&M charges pursuant to 31 U.S.C. Chapter 15, Subchapter III will be affected.

2.2.2.1.2.6. When non-excess family housing property is leased, pursuant to 10 U.S.C. § 2667, deposit the rental moneys received in a special account in the U.S. Treasury established for DoD Components for allocation as prescribed in 10 U.S.C. § 2667. Deposit the moneys received for utilities or services to the applicable DoD Component family housing account.

2.2.2.1.2.7. For accounting purposes, identify those reimbursements described in subparagraph 2.2.2.1.2 to be used for O&M purposes as financing the operations portion of the O&M expenses.

2.2.2.1.2.8. Deposit all collections for family housing rents or services, other than those described in subparagraph 2.2.2.1.2 and in subparagraph 2.2.2.1.3 to Treasury Miscellaneous Receipt Account 1830, "Rent of Real Property not Otherwise Classified," under a citation which includes the appropriate DoD Component two-digit prefix symbol. Such collections include those to cover costs of repairing damages to family housing facilities (including replacement of items) caused by family housing occupants.

2.2.2.1.3. Other funds which are available from disposal of excess family housing property as set forth in subparagraphs 2.2.2.1.3.1 through 2.2.2.1.3.4.

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2.2.2.1.3.1. In the case of family housing in the United States disposed of pursuant to P.L. 101-526, Title II, the Defense Authorization Amendments and Base Closure and Realignment Act or P.L. 101-510, Defense Base Closure and Realignment Act of 1990, **deposit** the proceeds in the DoD Base Closure Account 1990.

2.2.2.1.3.2. In the case of family housing disposed of under authorities contained in 10 U.S.C. Chapter 169, Subchapter IV, as added by FY96 NDAA § 2801, for purposes of using the proceeds to carry out activities authorized under those provisions, **deposit** the proceeds in the DoD FHIF. 10 U.S.C. Chapter 169, Subchapter IV, § 2883(d) limits the funds that can be expended from the account to such amounts as provided in the appropriations act. Therefore, non-appropriated proceeds deposited into the FHIF account cannot be used to fund privatization projects, without it being appropriated, first.

2.2.2.1.3.3. In the case of family housing overseas disposed of under circumstances which fall within the provisions of P.L. 101-510, § 2921 as amended, the **deposit the** proceeds in the Defense Overseas Military Facility Investment Account.

2.2.2.1.3.4. In the case of family housing disposed of under other circumstances, **deposit** the proceeds in the appropriate military family housing account.

2.2.2.2. The DoD Component having responsibility for the Defense installation or housing area will program, budget, and account for Family Housing Program costs, regardless of the DoD Component of the housing occupant. Reimbursement for such costs will not be made between DoD Components.

2.2.2.3. Funding will be on a program-year basis. The detailed program-year criteria for the major functional categories and for the immediate subordinate accounts is set forth in subparagraphs 2.2.2.3.1 through 2.2.2.3.3.

2.2.2.3.1. The program year for the undertakings (projects for new construction, acquisition of housing, construction improvements, and minor construction) **must** be the same as the year of the applicable annual MILCON Authorization Act.

2.2.2.3.2. After the program year for a specific project is established, **administer** the related appropriation for that project under the designated program year, irrespective of when the work is undertaken. In the event there are savings due to lower bids or change in scope, these savings may be reprogrammed for projects authorized in different program years in accordance with guidance provided in Volume 3, Chapter 7, “Reprogramming of Military Construction and Family Housing Appropriated Funds.”

2.2.2.3.3. For design, which is a “level of effort” type activity, the following program year concept applies:

2.2.2.3.3.1. Budget estimates for the budget year (BY) and each future year will include the design work programmed to be placed on contract or intragovernmental order during the program year and the design work expected to be performed with in-house

capabilities during the program year. **Determine** the dollar value of a planned program on the basis of estimated obligations to be incurred during the program year for the program scope embraced by subparagraphs 2.2.2.3.1 and 2.2.2.3.2.

2.2.2.3.3.2. **Request and issue** obligation authorities by program year on the basis of obligations estimated to be incurred as a result of the issuance during the program year of contracts or other orders which constitute valid obligations pursuant to Volume 4 for design work, irrespective of when the work **will** be performed and the accomplishment during the program year of design work with in-house capability. **Charge** obligations by program year on these same bases.

2.2.2.3.3.3. **Make** adjustments to obligations charged against a prior program year only to the extent of an adjustment in the amount of an obligation recorded for specific work ordered in that prior program year or de-obligations to reflect cancellation of work ordered in that prior year (**PY**). New obligations for design work for a particular project which are in addition to that ordered in prior program years for that project are charges against the program year in which those new obligations are incurred.

2.2.2.3.3.4. For rental guarantee payments, the program year **must** be the fiscal year in which the rental guarantee payments are obligated. No new obligations may be incurred under a program year obligation authority after the close of that program fiscal year. **Make necessary** adjustments to obligations for rental guarantee payments to reflect actual obligations incurred during the fiscal program year in accordance with existing procedures covering adjustment to annual accounts.

2.2.2.3.3.5. The major functional categories of O&M and debt payment are considered “level of effort” type activities. **Develop** program planning and budget estimates for these categories in accordance with that concept. **Request and issue** obligational authority for O&M and debt payment by program year **because the authority** will not be available for new obligations after the close of the fiscal year for which such authority is issued. **Make necessary** adjustments to obligations for O&M and debt payment to reflect actual obligations incurred during the fiscal program year in accordance with existing procedures covering adjustment to annual accounts.

2.2.2.4. **Apply economic analysis** to all program investment proposals in accordance with this **chapter** which sets forth budget submission requirements.

2.2.2.5. **Obtain apportionment of funds and issuance of financial authorities** as follows: each DoD Component (except Defense Agencies) **must** submit to the OUSD(C) an apportionment request, as prescribed in Volume 3, Chapter 2, “Apportionment/Reapportionment and Funds Distribution.” The OUSD(C) will issue specific financial authority to the DoD Components concerned in such amounts and at such levels as appropriate for efficient and economical administration of the Family Housing Program.

2.2.2.6. For the Construction category, **provide the** Office of the Secretary of Defense (OSD) program approval and obligating authority by fiscal year, generally at the

construction element level (immediate subordinate account level) or at project level where circumstances warrant. Volume 3 defines the scope of realignment authority delegated to the DoD Components. [Report](#) all program/fund realignments in accordance with Volumes 2 and 4.

[2.2.2.7. Record and report](#) obligations, incurred costs, accrued expenditures, accrued revenues, disbursements and receipts in accordance with Volume 4. When another appropriation, e.g., O&M, initially incurs a funded cost, [bill](#) the applicable DoD Component family housing account at least monthly. [Charge the](#) obligations, incurred costs, accrued expenditures and disbursements to the applicable accounts.

[2.2.2.8.](#) The balance due on indebtedness previously assumed should be in a “Borrowing Account” in conformance with Federal budget concepts.

[2.2.2.9. Record](#) the acquisition of property in accordance with Volume 4. [Record](#) the amount of the mortgage assumed as an increase in the “Borrowing Account” and report [it](#) to the Treasury under Code (97).

[2.3](#) Use of O&M Funds under Contingency Construction Authority

The criteria and procedures for the use of O&M funds under Contingency Construction Authority (also known as § 2804 Authority) are listed in Volume 3, Chapter 17, [paragraph 3.3](#).

[*3.0](#) UNIFORM BUDGET AND FISCAL ACCOUNTING CLASSIFICATION

[3.1](#) [MILCON](#) Appropriations

[Accomplish](#) programming, budgeting, financing, and accounting for the [MILCON](#) Program under an account structure uniformly used for these purposes by all DoD Components. The uniform account structure and scope of each account prescribed for the administration of the [MILCON](#) Program are as follows:

[3.1.1.](#) Major Functional Category: Construction

[3.1.1.1. Immediate Subordinate Account: Major Construction.](#) Includes construction projects authorized under 10 U.S.C. § 2801 and § 2802 for the purposes of erection, installation, or assembly of a new facility; the addition, expansion, extension, alteration, conversion, or replacement of an existing facility; or the relocation of a facility from one installation to another. Includes equipment installed and made a part of such facilities, and related site preparation, demolition, excavation, filling and landscaping, or other land improvements.

[3.1.1.2. Immediate Subordinate Account: Minor Construction.](#) Includes any construction project not otherwise authorized by law having a cost equal to or less than [\\$9,000,000](#). Minor construction projects costing more than \$750,000 may not be carried out unless 10 U.S.C. § 2805 requirements are met. This includes advance approval by the Secretary concerned, and notification to the Congress [if the project amount is more than \\$4,000,000](#). An

unspecified MILCON project costing not more than \$4,000,000 may be funded from appropriations available for O&M.

3.1.1.3. Immediate Subordinate Account: Design. Includes architectural and engineering services, construction design, working drawings, specifications and estimates for construction projects. 10 U.S.C. § 2807 pertains to architectural and engineering services and construction design.

3.1.1.3.1. Design Status. Consider projects with parametric cost estimates and supporting documentation, e.g., site plan, economic analysis, and National Environment Policy Act (NEPA) documentation, at the 15 percent design level.

3.1.1.3.2. Projects using the traditional method of design, being designed in-house, using a standardized design, or site adapting a previous design should use the milestone chart to gauge their design status.

Milestone Chart	
Design Milestone	Design Status
1% Design Complete	Design instructions issued to major command.
2% Design Complete	Major command design instructions issued to design agent.
3% Design Complete	Notice to proceed issued to architect/engineering firm (A&E) by the design agent.
30% Design Complete	Concept plan, early preliminary working drawings, design analyses, and outline specifications issued by the designer.
35% Design Complete	Concept or early preliminary review comments forwarded to the design agent.
60% Design Complete	Regular preliminary working drawings, design analyses, and updated cost estimate and outline specifications issued by the designer
65% Design Complete	Regular preliminary review comments forwarded to the design agent.
90% Design Complete	Final design (working drawings, design analyses, cost estimates, and specifications) completed by the designer.
95% Design Complete	Final design review comments forwarded to the design agent
100% Design Complete	Corrected final design accepted by the DoD Component.

3.1.1.4. Immediate Subordinate Account: Supporting Programs. Includes Defense access roads and land acquisitions.

3.1.2. Major Functional Category: NATO Security Investment Program

Includes contributions for the United States share of the cost of multilateral programs for the acquisition and construction of military facilities and installations (including international military headquarters) and for the related expenses for the collective defense of the North Atlantic Treaty Area. 10 U.S.C. § 2806 pertains to contributions for NATO Security Investment Program.

3.2 Family Housing

DoD Components will use the uniform account structure established for programming, budgeting, financing and accounting for the family housing program. [Administer](#) the account structure so as to provide program and financial control of the family housing program consistent with applicable statutes. The uniform account structure and scope of each account for the family housing program are as follows:

3.2.1. Major Functional Category: Construction

3.2.1.1. Immediate Subordinate Account: New Construction (by Installation and Project). Includes the erection, installation, assembly, relocation or replacement of single or multifamily dwelling units, related land acquisition, site preparation, excavation, filling and landscaping, or other land improvements. Also included are the initial outfitting during construction of a dwelling unit with fixtures and other requirements which are either integral components or movable items of major equipment thereof, including major appliances, and architectural and engineering supervision and inspection of construction. Includes design costs of contractor to perform a turnkey contract. New construction also includes the construction of items included in subparagraphs [2.1.3.2.2.1 through 2.1.3.2.2.3](#) and [2.1.3.2.2.5](#).

3.2.1.2. Immediate Subordinate Account: Construction Improvements (formerly Post Acquisition Construction). Includes major construction projects (projects beyond those authorized under the minor construction program) for the following (by installation and project): upgrading inadequate public quarters, rental housing and acquired units to produce adequate public quarters; conversion of existing facilities to public quarters; alterations, additions-expansions-extensions; construction of family housing real property, other than dwelling units required subsequent to and because of previously acquired dwelling units; and the payments made to military personnel for telephone reconnection charges **must** be included in project costs under this subaccount when a construction project involves relocation, alteration, improvement, or other work necessitating Government directed, non-Permanent Change of Station moves between Government quarters. However, in cases where concurrent maintenance/repair work is involved, telephone reconnection costs **must** be charged to the maintenance account.

3.2.1.3. Immediate Subordinate Account: Design. Includes the **design**, working drawings, specifications and estimates for construction projects approved by the Secretary of Defense for inclusion in the President's Budget. Also includes consolidated DoD guide drawings, specifications, and **design** efforts on projects which are not subsequently constructed.

3.2.2. Major Functional Category: O&M

3.2.2.1. Immediate Subordinate Account: Operation. This account includes the costs associated with Management, Services, Furnishing, and Miscellaneous subaccount categories identified in subparagraphs [3.2.2.1.1 through 3.2.2.1.4](#).

3.2.2.1.1. Management. This account includes costs for management, administrative, and support-type services at the installation level, such as, inspection of

construction and administration of rental guarantee projects, housing referral administration, housing office base support costs, surveys, engineering studies, and other identifiable management costs.

3.2.2.1.2. Services. This account includes cost associated with refuse collection and disposal, fire protection, police protection, entomological services, custodial services, snow removal, street cleaning, and other municipal-type services.

3.2.2.1.3. Furnishings. This account includes initial acquisition, maintenance, repair and replacement of furniture, furnishings and other personal property (see subparagraph 2.1.3.2.1.7); the furnishing of services included in subparagraph 2.1.3.3.7.

3.2.2.1.4. Miscellaneous. This account includes other family housing program operational costs that do not fall into the other Operation categories.

3.2.2.2. Immediate Subordinate Account: Housing Privatization Support. Includes the costs that the government incurs in direct support of the family housing privatization program under the authorities of 10 U.S.C. Chapter 169, Subchapter IV, **except for** those costs that will be included as part of the privatization project. These costs include all administrative, planning, development, solicitation, award, transition, construction oversight, and portfolio management activities associated with military housing privatization and specifically for:

3.2.2.2.1. Site Assessment Costs. Includes all costs in direct support of the family housing privatization program for environmental baseline assessments, environmental assessments, environmental impact statements, and any efforts required to be accomplished by the government prior to privatization for, environmental mitigation, site surveys, or real estate costs.

3.2.2.2.2. Project Costs. Includes all costs in direct support of the family housing privatization program for project feasibility studies, concept development, consultant fees, solicitation, procurement, contracting, execution, transition, construction management (supervision, inspection and overhead), post award management/monitoring, and portfolio management.

3.2.2.2.3. Administrative Costs. Includes all costs in direct support of the family housing privatization program for civilian pay, travel, training, supplies, equipment, and for any services provided by a Component in support of the privatization program.

3.2.2.3. Immediate Subordinate Account: Maintenance of Real Property Facilities. This account includes **M&R** of buildings, roads, driveways, walks, exterior and interior utility systems and grounds care; and maintenance, repair and replacement of fixtures and other equipment which are integral components of a housing unit. This account also finances the costs of reimbursements made to military personnel for telephone reconnection charges when maintenance or repair work necessitates Government-directed, non-PCS moves. This includes such charges resulting from improvement/repair projects funded in part from the family housing construction account.

3.2.2.4. Immediate Subordinate Account: Leasing. This account includes leasing of family housing facilities by the Government as outlined in subparagraph 2.1.3.1.

3.2.2.5. Immediate Subordinate Account: Utilities. This account includes costs for utilities consumed in government-owned family housing, including electricity, water, sewage, natural gas, fuel oil, or other heating fuels. It excludes the costs associated with the M&R of utility systems covered under the Maintenance of Real Property Facilities Account.

3.2.2.6. Immediate Subordinate Account: Mortgage Insurance Premiums (or also known as Servicemen's Mortgage Insurance Premiums). This account includes payments of servicemen's mortgage insurance premiums pursuant to 12 U.S.C. Chapter 13, as amended.

3.2.3. Major Functional Category: DoD FHIF. Includes activities required for family housing in connection with the MHPI program planning, execution, accounting and financial reporting, and administration of contracts entered into under the authorities of 10 U.S.C. Chapter 169, Subchapter IV.

3.2.4. Major Functional Category: MUHIF. Includes activities required for unaccompanied housing in connection with the MHPI program planning, execution, accounting and financial reporting, and administration of contracts entered into under the authorities of 10 U.S.C. Chapter 169, Subchapter IV.

3.3 Homeowners' Assistance Fund, Defense

Exhibits HA-1 through HA-4 in Appendix C prescribe the program/budget account classification structure for the HAP.

*4.0 PROGRAM AND BUDGET REVIEW SUBMISSION

4.1 MILCON

4.1.1. General Guidance. Concurrently submit supporting data for each of the MILCON appropriation requests with all other DoD appropriation requests. To facilitate the review and decision-making process, it is essential that the packaging of justification materials conform to the uniform facility category structure established by DoDI 4165.03.

4.1.1.1. Determine construction requirements in consonance with Program Decision Memorandum (PDM) guidance and with applicable Executive Orders, OMB Circulars, and relevant DoD instructions and directives.

4.1.1.2. Support each proposed construction project with DD Form 1391/1391C, MILCON Project Data and a DoD Construction Agent assessment. Prepare these exhibits in accordance with guidance contained in Appendix A. Projects associated with intelligence or intelligence-related operations will be so identified. Block 5, Program Element, DD Form 1391, will include the annotation National Intelligence Program (NIP) or Military Intelligence Program (MIP) as appropriate. Prepare DD Form 1390, MILCON Program, for each installation at which

major construction is planned, utilizing the format prescribed in [Appendix A](#). The Guard and Reserve Components will utilize DD Form 1390S, Guard and Reserve Forces MILCON. Additionally, for projects over \$90 million each Component must submit a Work-in-Progress curve in accordance with 10 U.S.C. § 2865.

4.1.1.3. Each Component will also submit a Major Initiative code for every MILCON budget line item in the electronic Next Generation Resource Management System.

4.1.1.4. OMB is enforcing the full funding policy contained in OMB Circular A-11. The Components are required to ensure that all projects are fully funded in compliance with OMB Circular A-11. However, DoD Components may submit an exception request from the full funding policy with the Budget Estimate Submission (BES) to the OUSD(C) for construction projects over \$250 million. OUSD(C) will request an exception to the full funding policy from OMB. If granted, components may budget increments for the construction project. Additionally, for projects costing less than \$250 million, the Components may break projects down into complete and usable phases, with phases in multiple years.

4.1.1.5. In the case that OMB grants a waiver to allow budgeting for the incremental funding of a project, the Components have the flexibility to move funding between increment/years to allow for flexibility, but only if there is no increase in the total cost of the project or number of increments. When projects fully funded in a given year's President's Budget request are incrementally funded by Congress, the Components must fund the remaining amount within two subsequent increments (for a total of no more than three increments). Budget justification materials (1391/1391C) should include a chart depicting all outyear liabilities resulting from incremental funding decisions.

4.1.1.6. To ensure prudent and economic investments, a life cycle, net present value economic cost analysis is required to support all new construction or renovation projects estimated to cost in excess of the amount specified in 10 U.S.C. § 2805(a)(2), as adjusted by paragraph (f). DoD Components must retain copies of these studies and provide them, when requested, during the OSD - OMB program and budget review. In accordance with Volume 2A, Chapter 1, subparagraph 3.3.1.3.3, components are required to indicate on the justification page for each individual construction project whether or not an economic analysis is applicable or pertinent. If not applicable, a statement is required indicating why.

4.1.1.7. In accordance with guidance provided in DoDD 2010.05 Section 2.5.d, components are required to indicate on the justification page for each individual construction project for U.S. forces committed to NATO, a statement whether or not the project is planned for prefinancing, with appropriate explanation as to: (a) why U.S. unilateral financing is being proposed; and (b) as appropriate, follow-on actions planned to seek reimbursement through NATO channels. A similar statement is required for any other overseas construction, describing why the project is not eligible for host nation funding. DoDD 2010.05 provides more specific guidance.

4.1.1.8. **Submit** justification materials DD Forms 1390/1391/1391C in book form, with appropriate cover, bound on the left margin. **Submit** classified materials in separate volumes, with appropriate security classification markings on covers.

4.1.1.9. The following **paragraphs** outline the specific materials to be provided including special guidance as to formats to be followed. **Volume 2A, Chapter 1** identifies the numbers of copies required. **Volume 2B, Chapter 16** outlines other special materials required for intelligence activities.

4.1.1.10. All budget submissions for **MILCON** and family housing programs should include outyear project level detail in the format specified in **Appendix A**.

4.1.1.11. For any joint funded Guard or Reserve **MILCON** project, the lead component **must** submit a DD Form 1391 for the complete joint facility and a signed Memorandum of Agreement (MOA). Additionally, the lead component will submit the Guard and Reserve Joint **MILCON** Project Exhibit, MC-2, in accordance with the format contained in **Appendix A**.

4.1.2. Construction Programs for the Active Forces and Defense Agencies. **Arrange** the books containing the DD Forms 1391/1391C by facility category, following the guidelines established by DoDI 4165.03. For each project, the DD Form 1390 will immediately precede the DD Form 1391/1391C. In each DD Form 1391/1391C provided for the OSD submission, the following design status is required: (1) date of design or parametric cost estimate initiation; (2) percentage of design complete on the OSD submission date; (3) date on which 35 percent design or a parametric cost estimate (15 percent design level) will be or has been completed (including review and approval of 35 percent drawings); (4) projected or actual date of design completion; (5) percentage of design utilizing standard design, (6) if the project cost is based on parametric estimates, include the annotation "Parametric estimates have been used to develop project costs;" and (7) type of design contract, i.e. design-build, design-bid-build, or other. **If other, provide a brief explanation of the design contract. The information should be displayed on the DD Form 1391, section 12, Supplemental Data.** Projects proposed for alternative construction methods such as turnkey, or private financing alternatives, for which percent design is not appropriate, should be noted in place of the design status required for normal projects. Prior to the submission of the President' Budget to Congress, **notify** the OUSD(C) Military Personnel and Construction (MPC) Directorate of any projects in the request where the cost estimate is not based on either 35 percent design or a parametric cost estimate (15 percent design level).

4.1.2.1. **Major Construction.** For purposes of the OSD and OMB review:

4.1.2.1.1. The project will identify and list each distinct facility indicating the appropriate five- or six-digit Military Department category code adjacent to the item description. A distinct facility possesses a unique real property category code described by the functional requirement and a quantity in the unit measure for the category code. When a project includes multiple distinct facilities, the project title must correspond to the code of the predominant use for the facility. Components of distinct facilities, even if quantified, do not constitute distinct facilities. Items such as cost premium for design features (e.g., sustainable design) that are

represented by “lump sum” quantities do not constitute distinct facilities. See paragraph Appendix A for further instructions on submission formats.

4.1.2.1.2. Each DD Form 1391 for a major construction project must show the construction contract award date. Indicate month and year the contract is planned to be awarded to the construction firm. Indicate month and year construction is planned to start (construction start date) and indicate month and year construction is planned to be completed (construction completion date). The information should be displayed on the DD Form 1391, section 12, Supplemental Data.

4.1.2.1.3. All DD Forms 1391 for projects submitted in the BES must include the office and phone number of the installation responsible for the requested project. Display this information on the bottom left-hand corner of the last page of the DD Form 1391.

4.1.2.2. Minor Construction. The total minor construction program request should be submitted as a lump sum submission on a single Form DD Form 1391, specifying the amount proposed for unspecified (unforeseen) minor construction projects costing up to \$9.0 million per project.

4.1.2.3. Supporting Activities. The funding request for Supporting Activities will continue to be reflected as a lump sum amount on DD Form 1391. Supporting detail (location/cost) will be shown parenthetically following the lump sum estimate. While this item will be addressed for decision making purposes in the document covering Utilities and Real Estate, it should be listed separately and not included in the indexes for either Utilities or Real Estate, which fall under different facility category codes.

4.1.2.4. Restrictions on Omnibus Construction Packages. Apart from the specific exceptions noted for the pollution abatement, energy conservation, and minor construction programs, which are discrete decisions, there are to be no other omnibus packages or breakouts in the DD Form 1391 justification books. List all other projects under the appropriate facility category. In this respect, the Marine Corps facilities program will be integrated with the Navy facilities program so that all Navy and Marine facilities are included in a single Department of Navy facility category listing covering the entire “MILCON, Navy and Marine Corps” appropriation request. However, a separate “non-add” listing or index of all Marine Corps unique facilities, similar to those provided in the past, is both useful and desired.

4.1.2.5. Budget Summary and Indexing. Each Component will provide a one-page Budget Summary at the front of the justification book that provides a summary of the total construction program request. The summary will show, by column, the Total Obligation Authority (TOA), Budget Authority (BA), and authorization requested with subtotals by budget activity. Additionally, the books containing the DD Forms 1391/1391C should provide, immediately preceding each category section, an index showing facility category code numbers, installation and location, project number and title, cost, and DD Form 1391 page number. The index should also identify each project as either new mission or current mission.

4.1.2.6. Multi-service and National Level Support Programs. **Program/Budget** projects providing multi-service or national level support under the appropriation “MILCON, Defense-Wide,” or, in the case of NATO Security Investment Program, under the appropriation “NATO Investment Program.” These are to be determined on a case-by-case basis and should be identified as early as possible in the program planning phase. **Identify** such items in the Program Objective Memorandum (POM) and PDM process with appropriate programmatic adjustment or treatment during that phase of the review.

4.1.2.7. Should, on rare occasions, other candidates surface outside of the POM/PDM process, they will require review in the budget review process. The following guidelines apply:

4.1.2.7.1. The individual military departments will serve in an executive agency capacity for support of those construction items. The military department assigned executive agency responsibility will continue to provide all necessary and appropriate management support for such projects, including preparation of budget justification materials, and will continue to fully manage and execute the program including the preparation of all budget justification materials and defense of estimates submitted to Congress.

4.1.2.7.2. For those projects which have been identified and programmed as multi-service or national level support programs during the POM and PDM process, the executive agent will provide, at the time of its own budget submission, a separate submission consisting of all justification materials (DD Forms 1391/1391C) necessary for OSD and OMB review. Such projects are not to be reflected (duplicated) in the submission covering the department’s own program (i.e., financial program, facility category listings).

4.1.2.7.3. For those projects which may surface outside the POM and PDM process as possible additional candidates, the sponsoring military departments will include these in their own construction program submissions as outlined earlier in this chapter, within their own fiscal levels, and separately highlight such items, providing a narrative explaining the basis for change.

4.1.3. Construction Programs for the Guard and Reserve Forces. **Submit** justification materials for the Guard and Reserve construction programs on DD Forms 1391/1391C (Project Data). A separate justification book is required for each of the five Guard and Reserve appropriations.

4.1.3.1. The DD Forms 1391/1391C will be in a single volume covering total requirements for each appropriation. **Sequence** the materials in alphabetical order, by state and by installation within state. The justification pages covering the lump-sum amount requested for minor construction will appear last. The DD Form 1390S will be in a separate section following the DD Forms 1391/1391C. Each book **must** include an index in the front, showing the installation and location, project title, project cost, DD Form 1391 page number, and arranged in alphabetical order by state.

4.1.3.2. Each Guard and Reserve program submission **must** include separate listings identifying amounts requested in the budget year for: (a) air and water pollution abatement; and (b) energy conservation investment programs. Each listing **must** show the installation and location, project title, project cost, and DD Form 1391 page number. “Negative response” listings are required to assure complete coverage.

4.1.4. Construction Design. Identify and justify the annual estimates for **design** on DD Form 1391. In preparing the annual estimates, **give** full consideration to the lead-time required to meet the objective of having each construction project at the 35 percent design stage at the time the Budget is submitted to OSD. Guard and Reserve component construction projects will meet the **design** criteria established in DoDI 1225.08 at the time the budget request is submitted to OSD.

4.1.4.1. The Military Departments will develop and submit **design** estimates in support of the construction programs for the individual Active Forces, Guard and Reserve programs.

4.1.4.2. OSD will prepare a DD Form 1391, consolidating estimates to be submitted by the Defense Components having justified requirements for Defense Agencies design funds.

4.1.4.2.1. Each Defense Agency **with a** requirement for **design** funds during the current and **BYs must** submit its estimates on a DD Form 1391.

4.1.4.2.2. The individual Military Departments may have a justified requirement for use of Defense-Wide **design** funds under circumstances where the Military Departments serve as executive agents for certain multi-service or national-level support projects if funding is required to design a project which will be constructed using **MILCON**, Defense-Wide funds. Under such circumstances, the Military Department **will** submit its estimates on a separate DD Form 1391.

4.1.5. Automated Data Requirement. All **MILCON** estimates for the Active Forces, Defense Agencies, Guard and Reserve Components **must** be addressed in the Exhibit C-1 Construction Annex input prescribed in Volume 2A, Chapter 1.

4.1.6. Long-Term Facilities Contracts. **Submit** DD Forms 1390 and 1391 for each project proposed under the authorities of 10 U.S.C. Chapter 169. All additional supporting justification should be included in the DD Form 1390 and DD Form 1391 Justifications. These include **10 U.S.C. § 2809, § 2812, § 2835, § 2836, and other third party financed construction authorities**. **Closely review** private financing initiatives to ensure their programmatic and budgetary viability. So that an informed decision regarding inclusion of the project in the budget may be made during the program and budget review, **support** proposed projects **with** an economic analysis. **Submit a lease-versus-buy analysis, conducted in accordance with the provisions of OMB Circular A-94, as backup documentation for the DD Form 1391** to establish a reasonable expectation that the long-term facility project meets Congressional guidance **and** that all third party financed projects,

including proposed childcare facilities, **will** be at least five percent less expensive than regular **MILCON** appropriation.

4.1.6.1. In development of cost estimates, **MILCON** alternatives should not exceed the published DoD pricing guidance. Private sector construction estimates should be fully supported by documentation and include all pertinent cost factors.

4.1.6.2. DoDI 7041.03 contains the guidance for development of the basic economic analysis required to support these long-term facility contracts. The separate lease-versus-buy analysis must conform with OMB Circular A-94 and include full life-cycle costs and net present value discounting of each alternative.

4.1.6.3. Proposed childcare facilities should also include in their justification the results of a market survey of childcare services available in the local community, and the results of a need assessment and installation interest survey that documents and supports the need for the proposed project.

4.1.6.4. Authorization and appropriation procedures for long-term lease and lease-purchase contracts are special cases and may not be treated as regular **MILCON** in some respects. General guidance for the treatment of budget authority, outlays, and scorekeeping guidelines for lease-purchase and capital lease contracts is contained in OMB Circular A-11.

4.1.6.4.1. Under the provisions of public law, these contracts may, depending on the authority used, be for periods of up to thirty-two years exclusive of the period of construction. However, for projects proposed under the authority of 10 U.S.C. § 2809, § 2835, and § 2836, the obligation of the United States to make payments under the contract in any fiscal year is subject to appropriations being provided specifically for that fiscal year and specifically for that project.

4.1.6.4.2. Annual lease or annual lease-purchase payments commence at the time of beneficial occupancy, usually after the **BY** in which the project is proposed for authorization.

4.1.6.4.3. Components will request authorization for the full asset value of the contract (the estimated construction or acquisition cost, the differential cost of financing, and any contract termination liability costs). Components will request budget authority for each project in the amount equal to the full extent of the Government's first year liability under the contract (the sum of all cost and contract termination liability costs), in the **BY** the project is submitted for approval.

4.1.6.5. Components **must** submit proposals for long-term facilities contracts in a separate section in the OSD/OMB Justification books. The section **must** be entitled "Long-Term Facilities Contracts." The section will include all DD Form 1390 and DD Form 1391's for newly proposed projects and be preceded with an index showing facility category code numbers, installation and location, project number and title, estimated **MILCON** cost and DD Form 1391-page number. Long-term leases and lease-purchases will be separately summarized in the index.

To assess the long-term financial impact of these proposals, the section should also include a financial table that provides project data and cumulative totals for; total estimated project authorization, estimated annual lease payment, and year of planned beneficial occupancy.

[4.1.6.6.](#) Congressional budget presentation Justification Book guidance is provided in [paragraph 5.0](#).

[4.1.6.7.](#) Following approval of projects for inclusion in the President's Budget, Components may then proceed with project development.

[4.1.6.8.](#) In accordance with 10 U.S.C. [§ 2809](#), these projects must be submitted to Congress for final review or approval 14 days in advance of contract award. Unless denied by Congress, Components may make contract award following the 14-day notification period.

[4.1.6.8.1.](#) Components will submit these projects for approval to the [USD\(A&S\)](#), and the [OUSD\(C\)](#), prior to congressional notification, and again prior to the final submission to Congress.

[4.1.6.8.2.](#) To ensure that only economical investments are approved, and that budget requests are sufficient to cover the full financing of the contract, only those projects demonstrated to be more cost effective than regular [MILCON](#) will be approved for submission to Congress.

[4.1.7.](#) Construction Programs for Working Capital Funds. The Working Capital Funds related capital construction projects costing over \$750,000 will be included in the component [MILCON](#) appropriation (including budget authority) program and budget estimates submission for review.

[4.1.7.1.](#) [MILCON](#) projects supporting the Working Capital Funds must be clearly labeled as Working Capital Fund projects. The C-1 Annex will include the Working Capital Fund projects (annotated as such) with their associated budget authority.

[4.1.7.2.](#) Provide a separate copy of [MILCON](#) projects supporting the Working Capital Funds the [OUSD\(C\) Revolving Funds Directorate, Pentagon Room 3D755](#).

[4.1.7.3.](#) Provide separate copies of associated economic analysis studies supporting the construction requirements for Fund projects to the [OUSD\(C\) MPC Directorate, Pentagon Room 3C654](#).

[4.1.8.](#) Facilities Programming and Financing at DoD Installations Utilized by Two or More DoD Components. This [paragraph](#) establishes the policy for programming and financing facilities at DoD installations where utilization by more than one DoD Component is involved, including host-tenant relationships.

4.1.8.1. Responsibilities

4.1.8.1.1. To ensure joint use construction is considered when assessing the [Department facilities'](#) needs, each DD Form 1391 must include a certification by the Secretary of Defense Agency Director concerned that the proposed project has been considered for joint use potential; a recommendation for either joint use or unilateral construction; and the reason(s) for that recommendation if joint use is not recommended. The certification may be delegated not lower than the Assistant Secretary responsible for the project. This certification is not required for family housing construction and improvement projects.

4.1.8.1.2. Single-Use Facilities. The DoD Component requiring a facility for its own use [must](#) program and budget for the construction project involved.

4.1.8.1.3. Joint-Use Facilities. The DoD Component which has jurisdiction over the host command [must](#) program and budget for a facility which is planned for the joint use or joint occupancy of two or more DoD Components.

4.1.8.1.4. Common-Purpose Facilities. On a case-by-case basis, the individual DoD Components [must](#) function as executive agents for programs whose output directly and uniquely operates to the benefit of two or more DoD Components. The executive agent [must](#) be responsible for planning and programming all facilities.

4.1.8.1.5. Required Facilities. Generally, the host Military Department will program and budget an extension, expansion, and/or increase the capacity of the main utilities and communications or transportation systems, consistent with the master plan of the installation, to support any required facilities, including those required by a tenant. However, programming and budgeting for such connecting utilities and communications or transportation systems as an integral part of any single-use facility are the responsibilities of the DoD Components requiring the facility.

4.1.8.1.6. Siting Facilities. Siting of any facility for a tenant will conform to the master plan of the installation or will be in accordance with an agreed-upon location by the DoD Components concerned.

4.1.8.1.7. Design. Standards of [design](#) and construction will conform to those of the host Military Department, consistent with the master plan of the installation. However, exceptions will be made in those instances where tactical or other operational considerations requiring limited duration of occupancy economically would not justify construction of facilities to higher standards.

4.1.8.2. Utilization

4.1.8.2.1. The tenant DoD Component will have exclusive use of any facility constructed for the duration of the tenant's requirement. Upon termination of tenancy or use by the tenant, the facility will revert to the host Military Department for utilization without fee.

[4.1.8.2.2.](#) Should the tenant DoD Component, at a later date have a requirement for use of the same facility, the host Military Department will make the facility, or an acceptable existing facility, available within a reasonable time period to the tenant. The host Military Department will not reconstruct or acquire a new facility for the tenant instead of returning the original facility or an acceptable existing substitute. If the host Military Department is not able to make a facility available to the tenant without creating unacceptable conditions for the host, the tenant will be responsible for obtaining a new facility.

[4.1.8.2.3.](#) Maintenance and Service Support. Determination as to the levels of maintenance and service support and reimbursement therefore will be made by the DoD Components concerned consistent with DoD policies for host-tenant agreements.

[4.1.9.](#) Energy Resilience and Conservation Investment Program (ERCIP). [Submit](#) DD Forms 1391s for each ERCIP project requested in the budget. These forms will include the project title, location of the project, a brief description of the scope of work, and the project cost estimated. DD Forms 1391 for energy conservation, will also include savings-to-investment ratio and simple payback estimates and measurement and verification cost estimate. DD Forms 1391 for energy resilience or energy security projects [must](#) include the rationale for how the project would enhance mission assurance, support mission critical functions, and address known vulnerabilities. The Components [will](#) submit these forms to the OUSD(A&S) ERCIP Program Manager to allow sufficient time for the ERCIP Program Manager to review them prior to transmittal to OUSD(C).

[4.1.10.](#) Military Unaccompanied Housing Privatization (UH-6). [Submit](#) this exhibit with the budget justification material for the Services MILCON appropriations. It compares the OSD/OMB approved privatized project scoring with the actual/current project scoring. Include the all-military unaccompanied housing privatization projects (past, current and future); privatization date; MHPI project name; each installation and state in the project; funding sources for financing and investments by appropriation, fiscal year and project (include project number); number of units conveyed; number of end-state units, and MHPI authorities. This exhibit must reflect the OSD/OMB approved project scoring with the actual/current project scoring.

[4.2](#) Family Housing

[4.2.1.](#) Budget Estimates. Each DoD Component [must](#) submit data to support the budget requirement for Family Housing [based on](#) the accounts and account structure set forth in the detail prescribed in [subparagraph 4.2.3](#). In addition, each DoD Component will address Family Housing estimates in the Exhibit C-1 Construction Annex input prescribed in Volume 2A, Chapter 1, [paragraph 5.5](#).

[4.2.2.](#) General Instructions

[4.2.2.1.](#) [Provide](#) all data (including the OP-5 exhibit) on 8-1/2 inch by 11-inch size paper, typed across the short dimension of the paper, except for the formal exhibits contained in [paragraph 5.0](#). Bind all pages on the 11-inch side.

4.2.2.2. [Bind](#) the family housing budget data in separate books for the Army, Navy (including Marine Corps, with O&M Cost and Debt Payment for Marine Corps shown separately), Air Force, and Defense Agencies.

4.2.2.3. The number of required copies of material is specified in Volume 2A, Chapter 1, paragraph [3.2](#).

4.2.3. Preparation of Material. Submit data using forms and formats as indicated in subparagraphs [4.2.3.1.](#) and [4.2.3.2.](#) [Submit](#) separate tabbed sections for each of the categories.

4.2.3.1. Index. Provide a detailed index to the submission.

4.2.3.2. Summary

4.2.3.2.1. Provide a narrative summary describing the most significant features of the request. This summary need not cover every facet of the request and is intended to highlight those items of special significance. [10 U.S.C. § 2837 requires a listing of HRMA to be conducted in the BY. Include the following narrative as the last paragraph of “MAJOR FACTORS” under the “SUMMARY” exhibit: “In accordance with 10 U.S.C. § 2837, the \[insert Military Department name here\] plans to conduct the following Housing Requirements Market Analysis in FY 20BY: \[insert military installation here\], \[insert military installation here\].”](#)

4.2.3.2.2. Provide a one-page financial summary of the entire request. This should include, as a minimum, the amounts requested for authorization and appropriation for the major programs and their immediate subordinate accounts (Construction: New Construction, Post Acquisition Construction, Design; O&M: Operating Expenses, Utilities, Maintenance, Leasing, Housing Privatization Support, Debt Payment, Servicemen’s Mortgage Insurance Premium and Reimbursable Program).

4.2.3.2.3. Provide the summary metric tables, Exhibit FH-11, Inventory and Condition of Government-owned Family Housing Units, (which replaced the Summary of Inadequate Unit Elimination, FH-7 Exhibit) and Exhibit FH-8, Annual Inadequate Family Housing Elimination.

4.2.3.2.3.1. These exhibits support the measures and targets developed in the DoD Performance Budget, which are based on the [Building Condition Index \(BCI\)](#) and maintaining a minimum specified percentage level of adequate housing units.

4.2.3.2.3.2. All government-owned Family Housing inventory should be reflected in these exhibits, including transitional units. Inventory should be consistent with number of units and [BCI](#) contained in the Real Property Inventory database. Additional information on [BCI](#) is available [from the ASD\(EI&E\)](#).

4.2.4. Legislative Language. Provide the required authorization and appropriation language for the **BY**. The current year (**CY**) language should serve as the base, with changes and omissions bracketed.

4.2.5. New Construction

4.2.5.1. Summary. Provide a brief summary of the New Construction program. The summary should include, as a minimum: a short narrative highlighting the most significant features of the request, a comparison of the **PY** program with the request, and a listing of each project requested showing new construction or replacement, location, number of units and the estimated cost. The listing should also identify each project as either new mission or current mission requirement, as well as provide the major initiative category.

4.2.5.2. Project Justification. For each New Construction project, including the construction of mobile home spaces, the following forms and exhibits are required. Additionally, in accordance with Title 10 U.S.C. § 2824, provide documentation of consultations with the Department of Housing and Urban Development on the availability of suitable alternative housing at each construction location.

4.2.5.2.1. MILCON Project Data – DD Form 1391. Prepare form in accordance with the instructions contained in **Appendix A**. It is important to avoid the use of “boiler-plate” justification. Cost estimates for new construction projects will include the maximum level of detail practicable, including construction contract award date. Indicate month and year the contract is planned to be awarded to the construction firm. Include month and year construction is planned to start (**construction start date**) and indicate month and year construction is planned to be completed (**construction completion date**). Identify and fully justify any unusual features impacting the cost of the project. In order to ensure prudent and economic investments, a life-cycle net present value economic cost analysis is required to support all new construction projects estimated to **the amount specified in 10 U.S.C. § 2805(a)(2) as adjusted by paragraph (f)**. Provide copies of these analyses with the Family Housing budget estimates. Each DD Form 1391 will (1) state if an economic analysis has been prepared and provide a summary of the results of that analysis, including the calculated savings-to-investment ratio, or (2) provide the specific reasons why an economic analysis is not required. Assemble the DD Form 1391’s in the same sequence as the listing of projects on the summary page.

4.2.5.2.2. DD Form 1523, Military Family Housing Justification. Prepare form in accordance with DoDM 4165.63. Data supplied should be in agreement with the latest formal housing survey for the location, and with the information provided on the DD Form 1390. Specify the date of the survey. The form must include a statement indicating whether a private sector housing market analysis has been conducted and the date the market analysis was completed. When a market analysis has been conducted and is used as justification for new construction, a copy of the analysis must be available for review upon request. Since this form deals with housing deficit calculations, the DD Form 1523 is needed only for new requirements.

4.2.5.2.3. Tri-Service Family Housing Cost Model. Provide, for each housing project, the calculations on which the budget estimate is based, using Exhibit FH-1, the

“Tri-Service Family Housing Cost Model.” Use the appropriate DoD cost factors in the calculations. In addition, prepare Tri-Service Family Housing Cost Models using metric units of measure.

4.2.6. Construction Improvements

4.2.6.1. Summary. Provide a general summary of the Construction Improvements program being requested. The summary should include, as a minimum, a short narrative highlighting the most significant features of the request, and a comparison of the PY program with the request. For consistency, the program should be referred to as “Construction Improvements” rather than “Post Acquisition Construction” or any other title.

4.2.6.2. Project Justification. Provide a DD Form 1391 covering the entire Construction Improvements program and DD Form 1391C listing each project requested. Project description should be specific with the work to be done. Specify the number of units to be improved by intended occupant grade: senior officer, junior officer, or enlisted. Show any planned concurrent, non-routine, maintenance costs, including construction contract award date. Indicate month and year the contract is planned to be awarded to the construction firm). Include month and year construction is planned to start (construction start date) and indicate month and year construction is planned to be completed (construction completion date). Arrange projects alphabetically by state and country. Provide separate totals for Federal Energy Management Program funding, if any. Identify projects, or portions of projects, for General and Flag Officer Quarters (GFOQ) separately. For improvement projects, where the unit improvement cost exceeds seventy percent of the replacement cost, the project must be supported by a life-cycle economic analysis which demonstrates that renovation is more cost effective than replacement construction or other available alternatives, such as demolition and reliance on housing allowances.

4.2.6.3. Projects in Excess of \$50,000 Per Unit. A separate DD Form 1391 is required for each project for which the per unit cost exceeds \$50,000, taking into consideration the applicable area cost factor. If the improvement is required to make the unit suitable for habitation by a handicapped person, the threshold is \$60,000 multiplied by the applicable area cost factor. The cost estimate should also include concurrent repair to be funded under O&M. The justification for the project must detail the findings of an economic analysis and the resulting savings-to-investment ratio. Any unusual features impacting on the cost of the project must be clearly cited. Additionally, note the total Construction Improvements and non-routine maintenance for the unit or set of units over the past five years.

4.2.6.4. Restriction on the Amount Invested in Improving Foreign Source Housing Units. The three-year limitation on overseas units is \$35,000. If the Services intend to program improvements to specific units which exceed \$35,000 over a period of three years, total funding should be requested in one year. The justification for each unit should identify all improvements and major maintenance work done in the past three years, and all improvements and major maintenance planned in the following three years.

4.2.7. Rental Guarantee Housing. For each rental guarantee housing project, both foreign and domestic, provide a listing showing: (1) location, (2) number of units (by intended occupants

(senior officer, junior officer, enlisted), (3) term of contract, (4) FY and month of contract renewal, and (5) maximum termination costs.

4.2.8. Design. **Submit** all requirements for Design in the format prescribed for **MILCON** in **paragraph 4.1**.

4.2.9. O&M Summary

4.2.9.1. Narrative Summary. Provide a general summary of the entire O&M program being requested, excluding leasing, housing privatization support, debt, and servicemen's mortgage insurance premium, which are to be addressed elsewhere in the budget submission. The summary should include, as a minimum, a succinct narrative highlighting the significant features of the request and a comparison of the **PY** program with the budget request, particularly the reasons for any significant upward or downward shifts in funding levels.

4.2.9.2. Inventory and Funding Summary

4.2.9.2.1. Provide the data called for in Exhibit FH-2, Family Housing O&M Summary. Include for each fiscal year, as a subset of "Average Inventory for Year," the total number of units that are classified as historic (units that DoD must manage in accordance with the National Historic Preservation Act of 1966). Display the historic figures in parenthesis **underneath** the Average Inventory line.

4.2.9.2.2. Provide the total civilian personnel compensation for all U.S. Direct Hires, Foreign National Direct Hires and Foreign National Indirect Hires. **Provide** this information for the **PY**, **CY** and **BYs** in the format of Exhibit OP-8, Civilian Personnel Costs, shown in Volume 2A, Chapter 3, **paragraph 4.2**. This exhibit is only required for inclusion in the OMB and OSD review but should be provided separately for the President's Budget submission.

4.2.10. Operations. The sub-accounts of Operations are Management, Services, Furnishings and Miscellaneous. For each of these provide:

4.2.10.1. Summary. Provide a short narrative describing what the funds will be used for, how the budget was developed, major assumptions made, and highlighting the most significant features of the request. The summary should also explain the effect that the housing privatization program has on the budget estimates for each of the O&M accounts and subaccounts. For the Furnishings program only, provide additional information in the format of Exhibit FH-3, "Furnishings Summary."

4.2.10.2. Reconciliation of Increases and Decreases. **Provide** a reconciliation of increases and decreases, at the worldwide level, between the amounts requested in the President's Budget for the **CY** and **BYs**. The format of this reconciliation **must** be identical to the Exhibit OP-5 shown in **Appendix B**. For each program increase or decrease, **provide** quantitative and qualitative information relative to the proposed change. Increases and decreases should be supported by specific reasons why these adjustments in the program are necessary, particularly

changes in the number of family housing units being supported or changes in the FH-2 and FH-3 exhibits.

4.2.11. Utilities. For the Utilities program, separate from Operations, provide the following:

4.2.11.1. Provide a short narrative describing what the funds will be used for, how the budget was developed, major assumptions made, and highlighting the most significant features of the request. The summary should also explain the effect that the housing privatization program has on the budget estimates for the account. This section must address energy consumption reductions accomplished and progress made towards meeting Congressional and Defense energy conservation goals.

4.2.11.2. Include a table that breaks out, for each FY reflected in the budget submission, kilowatt hour of electricity, tons of coal, cubic feet of gas, barrels of oil, and other forms of energy that support the utilities budget request.

4.2.11.3. Reconciliation of Increases and Decreases. Provide a reconciliation of increases and decreases, at the worldwide level, between the amounts requested in the President's Budget for the CY and BYs. The format of this reconciliation must be identical to the Exhibit OP-5 shown in Appendix B. For each program increase or decrease, provide quantitative and qualitative information relative to the proposed change. Increases and decreases should be supported by specific reasons why these adjustments in the program are necessary, particularly changes in the number of family housing units being supported or changes in the FH-2 exhibit.

4.2.12. Maintenance

4.2.12.1. Provide a short narrative describing what the funds will be used for, how the budget was developed, major assumptions made, and highlighting the most significant features of the request. The summary should also explain the effect that the housing privatization program has on the budget estimates for the account.

4.2.12.2. Reconciliation of Increases and Decreases. Provide a reconciliation of increases and decreases, at the worldwide level, between the amounts requested in the President's Budget for the CY and BYs. The format of this reconciliation must be identical to the Exhibit OP-5 shown in Appendix B. For each program increase or decrease, provide quantitative and qualitative information relative to the proposed change. Increases and decreases should be supported by specific reasons why these adjustments in the program are necessary, particularly changes in the number of family housing units being supported or changes in the FH-2 exhibit.

4.2.12.3. Provide a summary on the backlog of deferred maintenance. Describe the plans for reducing the backlog to a manageable level. Provide an analysis of types of projects, type and accuracy of reporting and special efforts to reduce the backlog. Provide a table covering the Future Years Defense Program (FYDP) including: (1) backlog at beginning of year, (2) recurring maintenance arising during the year, (3) maintenance funds approved or planned, (4) backlog at end of year, and (5) backlog reduction (-) or growth (+) during the FY.

4.2.13. GFOQ M&R Cost Over \$35,000 Per Unit

4.2.13.1. Provide a narrative summary, detailing efforts to control and reduce expenditures for the “high cost” GFOQ units.

4.2.13.2. Provide a listing of all GFOQ for which total M&R cost per unit exceeds \$35,000 for the BY. Listing should include, for each unit: (1) state/country/location, (2) quarters identification, (3) size of unit, (4) age of unit, (5) total operations cost, (6) total utilities cost, (7) total M&R cost, (8) total O&M cost, and (9) a short narrative description and justification of the work, including results of economic analysis and savings-to-investment ratio. In addition, identify any Construction Improvements project and funding requested for any GFOQ in the listing.

4.2.13.3. This listing will include all GFOQ projects for which total M&R cost exceeds \$35,000, including those listed in other sections of the submission.

4.2.13.4. Provide a similar listing for the PY and CY units with M&R costs over \$35,000 and which were not included in the previous budget request.

4.2.13.5. To satisfy Congressional reporting requirements, provide:

4.2.13.5.1. A report identifying each family housing unit used, or intended for use, as a quarters for a general officer or flag officer for which the total operations, utilities, leasing, maintenance, and repair costs are anticipated to exceed \$35,000 in the next fiscal year. For each family housing unit so identified, specify the total of such anticipated operation, utilities, leasing, maintenance, and repair costs for the unit. This **must** be reported in the format of Exhibit FH-5 General and Flag Officers Quarters (Anticipated expenditures for O&M exceeding \$35,000).

4.2.13.5.2. A report specifying for each family housing unit used as quarters for a general officer or flag officer at any time during the most recently completed fiscal year, the total expenditures for O&M, utilities, leasing, maintenance, and repair costs of the unit during that fiscal year. This **must** be reported in the format of Exhibit FH-9 GFOQ (O&M Expenditures for FY 20XX). Provide this report to the OUSD(C) MPC Directorate in electronic excel format, no later than December 1.

4.2.13.5.3. As amended by the FY09 NDAA § 2805, 10 U.S.C. § 2884 requires annual reporting of privatized GFOQ units and the total operation, maintenance, and repair costs incurred by private sector developer/partners that exceed \$50,000 per housing unit. Therefore, the Components are required to complete the Exhibit FH-12, Privatized GFOQ

Operation, **M&R** Costs Incurred by Private Sector Developer/Partner/Owner Exceeding \$50,000 per Housing Unit, annually.

4.2.14. Reimbursable Program. Provide a detailed justification for the Reimbursable Authority requested. Include information on what precisely is funded through the reimbursable program and details on the sources of receipts for the **PY**, **CY** and **BY**.

4.2.15. Leasing

4.2.15.1. Provide a short narrative describing what the funds will be used for, how the budget was developed, major assumptions made, and highlighting the most significant features of the request. The summary **must** also explain the effect that the housing privatization program has on the budget estimates for the account. The summary **must** include a table reflecting the authorized number of leases, average number of leases supported and costs for each of the **PY**, **CY**, and **BY**, for Domestic Leasing, Section 801 and Section 802 leases, and foreign leasing.

4.2.15.2. For both domestic and foreign leases, provide a summary justification statement. Also provide data on the leasing program in the format of Exhibit FH-4, “Analysis of Leased Units.” Information should be provided at the installation or community level, whichever is most applicable. For each new project requested, include a full justification and description, in the same format as for a New Construction project (see **subparagraph 4.2.6.**).

4.2.15.3. Reconciliation of Increases and Decreases. **Provide** a reconciliation of increases and decreases, at the worldwide level, between the amounts requested in the President’s Budget for the **CY** and **BYs**. The format of this reconciliation **must** be identical to the Exhibit OP-5 shown in **Appendix B**. For each program increase or decrease, **provide** quantitative and qualitative information relative to the proposed change. Increases and decreases should be supported by specific reasons why these adjustments in the program are necessary, particularly changes in the number of family housing units being supported.

4.2.15.4. For each new **10 U.S.C. § 2828** lease project requested, include a full justification and description, in the same format as for a New Construction project (see **paragraph 4.2.6.**), including the results of the economic analysis.

4.2.15.5. Under 10 U.S.C. § 2828, the Components are allowed not more than 10,000 domestic (United States, Puerto Rico, or Guam) leased family housing units. The cost of domestic leases may not exceed \$12,000 (including the cost of utilities, maintenance, and operation) per unit per year.

4.2.15.5.1. 10 U.S.C. § 2828 permits an exception for 500 of these domestic leased units that may exceed \$12,000 per unit per year but cannot exceed \$14,000 per unit per year as adjusted from time to time. At the beginning of each fiscal year, the Secretary concerned **must** adjust the maximum lease amount for domestic leases for the previous fiscal year by the percentage (if any) by which the national average monthly cost of housing (as calculated for purposes of determining rates of Basic Allowance for Housing under **37 U.S.C. § 403** for the preceding fiscal year exceeds the national average monthly cost of housing (as so calculated) for

the fiscal year before such preceding fiscal year.

4.2.15.5.2. The Army has authority to lease eight units in Miami, Florida for key and essential personnel, as designated by the Secretary, for the United States Southern Command. Total lease cost for all eight units may not exceed \$280,000 per year as adjusted from time to time. The terms of any lease under this paragraph may not exceed 5 years. At the beginning of each FY, the Secretary of the Army **must** adjust the maximum aggregate amount for these leases for the previous FY by the percentage (if any) by which the annual average cost of housing for the Miami Military Housing Area (as calculated for purposes of determining Basic Allowance for Housing under **37 U.S.C. § 403** for the preceding FY) exceeds the annual average cost of housing for the Miami Military Housing Area (as so calculated) for the FY before such preceding FY. Additionally, not more than 600 domestic housing units may be leased by the Secretary of the Army for which the expenditure for the rental of such units does not exceed \$35,000 per unit per year, as adjusted from time to time.

4.2.15.6. Under 10 U.S.C. § 2828, the Components are allowed not more than 55,775 foreign leased units. Foreign leases may not exceed \$20,000 per unit per year (including the cost of utilities, maintenance, and operation). **10 U.S.C. § 2828** permits exceptions for 450 leased units that may exceed \$20,000 but that cannot exceed \$25,000 per unit per year and for 350 leases that may exceed \$25,000 per unit per year.

4.2.15.6.1. In addition to the 450 units:

4.2.15.6.1.1. The Secretaries of the military departments may lease not more than 3,300 units of family housing in Italy that may not exceed \$25,000 per unit per year.

4.2.15.6.1.2. The Army may lease not more than 1,175 units in Korea that may exceed \$25,000. Also, the Army may lease not more than 2,800 units of family housing in Korea subject to a maximum lease amount of \$35,000.

4.2.15.6.2. Per **10 U.S.C. § 2828**, the maximum lease amounts for the previous FY will be adjusted at the beginning of each FY, by the percentage (if any) by which the Consumer Price Index (CPI) for all Urban Consumers, published by the Bureau of Labor Statistics, during the preceding FY exceeds such CPI for the FY before such preceding FY and for foreign currency fluctuations from October 1, 1987. To determine the impact of foreign currency fluctuation on the rental rate, these high cost “cap” rental rates must be computed for each foreign country, each year to adjust for the impact of foreign currency fluctuation (**using October 1, 1987 as a baseline to compute from**). After the caps of \$20,000, \$25,000 and \$35,000 U.S. dollars are adjusted by country, the adjusted rates become the new cap for determining whether a lease must be counted against the exception limits for a given **BY**. Then, if a rental exceeds the adjusted maximum costs, it counts against the high-cost ceiling limitations of 450 and 350, units, respectively, DoD-wide. For each country, **apply the following formula**: \$20,000 adjusted for CPI changes or \$25,000 adjusted for CPI changes or \$35,000 adjusted for CPI changes * [FY 1988 exchange rate / current budget exchange rate] = new cap limit.

4.2.15.6.2.1. Where the “FY 1988 exchange rate” is the exchange rate that USD(C) published for use in preparing the FY 1988 budget estimates, stated in units of foreign currency for one (1) U.S. dollar:

<u>Country</u>	<u>Monetary Unit</u>	<u>FY 1988 Exchange Rate</u>
Belgium	Franc	42.77
Canada	Dollar	1.39
Denmark	Krone	7.75
Germany	Mark	2.06
France	Franc	6.72
Greece	Drachma	139.90
Italy	Lira	1,423.00
Japan	Yen	163.10
Netherlands	Guilder	2.33
Norway	Krone	7.52
Portugal	Escudo	150.50
Spain	Peseta	137.60
Turkey	Lira	743.50
UK	Pound	0.70

For countries not listed, use the October 1, 1987 exchange rate.

4.2.15.6.2.2. Where the “current budget exchange rate” is the rate that USD(C) published for use in preparing the fiscal year budget estimates for which the lease funds are being requested, stated in units of foreign currency for one (1) U.S. dollar.

4.2.15.6.2.3. The new cap limit is the maximum amount in dollars that a lease may cost per unit per annum for each nation before that unit must count against the worldwide 350 and 450 unit limits on exceptions for high-cost leases for the fiscal year for which the budget resources are being requested.

4.2.15.6.2.4. Provide a summary table showing application of the formula for each nation where high-cost leases exist or are proposed, and the total number of such leases.

4.2.16. Mortgage Insurance Premium (also known as Servicemen’s Mortgage Insurance Premium).

4.2.16.1. Provide a brief justification statement describing the requested program.

4.2.16.2. Provide a table identifying separately the total of the principal payments, and interest charges, and the totals for the Servicemen’s Mortgage Insurance Premium program for the prior, current, and BYs.

4.2.16.3. For the Servicemen’s Mortgage Insurance Premium program provide a listing for each fiscal year, showing: the number of terminations, the number of mortgages on

which payments are to be made, the average payment per mortgage, and the estimated payments for the year. This table should start with the **PY**, and end with **BY+1**.

4.2.17. Foreign Currency Exchange Data. All Family Housing O&M appropriations that participate in the Foreign Currency Fluctuations, Construction, Defense appropriation are required to prepare and submit a PB-18 Exhibit using the approved foreign currency exchange rates. The format for the PB-18 Exhibit is in Volume 2B, Chapter 19, [paragraph 12](#).

4.2.18. Each Component will also submit a Major Initiatives exhibit which must include a general description of each of its major initiatives for the **BY** and what the Component plans to accomplish in the **BY** to support that initiative. Be specific, including the impact on force structure. [Prepare](#) this exhibit in accordance with the format contained in [Appendix B](#).

4.2.19. Housing Privatization Support. The Components **must** add a separate tab and section called “Housing Privatization Support” (after the Leasing section) in the family housing justification book, and include, as a minimum, the following information in the new section:

4.2.19.1. Provide a narrative summary of the Component's overall family housing privatization efforts and accomplishments/progress to date. [This summary will include the following narrative to meet the reporting requirement of 10 U.S.C. § 2884 \(b\) \(2\). The narrative must comprise the final two paragraphs of the Components’ Privatization Summary exhibit and must read as follows:](#)

[4.2.19.1.1. “It is estimated that the \[Component\] will pay basic allowance for housing \(BAH\) under 37 U.S.C. § 403 to members living in privatized housing the amounts of \[\\$\] in FY 20CY and \[\\$\] in FY 20BY. The number of units of military family housing upon which these estimated payments are made is \[X\] in FY 20CY and \[X\] in FY 20BY. The number of units of military unaccompanied housing upon which these estimated payments are made is \[X\] in FY 20CY and \[X\] in FY 20BY.](#)

[4.2.19.1.2. These estimates meet the reporting requirement stipulated in 10 U.S.C. § 2884 \(b\) \(2\). However, it must be noted that it is difficult to project the true cost of BAH allowances provided to members living in privatized housing. BAH allowances for members in privatized housing are not specifically tracked in budget or execution data, as these members receive the same allowances as those who live on the economy. BAH accounting data is available for only the various categories of payments \(e.g., domestic with and without dependents, partial, overseas housing allowances\).”](#)

4.2.19.2. Provide a summary list of privatization projects and associated funding requested in the Construction portion of the program and budget submission. DD Form 1391 for New Construction and Construction Improvement projects should indicate which projects are intended as a source of funding for privatization initiatives.

4.2.19.3. Family Housing Privatization (FH-6). [This exhibit compares the OSD/OMB approved privatized project scoring with the actual/current project scoring. Include all the family housing privatization projects \(past, current and future\); privatization date; MHPI](#)

project name; each installation and state in the project; funding sources for financing and investments by appropriation, fiscal year and project (include project number); number of units conveyed; number of end-state units, and MHPI authorities. This exhibit must reflect the OSD/OMB approved project scoring with the actual/current project scoring.

4.2.19.4. Reconciliation of Increases and Decreases (OP-5). Prepare this exhibit for the Housing Privatization Support (as defined previously in subparagraph 3.2.2.1) budget and include detailed explanation/justification for the request, and explanation for all increases and decreases from prior budget request. See paragraph 4.6.

4.3 Homeowners' Assistance Fund, Defense

4.3.1. Responsibilities

4.3.1.1. The Department of the Army, which has been assigned the overall responsibility for the administration and management of the DoD HAP by DoDD 4165.50E, will submit budget estimates.

4.3.1.2. Each Component is responsible for including sufficient resources in its budget to fund HAP costs related to the Component's actions associated with base closures, realignments, and force reductions. Develop the level of resources required to fund HAP costs in consultation with the Army, HAP executive agent. Separately identify and submit budget estimates for HAP costs in the Component' Base Realignment and Closure (BRAC) submissions for HAP costs associated with realignments and closures and in the O&M submission for non-BRAC related HAP costs.

4.3.2. Submission Requirements

4.3.2.1. Submit the following exhibits, as prescribed in paragraph Appendix C:

HA-1	Workload and Obligation Data
HA-2	Status of Accounts
HA-3	Work Unit Data
HA-4	Program and Financing

4.3.2.2. In addition, the Army will input Homeowners' Assistance Fund estimates for the C-1 Construction Annex input prescribed in Volume 2A, Chapter 1.

4.3.2.3. Volume 2A, Chapter 1 identifies the required copies of material.

4.3.2.4. For the biennial budget, [provide](#) separate sections or volumes for BY1 and BY2. For the BY2 section, [consider](#) BY1 as the [PY](#) and BY2 as the [BY](#).

4.3.3. Preparation of Material. [Provide](#) all materials on 8-1/2 inch by 11 inch size paper and [bind them](#) on the long side. [Type Exhibits HA-1, 2, 3, and 4 across the long dimension.](#) [Type all other narrative data across the short dimension of the paper.](#)

4.4. NATO Security Investment Program

4.4.1. Responsibilities.

The OUSD(A&S) has been assigned the overall responsibility for the oversight and management of the NATO Security Investment Program by DoDD 2010.05, thereby responsible for submitting the corresponding budget estimates.

4.4.2. Submission Requirements.

4.4.2.1. Submit a detailed exhibit, NATO Security Investment Program-1 (NSIP-1), listing requirements at the project level for both construction and procurement requirements. The listing should be sufficiently detailed to identify discrete projects and initiatives. Aggregations at the capability package level i.e., Defense of the Mediterranean, are not sufficiently detailed and should be broken down further to show the individual projects/initiatives comprising the capability packages. [Provide a](#) narrative explanation and description of each of the requirements for the current and [BYs](#). The NSIP-1 exhibit is provided in [paragraph 6.5](#) for the NATO Security Investment Program to identify the following information: Location, Installation, Project Title, Description of Project, Budget Scheme (how many NATO Nations participating in the funding of the project), Project Cost, U.S. Cost Share, Other Nations Cost Share. This will be provided for both the [CY](#) and [BY](#).

4.4.2.2. Submit a detailed exhibit, NSIP-2, listing each NSIP major construction project that are eligible for recoupment (reimbursement by other member countries for eligible costs). The NSIP-2 exhibit is provided in [Appendix D](#) for the NATO Security Investment Program to identify the following information: Component, Appropriation, FY, Location, Installation, Project Title, Slice/Serial (if known), Recoupment Budget Estimate, and Rate of Conversion.

4.4.3. Preparation of Material. [Provide](#) all material on 8-1/2 inch by 11 inch size paper and [bind them](#) on the long side. [Type all](#) narrative data across the short dimension of the paper.

4.5. NATO Security Investment Program Expansion Costs

Expansion Costs. Submit a list of all requirements, construction and procurement, associated with NATO expansion. The listing should be sufficiently detailed to identify discrete projects and initiatives. Aggregations at the capability package level i.e., Defense of the Southern Region, are not sufficiently detailed and should be broken down further to show the individual projects/initiatives comprising the capability packages. The NSIP-1 exhibit is provided in [Appendix D](#) for the NATO Security Investment Program to identify the following information of

projects associated with NATO Expansion: Location, Installation, Project Title, Description of Project, Budget Scheme (how many NATO Nations participating in the funding of the project), Total Project Cost, U.S. Cost Share, Other Nations Cost Share. Provide information for both the CY and BY. Provide a narrative explanation and description of each of the requirements for the BYs. Identify the budget estimate for NATO Expansion Costs in BA 02 as presented in Volume 2A, Chapter 1.

4.6 FHIF/MUHIF Program

4.6.1. This paragraph prescribes instructions for the preparation and submission of budget estimates for the DoD FHIF and MUHIF. The requirements submitted in the budget estimates will be for MHPI oversight and administrative program expenses, including accounting and financial reporting services.

4.6.2. Submission Requirements. The ODASD(H) must submit a memorandum, which includes a narrative overview of the MHPI, current status of the MHPI, and future plans for the program to the OUSD(C) MPC Directorate. In addition, the ODASD(H) memorandum must include funds required for the BY for administration and oversight of the MHPI program, including accounting and financial reporting services, and detailed justification for these funds. Complete the FHIF/MUHIF Admin Requirements Exhibit (FH-14) and provide electronically to OUSD(C) MPC, Family Housing.

4.7 MHPI Investments and Credit Financing

4.7.1. The Federal Credit Reform Act of 1990 and OMB Circular A-11 require credit financing and investment information for privatization projects to be reflected in the President's budget. OMB Circular A-11, Part 5, Section 85 (Federal Credit) explains the credit financing information required for the President's budget. On an annual basis, OMB sends out Budget Data Requests (BDR) for Credit Re-estimates, MAX Schedule updates, and Credit Supplemental Reporting information for the President's Budget (for PY, CY, and BY).

4.7.2. Annually, the OUSD(C), Program Budget, MPC and the ODASD(H) jointly issue a "Consolidated MHPI Data Call for the Fiscal Year 20BY President's Budget" that supports the upcoming OMB BDRs for both Federal credit and non-credit financing aspects of MHPI, including the development of the Fiscal Year (FY) 20CY Credit Subsidy Re-estimates, Credit Supplement Report Exercise information, and OMB MAX A-11 database inputs for the FY20 BY President's Budget (PB). OUSD(C) P/B MPC will retain responsibility for providing OMB with required MHPI Federal credit and non-Federal credit data for the FY 20BY PB. ODASD(H) will perform OSD-level reviews of MHPI programmatic data and related files, providing technical instructions with corresponding templates and feedback to the Services regarding their submissions to OUSD(C) P/B MPC.

4.7.3. Credit Re-estimates. Re-estimates are performed throughout the life of each cohort of direct loans or loan guarantees to account for differences between the original assumptions of cash flow and the actual cash flow or revised assumptions about future cash flow. There are two types of Re-estimates: Interest Rate Re-estimates and Technical Re-estimates.

4.7.3.1. Interest Rate Re-estimates (IRR) adjust for the effect on the subsidy of differences between the actual interest rate and the discount rates assumed when the estimates were made for budget formulation and obligation. IRR are performed once, in the fiscal year following the fiscal year in which the direct or guaranteed loan was “originally” estimated to be at least 90 percent disbursed.

4.7.3.2. Technical Re-estimates adjust for revised assumptions about loan performance, such as differences between assumed and actual default rates or new projections of repayments; and are performed annually for outstanding direct and guaranteed loans.

4.7.3.3. Re-estimates are used for yearend financial reporting and for the President’s Budget.

4.7.3.4. OUSD(C) MPC Directorate and ODASD(H) jointly send out the Re-estimate Data Call as part of the “Consolidated MHPI Data Call for the FY 20BY President’s Budget” and forward the associated direct loan and loan guarantee cash flow files and re-estimate timeline to the Services for review and completion, and coordination with DFAS. The FH-15 Re-estimate Cash Flow Status questionnaire format is incorporated in Appendix B. Electronically forward all files and completed questionnaire to the OUSD(C) MPC Family Housing Budget Analyst by the deadlines provided in the data call.

4.7.3.4.1. The Services are required to prepare cash flow files for new direct loans and loan guarantees, as needed; review all risk factors; substitute re-amortization schedules in the files for existing loans after coordination with DFAS, as needed; and complete the Re-estimate Questionnaire on the status of the cash flows.

4.7.3.4.2. DFAS is required to enter transactions with Treasury into the new and existing cash flow files and coordinate any re-amortization schedules with the Services before substitution into the cash flow files.

4.7.4. Federal Credit Budget (OMB MAX Schedules). For all privatization projects that have been awarded and those planned for award in the President’s Budget, the Components must provide the relevant investment and credit financing data required for the preparation of credit financing schedules.

4.7.4.1. OUSD(C) MPC Directorate and ODASD(H) jointly send out the annual Federal Credit Budget Data Call and template to the Services for review and completion as part of the “Consolidated MHPI Data Call for the FY 20BY President’s Budget.” Use this data to update the MAX schedules for the FHIF Program, FHIF Financing for Direct Loan, and FHIF Financing for Loan Guarantee accounts.

4.7.4.2. A separate list by Component and FY will include, the installation name, state, type of financing, total number of end-state units in the privatized project (breakout total units conveyed, renovated, replaced, and/or new/added units, total scored amount for each type of financing, and source of funds. Break out the source of funds by FY of funds, account (new construction or construction improvements), project name, and amount.

4.7.4.3. Cash flows for future new direct or guaranteed loans will also be required. **Provide** the completed template and cash flows electronically, to OUSD(C) MPC Family Housing by the **required** deadline.

4.7.5. Credit Supplemental Reporting (CSR). OUSD(C) MPC Directorate and ODASD(H) jointly send out the annual CSR Data Call and template to the Services for completion as part of the “Consolidated MHPI Data Call for the FY 20BY President’s Budget.”

4.7.5.1. Additional project information, such as, subsidy percentage, financing, defaults, average contractual loan maturity (in years), average contractual loan interest rate, maximum grace period (in years) and other data **are** required to update the CSR for the President’s Budget.

4.7.5.2. **Provide** the completed template electronically to OUSD(C) MPC Family Housing by the **required** deadline.

5.0 CONGRESSIONAL JUSTIFICATION/PRESENTATION

5.1 Guidance on Presentation

This **paragraph** presents the justification book organization and the exhibit requirement for submission to Congress. **Paragraph 6.0 provides the list** of budget exhibits.

5.2 Organization of Justification Book

5.2.1. **Use the following** justification material titles:

Supporting Data for Fiscal Year
20BY Budget Estimates
Descriptive Summaries

5.2.2. **Divide** the budget justification book into sections **and organize it in the following sequence:**

1. Organization
2. Table of Contents and Summary Data
3. The summary data will include a state list of all major, minor and family housing construction projects.

Section 1 Special Program Considerations

This section will include the following topics with a short narrative or summary table, and other special interest items as applicable.

	Facilities Funded Through Other Than MILCON
	Pollution Abatement Program
	Energy Conservation Program
	Drug Interdiction Program
Section 2	Budget Appendix Extract Legislative Language
Section 3	Installation and Project Justification Data DD Forms 1390 and 1391
Section 4	Architectural and Engineering Services and Construction Design
Section 5	Unspecified Minor Construction
Section 6	Defense Access Roads
Section 7	Family Housing
Section 8	Homeowners' Assistance (Army Only)
Section 9	Long-Term Facilities Contracts
Section 10	Working Capital Fund Capital Construction

5.2.3. Organize the volume by state/country and location. **Show** projects precisely in the same order as they appear in the State List portion of the Construction Annex (C-1).

5.2.4. Summarize all construction line items included in the funding program in support of the total obligational authority for the MILCON appropriations in the President's Budget on Installation and Project Justification Data, DD Forms 1390 and 1391/1391C. In addition to data provided on DD Forms 1390 and 1391, justification books submitted to the House and Senate Appropriations, the House Armed Services Committee, and the Senate Armed Services Committees in support of MILCON Program requests will contain supplemental data prepared in the formats prescribed in paragraphs 5.2.5. and 5.2.6. on the reverse of DD Form 1391. The Guard and Reserve Forces will use a DD Form 1390S continuation page in lieu of DD Form 1390. **Group** all forms required for a project and combine them in the same book arranged in category code order within state and station.

5.2.5. Section 5 will include an exhibit entitled "Long-Term Facilities Contracts," separately listing projects proposed under Title 10 U.S.C. §§ 2809 and 2812 authorities, arranged in the same order as they would appear in the State list portion of the Construction Annex (C-1). DD Forms 1390 and 1391 for each new project proposed will follow this exhibit. The section will

also include a special financing table reflecting both prior approved long-term facility contracts and new requests.

5.2.6. Appendix A contains detailed instructions for preparation of DD Forms 1390 and 1391/1391C. Detailed instructions for preparation of the supplementary justification material are given in **paragraph 5.5**. The following additional instructions apply:

5.2.6.1. In addition to other data requirements, components are required to indicate on the DD Form 1391C for each individual project a statement indicating whether or not an economic analysis has been utilized in evaluating the project. In those instances where an economic analysis has not been prepared, a statement is required indicating why such analysis is not applicable or pertinent.

5.2.6.2. Lump-sum requests for a number of construction projects at a single location or for related projects at several locations will not be considered.

5.2.6.3. Identify projects associated with intelligence or intelligence-related operation. Block 5, Program Element, DD Form 1391, will include the annotation NIP or MIP as appropriate.

5.2.6.4. All DD Forms 1391 should include **the office** and phone number of at the installation responsible for the requested project. **Display** this information **on** the bottom left-hand corner **of** the last page of the 1391.

5.2.6.5. The budget submission should include the Restoration and Modernization (R&M) unfunded requirement at all installations for which there is a requested construction project. **Provide** this information as subsection c. in block 9 of the DD Form 1390 (Block 10 for the Guard and Reserve 1390s) under the heading, “R&M Unfunded Requirement.” In addition, for all unaccompanied housing project requests, the DD Form 1391 **must** show all unaccompanied housing R&M conducted in the past 2 years (BY-2 and BY-1) and all future R&M requirements (defined as R&M funding for unaccompanied housing included in the FYDP years) for unaccompanied housing at that installation. This information should appear as the last data in the DD Form 1391 under the heading “BY-2 Unaccompanied Housing R&M Conducted,” “BY-1 Unaccompanied Housing R&M Conducted,” and “Future Unaccompanied Housing R&M Requirements.”

5.2.7. Justification Book Covers and Binding of Data

5.2.7.1. Provide justification materials on 8-1/2” x 11” white paper, typed across the short dimension of the paper (portrait) with 3 holes punched on the left margin and bound with Accor fasteners. **Print** material on both sides of the page using 1” margins. **Print** the DD Form 1390 on white paper, not on yellow paper as previously required.

5.2.7.2. Prepare separate justification books for those projects which require classified information on the DD Forms 1390 and 1391/1391C.

5.2.7.3. The individual Defense Agencies will submit either originals of DD Forms 1390 and 1391/1391C, or copies of a quality suitable for printing. Use these for preparation of consolidated justification books for submission to congress. Do not punch, bind, or use page numbers on these submissions. Covers are not required. Deliver one complete set of each justification book to the OUSD(C) MPC Directorate and the ASD(EI&E).

5.2.7.4. Each justification book (and each submission of the Defense Agencies described in paragraph 5.2.7.3) must include an index of installations and projects by state and country, arranged alphabetically, in precisely the same order as the projects appear in the State List portion of the Construction Annex (C-1).

5.3 Submission of MILCON Justification Books

5.3.1. OSD Review. The OUSD(C) must review the justification material to ensure it fully reflects the President's and the Secretary of Defense's policies and decisions before the Military Departments release to Congress. As requested, submit the Defense Agencies' prepared justification material to the OUSD(C) for preparation of consolidated justification books and submission to the Committees on Appropriations.

5.3.2. Security Clearances. Each Military Department will be responsible for the clearance of its justification books through OSD Security Review. The OUSD(C) will be responsible for the clearance of the Defense Agencies justification books through OSD Security Review.

5.3.3. Number of Copies. Forward three advance sets of justification books for review to the OUSD(C) MPC Directorate, Pentagon Room 3C654. See Volume 2A, Chapter 1 for the detailed instructions on number of copies and distribution of printed material.

5.3.4. Instructions for Preparation of Supplemental Justification Data in Support of Annual MILCON Programs. Fill in each data requirement as appropriate, including negative responses to indicate that the item has been addressed.

5.3.4.1. Instructions for Preparation of Summary Lists. Each Military Service and Defense Agency must prepare a State List and an Installation List. These lists must include every project for which funds have been requested.

5.3.4.2. Instructions for Preparation of DD Form 1390 Supplemental Installation Data. Provide the following data in an appropriate place on DD Form 1390:

5.3.4.2.1. Air Pollution. Enter cost of all air pollution abatement projects for the out years. Do not include cost of BY projects.

5.3.4.2.2. Water Pollution. Follow instructions for Air Pollution, 5.3.4.2.1.

5.3.4.2.3. Safety and Occupational Health Deficiencies. Provide information on any safety and occupational health deficiencies.

5.3.4.3. Instructions for Preparation of DD Form 1391 Supplemental (Facility) Data. **Provide** the following data for each facility in the program using the back of standard DD Form 1391.

5.3.4.3.1. Design Data (Estimates)

5.3.4.3.1.1. Status

5.3.4.3.1.1.1. Enter date design was started (i.e., date when all appropriate design contracting procedures have been completed and the designer directed to proceed with design).

5.3.4.3.1.1.2. Enter the percent of design completed as of January 1, of the year in which the budget is submitted to the Congress (e.g., January 2, 2000, for FY 2001 projects).

5.3.4.3.1.1.3. Enter date design expected to be 35% completed.

5.3.4.3.1.1.4. Enter date design will be completed (i.e., date when all reviews will be completed and construction contract ready for advertising).

5.3.4.3.1.1.5. Include the annotation “parametric estimates have been used to develop project cost” if the cost estimate is based on parametric estimates in lieu of the traditional 35% design.

5.3.4.3.1.1.6. Enter the type of design contract (design-bid, design-bid-build, or other, if other, provide a brief description of the design contract).

5.3.4.3.1.1.7. Indicate whether an energy study and a life-cycle analysis **were** performed in support of the design of the proposed facility.

5.3.4.3.1.2. Basis

5.3.4.3.1.2.1. Indicate whether or not design is based on a standard or definitive design.

5.3.4.3.1.2.2. If answer to (a) is affirmative, indicate where design was previously used.

5.3.4.3.1.3. Total Design Cost. Indicate total federal cost (all costs to be charged to **the design account**) as follows:

5.3.4.3.1.3.1. Cost of the production of plans and specifications (those costs included within the 6 percent statutory cost limitations).

[5.3.4.3.1.3.2.](#) All other costs of design.

[5.3.4.3.1.3.3.](#) Total Cost (a + b or d + e).

[5.3.4.3.1.3.4.](#) Amount of cost estimated to be spent on contracts.

[5.3.4.3.1.3.5.](#) Amount of cost to be spent in-house (total cost if design is all within house; overhead and administration costs if design is contracted out, or other breakout).

[5.3.4.3.1.4.](#) Construction Contract Award Date. Indicate month and year the contract is planned to be awarded to the construction firm.

[5.3.4.3.1.5.](#) Construction Start Date. Indicate month and year construction is planned to start.

[5.3.4.3.1.6.](#) Construction Completion Date. Indicate month and year construction is planned to be completed.

[5.3.4.3.2.](#) Equipment Associated with This Project Which Will be Provided from Other Appropriations. List only those items which support the cost shown in Block 9 of the DD Form 1391, for Equipment Provided from Other Appropriations. Enter the equipment nomenclature, procuring appropriation, fiscal year in which the equipment was appropriated or [will](#) be requested, and the cost in thousands of dollars.

[5.3.4.3.3.](#) Working Capital Fund Projects. [Label](#) DD Form 1391s submitted in support of Working Capital Fund Capital Budget requirements as such in Block 4, [atop](#) the project title.

[5.3.5.](#) FYDP Project Listing. [Submit MILCON](#)/Family Housing Outyear Project Data via the Automated Construction Program (C-1 Annex) at the time program and budget submissions are due to OSD for review. Volume 2A, Chapter 1, [paragraph 5.5 provides](#) additional guidance on the Automated Construction Program. Construction data elements and record formats for the Automated Construction Database are prescribed on the Secret Internet Protocol Router Network (SIPRNET) of the OUSD([C](#)). The out-year project data exhibits for the Active Forces will not be included in the justification books provided to Congress. However, the justification book for each component of the National Guard and Reserve, as well as the Defense Agencies will contain a listing of all projects that are funded in the FYDP.

[5.4](#) Submission of Family Housing Justification Books

[5.4.1.](#) Family Housing Justification, Military Departments. The format for the Congressional justification books for Family Housing will be identical to that detailed in [paragraph 4.2](#) for the budget estimates, with the following exceptions:

5.4.1.1. Submission Requirements. For each military department, submit Family Housing Congressional justification material with the MILCON justification books. The Family Housing material will follow the instructions provided for MILCON in paragraph 4.2.

5.4.1.2. DD Form 1390, MILCON Program. Prepare the form in accordance with paragraph 5.2. One form is required for each location. Use the latest approved totals for the installation or area as basis for personnel data. Only include Family Housing assets on inventory data. Print the form on white paper. This form must precede the DD Form 1391.

5.4.1.3. Tri-Service Family Housing Cost Model. This form is not required. See subparagraph 4.2.5.2.3.

5.4.1.4. Civilian Personnel Costs -- Exhibit OP-8. This form is not required. See subparagraph 4.2.9.2.2.

5.4.1.5. Furnishings Summary -- Exhibit FH-3. This form is not required. See subparagraph 4.2.10.1.

5.4.1.6. Department of the Army Submission Only. Since the Department of the Army has been designated as the executive agent to execute the DoD HAP, only the Department of the Army will submit justification material as described in subparagraph 4.3.1.

5.4.2. Family Housing Justification, Defense Agencies

5.4.2.1. Component Responsibilities. Individual Defense Agencies will provide separate justification material, in the format described in paragraph 4.2 and similar to the format specified for the Military Departments. The submissions will provide separate Construction, O&M, and Leasing exhibits, as appropriate, for Defense Intelligence Agency, Defense Logistics Agency, and National Security Agency.

5.4.2.2. OSD Consolidation and Review. As requested, submit the individual Defense Agencies' original pages of justification material to the OUSD(C) Program/Budget MPC Directorate, Pentagon Room 3C654, for preparation of consolidated justification books and submission to Congress. Concurrently submit one copy of the justification material to the ASD(EI&E).

5.4.2.3. Justification Material Format. Do not bind the Defense Agencies' submitted justification material. Covers are not required. Pages will not be numbered. Provide all data on 8-1/2 inch by 11-inch paper. Type data for FH-2 and FH-4 exhibits across the long dimension. Type data for all others across the short dimension of the paper with 1-inch margins.

5.4.2.4. Classification. All justification material will be unclassified.

[5.5](#) Submission of Justification Books for the Homeowners' Assistance Fund, Defense Appropriation

[5.5.1. Organization of Justification Books.](#) Justification data will include items detailed in [paragraph 4.3](#) for the budget estimates. [Incorporate](#) material as the final section of the Army's MILCON/family housing justification book.

[5.5.2. Department of the Army Submission Only.](#) Since the Department of the Army has been designated as the executive agent to execute the [HAP](#) for the DoD, only the Department of the Army will submit justification data.

[5.5.3. OSD Review.](#) Before the justification material can be released to the Congress, the OUSD(C) must review to [ensure](#) that policies and decisions made by the President and Secretary of Defense are fully reflected.

[5.5.4. Security Clearances.](#) The Department of the Army will be responsible for obtaining clearance of the justification book through OSD Security Review.

[5.5.5. Number of Copies.](#) See Volume 2A, Chapter 1, [paragraph 3.2](#) for instructions on the number of copies required and the distribution.

***6.0 MILCON/FAMILY HOUSING APPROPRIATION SUBMISSION EXHIBITS**

The formats provided on the following [Appendices](#) reflect guidance presented in previous [paragraphs](#). Unless modified in a submission budget call, [adhere to](#) these formats.

[Appendix A: BES / MILCON Exhibits in Support of paragraph 4.1](#)

DD 1390	MILCON Program
DD 1390S/1	Guard and Reserve MILCON
DD 1391/1391C	MILCON Project Data
MC-2	Guard and Reserve Joint MILCON Project
Exhibit UH-6 MHPI	Military Unaccompanied Housing Privatization

[Appendix B: BES / Family Housing Exhibits in Support of paragraph 4.2](#)

DD 1390	MILCON Program
DD 1390S/1	Guard and Reserve MILCON
DD 1391/1391C	MILCON Project Data
Exhibit FH-1	Tri-Service Family Housing Cost Model
Exhibit FH-2	Family Housing O&M
Exhibit FH-3	Furnishings Summary
Exhibit FH-4	Analysis of Leased Units
Exhibit FH-5	General and Flag Officer Anticipated Expenditures
Exhibit FH-6	MHPI – Family Housing Privatization
Exhibit FH-8	Inadequate Family Housing Elimination
Exhibit FH-9	General and Flag Officers Expenditures
FH-11	Inventory and Condition Gov't-Owned, Family Housing
FH-12	Privatized GFOQ O&M Cost Incurred Exceeding \$50K
FH-14	HIF/MUHIF Admin Requirements
FH-15	Re-estimate Cash Flow
OP-5	Attachment 1: Reconciliation of Increases and Decreases

[Appendix C: BES / Homeowners Assistance Exhibits in Support of paragraph 4.3](#)

Exhibit HA-1	Homeowners Assistance - Workload and Obligation Data
Exhibit HA-2	Homeowners Assistance Status of Accounts
Exhibit HA-3	Homeowners Assistance Work Unit Data
Exhibit HA-4	Homeowners Assistance Program and Financing

[Appendix D: BES / NATO Security Investment Program Exhibits in Support of paragraph 4.4](#)

NSIP-1	NSIP Project Data
NSIP-2	Recoupment Estimates

*February 2025

*APPENDIX A: BES / MILCON EXHIBITS IN SUPPORT OF PARAGRAPH 4.1

DD 1390 MILCON Program

1. COMPONENT		FY 19___ MILITARY CONSTRUCTION PROGRAM						2. DATE		22 Apr 96	
3. INSTALLATION AND LOCATION						4. COMMAND				5. AREA CONSTRUCTION COST INDEX	
6. PERSONNEL		PERMANENT			STUDENTS			SUPPORTED			TOTAL
		OFFICER	ENLISTED	CIVILIAN	OFFICER	ENLISTED	CIVILIAN	OFFICER	ENLISTED	CIVILIAN	
		a. AS OF									
b. END FY 19											
7. INVENTORY DATA (\$000)											
a. TOTAL ACREAGE..... b. INVENTORY TOTAL AS OF..... c. AUTHORIZATION NOT YET IN INVENTORY..... d. AUTHORIZATION REQUESTED IN THIS PROGRAM..... e. AUTHORIZATION INCLUDED IN THE FOLLOWING PROGRAM..... f. PLANNED IN NEXT THREE PROGRAM YEARS..... g. REMAINING DEFICIENCY..... h. GRAND TOTAL.....											
8. PROJECTS REQUESTED IN THIS PROGRAM:											
CATEGORY						COST		DESIGN STATUS			
<u>CODE</u>		<u>PROJECT TITLE</u>				<u>SCOPE</u>		<u>(\$000)</u>		<u>START</u> <u>COMPLETE</u>	
9. FUTURE PROJECTS:											
10. MISSION OR MAJOR FUNCTIONS:											
11. OUTSTANDING POLLUTION AND SAFETY DEFICIENCIES:											

Instructions for Preparation of DD Form 1390, FY MILCON Program

The active services will use DD Form 1390 to list the projects proposed for inclusion in the MILCON Program, including requests for (1) new authorization, (2) funding of new authorization, and (3) funding of PYs' authorization. The Guard and Reserve Forces will use a DD Form 1390s instead of the DD Form 1390.

Instructions for preparation of DD Form 1390:

Items 1 and 2 - Component and Date: Self-explanatory. Date prepared or the date the budget justification material is due to OSD.

Item 3 - Installation and Location: Enter the official name of the installation. Enter the name of the state if within the United States or the name of the country or island chain if outside the United States. In the case of Guard and Reserve facilities, enter the city and state if the facility is not to be constructed on a military installation. Use "classified location" only when necessary to meet security classification guidelines.

Item 4 - Command: Enter the name of the host major command responsible for management control of the installation.

Item 5 - Area Construction Cost Index: Enter the construction cost index used in estimating the cost of the project(s). Consult the latest guidance published by ASD(EI&E).

Item 6 - Personnel Strength: Enter personnel strengths for permanent, student, and support activities. Include transient personnel where applicable.

a. As of: Enter September 30 of the year of submittal to OSD.

b. End FY 20: Enter end of the BY, plus 5 years.

Item 7 - Inventory Data (\$000):

a. Total Acreage: Enter the number of acres owned and/or leased by the Government, under accountability of the Military Department concerned, as shown in the latest Inventory of Military Real Property.

b. Inventory Total As Of September 30, 20: Enter the date and the current real property inventory total (except land rent). These totals should include inventory amounts for family housing.

c. Authorization Not Yet In Inventory: Enter the amount of funded and unfunded authorization for the construction of facilities or acquisition of land which have not been included in the September 30 Inventory of Real Property. This amount will include only such authorization as is related to either the MILCON Program or the Family Housing Program as the case may be.

d. Authorization Requested In This Program: Enter the total cost for construction and land acquisition being requested for authorization in the BY.

(Page 2 of 4)

Instructions for Preparation of DD Form 1390 (Continued)

e. Authorization Included in Following Program: Enter the total estimated cost of construction and land acquisition required for authorization for the program year following the **BY**.

f. Planned in Next Three Program Years: Enter the total estimated cost of construction and land acquisition required for the three years beyond the **BY** and following year programs (i.e., second, third, and fourth years beyond the **BY**). This amount should agree with the data used in the preparation of the **MILCON** or family housing estimates contained in the **FYDP**.

g. Remaining Deficiency: Enter the total estimated cost of construction and land acquisition required for existing facilities deficiencies remaining beyond the three program years covered in 7.f.

h. Grand Total: Enter the total of items 7.b. through 7.g.

Item 8 - Projects Requested In This Program: Installation or activity projects for the **BY must** be listed individually with attendant information provided in the appropriate column. Both major and minor construction projects are to be included as shown on the sample form.

a. Column 1 - Category Code: Enter the applicable category code consistent with the category code shown in Item 6 of the DD Form 1391 for the project.

b. Column 2 - Projects Title: Enter the project title consistent with the title shown in Item 4 of the DD Form 1391.

c. Column 3 - Scope: Enter the same quantity shown in Item 9 of the DD Form 1391, "Cost Estimates," and include the unit of measure (e.g., SM, SY, LF, PR, EA, CY). Immediately following or directly beneath the metric quantity and unit of measure, parenthetically include the English quantity and measurement. In those instances where a specific quantity cannot be satisfactorily identified, enter LS for lump sum.

d. Column 4 - Cost (\$000): Enter the project cost consistent with the cost shown in Item 8 of the DD Form 1391. If two or more projects are listed, enter the total in this column, and use this figure in Item 7.d.

e. Column 5 - Design Status: Enter the most accurate possible dates for the start and completion of design using numerals (e.g., 6/94, 11/95).

Item 9 - Future Projects:

a. Included in Following Program (FY__): List all installation projects regardless of the number and include columnar data comparable to that provided in Item 8 but leave design status blank.

b. Planned Next Three Years: List projects planned for next three years in 9.b. and include columnar data comparable to that provided in Item 8 but leave design status blank. The total costs of the projects listed under Items 9.a. and 9.b. should be identical to the entries under Items 7.e. and 7.f., respectively. If additional space is required to list all projects under Items 9.a. and 9.b., a separate sheet of paper should be utilized.

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Instructions for Preparation of DD Form 1390 (Continued)

c. Also include the R&M unfunded requirement in this block under the heading “R&M Unfunded Requirement.”

Item 10 - Mission or Major Functions: Enter the principal types of peacetime units and/or functions assigned or scheduled for assignment to the installation that require facilities or substantially contribute to the base population. Also enter the current mission stating precisely what the activity will do and list the major functions performed. All entries should address the time period shown in Items 6.a. and 6.b.

Item 11 - Outstanding Pollution and Safety Deficiencies (\$000): List all projects included in the budget request and planned for the next three years that are programmed for outstanding pollution and safety deficiencies. Use the format in Item 8.

Notes:

1. Space requirements for Items 8, 9, 10, and 11 may vary. Therefore, remaining space on the DD Form 1390 may be utilized as necessary for the specific entries and continued on a separate sheet of paper. A solid black line should be used to set Items 8, 9, 10, and 11 apart and individual item titles and subheadings should be added.

2. Projects that were authorized (but not appropriated) in prior years will be listed in the same manner as projects for which new authorization is requested. The fiscal year in which the project was authorized will be shown after the project title in Item 8.

MILCON

1. COMPONENT	FY 20__ GUARD AND RESERVE MILITARY CONSTRUCTION	2. DATE	
3. INSTALLATION AND LOCATION		4. AREA CONSTR COST INDEX	
5. FREQUENCY AND TYPE OF UTILIZATION			
6. OTHER ACTIVE/GUARD/RESERVE INSTALLATIONS WITHIN 15 MILES RADIUS			
7. PROJECTS REQUESTED IN THIS PROGRAM:			
CATEGORY		COST	DESIGN STATUS
<u>CODE</u>	<u>PROJECT TITLE</u>	<u>\$(000)</u>	<u>START</u> <u>CMPL</u>
8. STATE RESERVE FORCES FACILITIES BOARD RECOMMENDATION			
(Date)			
9. LAND ACQUISITION REQUIRED		_____	
(Number of Acres)			
10. PROJECTS PLANNED IN NEXT FOUR YEARS			
CATEGORY			COST
<u>CODE</u>	<u>PROJECT TITLE</u>	<u>SCOPE</u>	<u>\$(000)</u>

DD 1390S/2 Guard and Reserve MILCON (Continued)

1.	FY 20__ GUARD AND RESERVE MILITARY CONSTRUCTION				2. DATE
3. INSTALLATION AND LOCATION					
11. PERSONNEL STRENGTH AS OF					
<u>TOTAL</u>		<u>PERMANENT</u> <u>OFFICER</u>	<u>ENLISTED</u> <u>CIVILIAN</u>	<u>GUARD/RESERVE</u> <u>TOTAL</u> <u>OFFICER</u> <u>ENLISTED</u>	
AUTHORIZED					
ACTUAL					
12. RESERVE UNIT DATA					
<u>UNIT DESIGNATION</u>			<u>STRENGTH</u> <u>AUTHORIZED</u>	<u>ACTUAL</u>	
13. MAJOR EQUIPMENT AND AIRCRAFT					
<u>TYPE</u>	<u>AUTHORIZED</u>	<u>ACTUAL</u>			
14. OUTSTANDING POLLUTION AND SAFETY DEFICIENCIES					
(\$000)					

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Previous editions may be used.

Page No

DD1390S/2 Guard and Reserve Military Construction

Instructions for Preparation of DD Form 1390s, FY__ Guard and Reserve Forces **MILCON**

The Guard and Reserve Forces will use the DD Form 1390 to supplement the data entered in the DD Form 1391, FY **20__ MILCON** Program.

Instructions for preparation of DD Form 1390s follow:

Item 1 - Component: Enter the specific Guard or Reserve Forces component of the active services. Recognized abbreviations such as ARNG (Army National Guard) **or** ANG (Air National Guard) are acceptable.

Item 2 - Date: Date prepared or the date to OSD.

Item 3 - Installation and Location: For facilities not located at DoD installations or commercial airfields, enter the name of the city and State in which the projects are located. For other facilities, enter the name of the DoD installation and its geographical location to the extent that it is not included in the installation name.

Item 4 - Area Construction Cost Index: Enter the construction cost index used in estimating the cost of the project(s). Consult the latest guidance published by DUSD(IA&I).

Item 5 - Frequency And Type Of Utilization: Enter the type of utilization (e.g., weekend drill, weeknight drill, unit training activities, annual active duty for training) and indicate number of days the installation is used per month/year, as appropriate.

Item 6 - Other Active/Guard/Reserve Installations Within 15 Mile Radius: List the nearest six existing Active and existing or programmed (within the next five years) Reserve component facilities and their distances, within a fifteen-mile radius of the proposed construction site. If no facilities exist within the fifteen-mile radius, identify the three closest installations. Indicate the year the facilities were constructed and the size of the facility.

Item 7 - Projects Requested In This Program: Installation or activity projects for the **BY must** be listed individually with attendant information provided in the appropriate column. Both major and minor construction projects are to be included.

a. Column 1 - Category Code: Enter the applicable category code consistent with the category code shown in Item 6 of the DD Form 1391.

b. Column 2 - Project Title: Enter the project title consistent with the title shown in Item 4 of the DD Form 1391.

c. Column 3 - Scope: Enter the same quantity shown in Item 9 of the DD Form 1391, Cost Estimates, and include the unit of measure (e.g., SM, SY, LF, PR, EA, CY). Immediately following or directly beneath the metric quantity and unit of measure, parenthetically include the English quantity and measurement. In those instances where a specific quantity cannot be satisfactorily identified, enter LS for lump sum.

Instructions for Preparation of DD Form 1390s, FY__ Guard and Reserve Forces [MILCON](#)
(Continued)

d. Column 4 - Cost (\$000): Enter the project cost consistent with the cost shown in Item 8 of the DD Form 1391. If two or more projects are listed, enter the total in this column. In the case of Army National Guard projects where part of the financing is from other than Federal sources, enter only the Federal share.

e. Column 5 - Design Status: Enter the most accurate possible dates for the start and completion of design using numerals (e.g., 6/94, 11/95).

Item 8 - State Guard/Reserve Forces Facilities Board Recommendations (Date): Enter the following statement “facilities identified in Item 6 have been examined by the State Reserve Forces Facilities Board for possible joint use/expansion. The Board recommendations are ____.” (Note: Project folders will contain justification data to support the recommendation.)

Item 9 - Land Acquisition Required (Number of Acres): Enter the acreage required for the project and the method of acquisition (e.g., fee, title, donation, lease). For all projects involving land acquisition, a site survey must be conducted in accordance with [DoDI 4165.71](#), and the following statement must be entered, either in Item 9 or Item 10: “Site survey has been completed and site is suitable for constructing the proposed project at the estimated cost indicated.”

Item 10 - Projects Planned In Next Four Years: Enter the Project Title and Estimated Cost for projects planned at the installation identified in Item 3 for the next four years beyond this program year. A maximum of five projects should be identified. For armory-type projects, list those facilities which are programmed for replacement within the next four years within a fifteen-mile radius of the proposed project as well as the year the facilities were constructed. If none are planned, so indicate. Items [must](#) contain columnar data comparable to that provided in Item 7 [except for](#) design status which should be left blank. Also include the restoration and modernization (R&M) unfunded requirement in this block under the heading “R&M Unfunded Requirement.”

Item 11 - Personnel Strength As Of ____: In the appropriate columns, enter the number of authorized and actual personnel at this facility as of six months prior to project submission.

Item 12 - Reserve Unit Data: List the designated units assigned and/or scheduled to be trained in the requested facilities. Enter the corresponding authorized and actual strengths of each unit, indicating actual strength as of the date listed in Item 11.

Item 13 - Major Equipment and Aircraft: List the vehicular and/or other large equipment and aircraft which are to be accommodated at the installation and which have a bearing on the type and/or scope of the facility requirement. When vehicle maintenance shops are being requested, the Weighted Equipment Density (WED) for the vehicles to be maintained will be included in this item.

DD 1391/1391C [MILCON](#) Project Data

1. COMPONENT		FY 20__ MILITARY CONSTRUCTION PROJECT DATA			2. Date	
3. INSTALLATION AND LOCATION				4. PROJECT TITLE		
5. PROGRAM ELEMENT		6. CATEGORY CODE	7. PROJECT NUMBER		8. PROJECT COST (\$000)	
9. COST ESTIMATES						
ITEM		U/ M	QUAN TITY	Unit Cost	Cost (\$000)	
10. DESCRIPTION OF PROPOSED CONSTRUCTION						

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DD 1391/1391C Military Construction Project Data

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DD 1391/1391C [MILCON](#) Project Data (Continued)

1. COMPONENT	FY 20__ MILITARY CONSTRUCTION PROJECT DATA		2. Date
3. INSTALLATION AND LOCATION		4. PROJECT TITLE	
5. PROGRAM ELEMENT	6. CATEGORY CODE	7. PROJECT NUMBER	8. PROJECT COST (\$000)

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1 DEC 76

PREVIOUS EDITIONS MAY BE USED INTERNALLY
UNTIL EXHAUSTED

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Instructions for Preparation of DD Form 1391/1391C FY __MILCON Project Data

1. The DD Form 1391 will be used, as applicable, by the Active, Guard, and Reserve Forces to support each project proposed for inclusion in the MILCON Program. This includes both new authorization projects in the program as well as urgent unforeseen projects using emergency or contingency authorization. This form will also be used to transmit supporting data for the following types of projects:

- a. Minor construction projects, 10 U.S.C. § 2805.
- b. O&M type projects required to be submitted to OSD in accordance with the provisions of DoDD 4165.06.
- c. Non-appropriated fund construction projects requiring OSD concurrence or approval.
- d. Family housing projects.

2. The continuation sheet (DD Form 1391c) will be used as required for explanation of the requirement for the project (item 11.) and other mandatory statements concerning flood plains and wetlands environmental impact, accessibility to the handicapped, or fallout shelters. However, when submitting an annual MILCON Program, these mandatory statements may be included in the front of the program book.

3. Instructions for preparation of DD Form 1391:

- a. ITEMS 1 and 2 - COMPONENT AND DATE: Self-evident.
- b. ITEM 3 - INSTALLATION AND LOCATION: Enter the official name of the installation. Use code name or designations only when necessary to preclude security classification or when an official name is not available. Enter the name of the State if within the United States or the name of the country or island chain if outside the United States. In the case of Guard and Reserve Forces facilities, enter the city and State if the facility is not to be constructed on a military installation.
- c. ITEM 4 - PROJECT TITLE: Enter the title used in item 8, column 2 of the DD Form 1390, assuring that it corresponds to the category code in item 6.
 - (1) The title of the project should reflect the facility provided by the project.
 - (2) The scope of a project or number of buildings involved will not be shown in the title (i.e., and “Enlisted Quarters” project will not be shown as “Two 250 Man Enlisted Quarters.”)
 - (3) Avoid the inclusion of acronyms.
 - (4) If a project requires land acquisition estimated to cost in excess of \$50,000, the project title will be suffixed with “With Land Acquisition.”
- d. ITEM 5 - PROGRAM ELEMENT: Enter the appropriate number as it relates to the “Future Years Defense Program,” except when inclusion of this number would require classification of an otherwise unclassified form.

Instructions for Preparation of DD Form 1391/1391C (Continued)

e. **ITEM 6 - CATEGORY CODE:** Enter the applicable category code using no less than three or more than six digits consistent with item 8, column 1 on DD Form 1390, [for the Active Forces](#) and item 7, column 1 on DD Form 1390S2, [for the Guard and Reserve Forces](#). When a project includes multiple distinct facilities, use the real property category code which corresponds to the predominant facility use.

f. **ITEM 7 - PROJECT NUMBER:** Enter the number of the project assigned by the Component concerned. If no number has been assigned, indicate N/A (not applicable).

g. **ITEM 8 - PROJECT COST:** Enter the estimated cost in thousands of dollars (excluding design except for family housing) for which funding is being requested. The amount indicated should be identical to that shown in item 8, column 4 of the DD Form 1390 and should include the costs of the primary facilities, supporting facilities, contingencies, supervision, inspection, and overhead. Figure will be the Total Request entered in item 9. and will not include the figure entered for "Equipment Provided From Other Appropriations."

h. **ITEM 9 - COST ESTIMATES:** This portion of the DD Form 1391 is comprised of several elements which collectively comprise the Total Request. Each element will be identified, quantified, and costed in a series of five column entries as follows:

(1) **Item:** Identity of the Primary or Supporting Facility. After each "Item" entry where the metric measurement (square meters) is used in the Unit of Measure column, include in parenthesis the size of the facility in the English measurement (Square Feet).

(2) **U/M (unit of Measure):** Each entry in the "item" column will be followed in the "U/M" column by the accepted two-character abbreviation for the unit of measure associated with the quantity of the item concerned (e.g., SM, SY, LF, KV). Where it is not feasible to show a specific unit of measure, use LS (Lump Sum).

(3) **Quantity:** Enter the required number of units of measure comprising the "item" entry. Where "LS" is the unit of measure, enter a dash (-).

(4) **Unit Cost:** Enter the appropriate unit cost for each "item" entry where a unit of measure is indicated. Where the unit of measure is "LS" enter a dash in the unit cost column.

(5) **COST (\$000):**

(a) Enter the cost, in thousands of dollars, represented by the product of the "Quantity" and "Unit Cost" entries.

(b) When a single primary facility is listed enter the cost of the facility without parentheses. If unusual features or functional areas of the primary facility are listed, the cost of each [must](#) be enclosed with parentheses. The total cost of these features [must](#) equal the figure entered for the primary facility.

(c) When more than one primary facility is listed, the cost of each facility will be entered in the cost column without parentheses.

Instructions for Preparation of DD Form 1391/1391C (Continued)

(d) The cost entry for the item “Supporting Facilities” **must** be entered without parentheses and **must** be the total of the various supporting facilities listed. However, each of the individual supporting facility costs **must** be enclosed by parentheses.

(e) The cost entered for items such as “Subtotal,” “Contingency,” “Contract Cost,” “SIOH,” and “Total Request” **must** be entered without parentheses. However, the cost for Equipment Provided From Other Appropriations” **must not** be entered as **an additive** item.

(f) Projects in category Code 500 will have separately identified the equipment purchased for the Surgeons General as “Category Equipment” showing the total cost of such equipment added to the “Total Request.” Labor cost for installation of “Category E” equipment should be included in the unit cost for the primary facility because it is part of the “Total Contract Cost.”

(6) **PRIMARY FACILITY:** Enter the identity and required columnar data for the primary facility. When the primary facility consists of two or more components the cost of the primary facility will be the sum of the costs of the individual components. In addition, subordinate components will be entered under the primary facility after indenting two spaces.

(a) Normally, the cost of fixed equipment provided as part of the construction contract (e.g., cooling, heating, and electrical systems) will be included in the cost of the primary facility. However, when the primary facility includes unusual features of significant cost, such as hyperbaric vessels and standby cooling, such features should be identified under the primary facility.

(b) Land acquisition required specifically for the project and estimated to cost \$50,000 or more **must** be listed in the same manner as an unusual feature. Conversely, land acquisitions estimated to cost less than \$50,000 are to be accomplished under 10 U.S.C. § 2672 and should not be listed.

(c) For family housing new construction, the entry under primary facility will show the total number of units in the project. As subordinate components to the primary facility “Units to 5’ line,” “GFE,” and “Land Acquisition” will be shown in parentheses in the cost column to add up to the cost of the primary facility shown. “Item 10 will be used to show the numbers and cost computations for the various types of living units which comprise the primary facility.

Instructions for Preparation of DD Form 1391/1391C (Continued)

(d) Lump-sum funding requests are prohibited. The only instance for which separate construction projects can be combined under a single DD Form 1391 is when each of the projects is in the same general facility category (i.e., supply facilities, maintenance and production facilities, unaccompanied housing). Programs such as “facility upgrades,” “ATB Beddown Facilities,” and others combining a number of disparate construction efforts must be justified as separate projects. If it is planned, in execution, to construct several of these projects at a single location under one contract, a statement to that effect should be included in the “Additional” section of Item 10.

(e) Antiterrorism Force Protection/physical security measures: The entry under primary facility will show physical security improvements (e.g., special structural improvements, ballistic glass). Where land acquisition serves a specific purpose such as stand-off distance for force protection, the acquisition **must** be listed as an antiterrorism force protection subordinate component to the primary facility.

(7) **SUPPORTING FACILITIES**: List those items of construction directly related to and required for the support of the primary facility. Such items should include (a) special construction features (piles, spread footings, seismic, fill); (b) utilities (gas, oil, steam, electric, and water supply lines as well as sanitary and storm sewers); (c) site preparation; (d) roads, sidewalks, and parking; (e) site improvements (seeding, sodding, landscaping); (f) antiterrorism force protection/physical security measures such as physical security site improvements (e.g. fencing, perimeter/area lighting, blast mitigation barriers, berms and landscaping); and (g) demolition. All supporting facility items should be listed in terms of accepted units of measure and quantity whenever practicable. For family housing, design cost will be identified under “Supporting Facilities.”

(8) **ESTIMATED CONTRACT COST**: Enter the sum of the costs shown for all primary and supporting facilities.

(9) **CONTINGENCY**: Enter the appropriate contingency rate, in parentheses, immediately following the item designation in column 1, and enter the cost equivalent in the proper column.

(10) **SUBTOTAL**: Enter the sum of the “Subtotal” and the “Contingency” costs. In the case of Army National Guard, armory projects which are funded, in part, from other than Federal funds, enter the Federal costs on the first line and the State or other cost on the next line.

(11) **SUPERVISION, INSPECTION, AND OVERHEAD (SIOH)**: Enter the appropriate SIOH rate in column 1 after the item designation and reflect the cost equivalent in the proper column.

(12) **DESIGN/BUILD**: For major construction projects where the Design/Build contracting method is planned to be used, the design cost associated with the contract should be included in the Cost Estimates (Block 9) section of the DD Form 1391. The entry “Design/Build – Design Cost” will be used and should appear after the “SIOH” entry and before the “Total Request” entry with the associated cost in the proper column.

Instructions for Preparation of DD Form 1391/1391C (Continued)

(13) **TOTAL REQUEST:** Enter the sum of the “Total Contract Cost” and the “SIOH.” This figure should be identical to the entry in item 8, “Project Cost (\$1000).” Total request should be rounded-off to provide a more realistic approach to the presentation of MILCON programs.

(14) **TOTAL REQUEST ROUNDED:** The following guidance is provided for “rounding-off” a projects’ total request:

Project (P) Estimate (\$000)	<u>Rounding Guidance</u> (\$000)
< 1,000	Nearest \$ 10K
1,000 to 5,000	Nearest \$ 50K
5,000 to 10,000	Nearest \$ 100K
10,000 to 15,000	Nearest \$ 200K
15,000 to 20,000	Nearest \$ 500K
> 20,000	Nearest \$ 1,000K

(15) **INSTALLED EQUIPMENT PROVIDED FROM OTHER APPROPRIATIONS:** Enter the total cost of equipment which is procured with other than MILCON funds and which is essential to the mission of the facility. DD Form 1391 should reflect only the cost of equipment identified in the Associated Equipment Report. If no such major equipment is associated with the project, enter a “zero” in the appropriate space. Note that this figure is not included in the “Total Request.” This excludes minor items procured with O&M funds, and in the case of Army National Guard, excludes equipment provided from other then Federal appropriations.

i. **ITEM 10 - DESCRIPTION OF PROPOSED CONSTRUCTION:**

(1) In a clear and concise manner, provide a complete outline of all principal features of the work and its correlation with the various data entered in item 9.

(2) State whether or not the proposed construction is in compliance with applicable antiterrorism force protection measures and antiterrorism force protection standards.

(3) Begin with an accurate description of the primary facility and the associated functions that will be supported in them. Continue with a description of the features of work identified in each line item of the Block 9. Avoid the use of generalities such as “most economical means” or “modern methods and materials.”

(4) Provide only such additional descriptive details as are necessary for clarity.

(5) Identify and list the buildings or structures to be demolished in connection with the proposed construction, if applicable.

(6) For single person quarters projects, indicate the grade mix of personnel, officer or enlisted, who will occupy the facilities.

Instructions for Preparation of DD Form 1391/1391C (Continued)

(7) For projects involving additions, alterations, or conversions, describe the changes to be made.

j. **ITEM 11 - REQUIREMENT:** This portion of the DD Form 1391 is comprised of seven elements which are to be set forth in the following format:

(1) Immediately after the item title “Requirement” indicate, in appropriate units of measure, the total facility requirement (e.g., 5,500 SM), followed by two additional entries giving the status of the existing facility (e.g., adequate: 66,134 SF; substandard: -0-). [For a project with multiple distinct facilities, include information for each facility category code.](#)

(2) **PROJECT:** Provide a one-sentence statement indicating what this project provides.

(3) **REQUIREMENT:** Provide detailed, informative statements as to precisely why the project is needed. Use positive statements to support the requirement and avoid the use of such words as “inadequate,” “uneconomical,” and “necessary” unless they are fully explained. Similarly, when identifying contributing factors, assure that the presentation leaves no pertinent questions unanswered (e.g., vulnerability to terrorist threats (reference threat/vulnerability assessment); excessive maintenance (show cost comparison); self-liquidation (show amortization); or advanced deterioration (describe effects)). The requirements must establish maximum utilization of existing facilities and identify alternatives considered, along with reasons for their rejection. If the project is a result of the Integrated Global Posture and Basing study, include the phrase, “This project is associated with the global Defense posture changes.”

(4) **CURRENT SITUATION:** Describe how and under what conditions the requirement is presently being met. Comments should support the stated requirement and include the identity and description of current assets as well as the reason they are considered unsuitable for continued use. For Guard and Reserve Forces projects which are to replace existing facilities, identify and describe the disposition to be made of them. Similarly, for Guard and Reserve Forces facilities to be constructed and/or utilized jointly with other Guard/Reserve components, include pertinent information and status of coordination or negotiations.

(5) **IMPACT IF NOT PROVIDED:** Describe the manner and extent to which mission accomplishment would be affected if the project were not approved.

(6) **ADDITIONAL:** If the project is justified on an economic basis (primary economic analysis), so state and indicate the projected payback period. As a minimum, all renovation, upgrade, and replacement projects must be supported by an economic analysis. For all other projects, state precisely why a primary economic analysis cannot be applied to the project. When providing supporting documentation for the OSD budget submission, enter appropriate statements on commercial/industrial operations.

OMB Circular A-76 and as required by applicable [DoDI](#). Entry of this information on the DD 1391 or on a separate DD 1391c is optional. For all overseas projects, state whether or not the project is eligible for NATO Infrastructure or other host nation funding.

Instructions for Preparation of DD Form 1391/1391C (Continued)

(7) **JOINT USE CERTIFICATION:** Include the following certification: “The (enter the title of the certifying official) certifies that this project has been considered for joint use potential. Joint use construction is recommended.” Or “The (enter the title of the certifying official) certifies that this project has been considered for joint use potential. Unilateral construction is recommended. The reasons for this recommendation are...” The Joint Use Certification is not required for family housing construction projects.

(8) For all unaccompanied housing project requests, the DD Form 1391 **will** show all unaccompanied housing restoration and modernization conducted in the past 2 years (BY-2 and BY-1) and all future R&M requirements (defined as R&M funding for unaccompanied housing included in the FYPD years) for unaccompanied housing at that installation. This information should appear as the last data in the DD Form 1391 under the heading “BY-2 Unaccompanied Housing R&M Conducted,” “BY-1 Unaccompanied Housing R&M Conducted,” and “Future Unaccompanied Housing R&M Requirements.”

Space requirements for items 10 and 11 will vary. Therefore, remaining space on the DD Form 1391 may be used as necessary for the specific entries and continued on a DD Form 1391c as appropriate. A solid, black line should be used to set items 10 and 11 apart, and individual item titles and subheadings should be added.

k. **ITEM 12 – SUPPLEMENTAL DATA:** This portion of the DD Form 1391 is comprised of three elements which should be provided in the following format:

(1) **A. EXECUTION DATA:** Include (1) Acquisition Strategy, (2) Design data – start date, % of design completed; design complete date; total design cost (\$000), energy studies and/or life cycle analysis performed (Yes or No); and standard or definitive design used (yes or no), and (3) Construction data - contract award date, construction start date and construction complete date.

(2) **B. EQUIPMENT ASSOCIATED WITH THIS PROJECT:** Include table listing equipment name, procuring appropriation, fiscal year appropriated of requested, and cost (\$000).

(3) **C. FUNDING PROFILE:** include table listing history of authorizations and appropriations (1) fiscal year for enacted, cost variation, current budget request and future request, (2) authorization amount (\$000), authorization of appropriation amount (\$000), and (3) appropriated amount (\$000). Totals for Authorized and Appropriated should be provided at the bottom of the table.

(4) **D. PROJECT SPENDING PLAN WITH CHART:** Provide table of monthly and cumulative costs (\$000) of funding, obligations and outlays by month-year from construction start through construction completion, as follows:

*February 2025

PROJECT SPENDING PLAN**PROJECT: Project Tile, Installation, State****As of: Month Day, Year**

All Costs in thousands (\$000)

Month- Year	FUNDING		OBLIGATIONS		OUTLAYS	
	Monthly	Cumulative	Monthly	Cumulative	Monthly	Cumulative
Apr-24	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
May-24	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Jun-24	\$ 103,000	\$ 103,000	\$ 97,500	\$ 97,500	\$ 1,050	\$ 1,050
Jul-24		\$ 103,000	\$ 130	\$ 97,630	\$ 1,175	\$ 2,225
Aug-24		\$ 103,000	\$ 130	\$ 97,760	\$ 1,290	\$ 3,515
Sep-24		\$ 103,000	\$ 130	\$ 97,890	\$ 1,425	\$ 4,940
Oct-24		\$ 103,000	\$ 130	\$ 98,020	\$ 1,570	\$ 6,510
Nov-24		\$ 103,000	\$ 130	\$ 98,150	\$ 1,880	\$ 8,390
Dec-24		\$ 103,000	\$ 130	\$ 98,280	\$ 2,045	\$ 10,435
Jan-25		\$ 103,000	\$ 130	\$ 98,410	\$ 2,210	\$ 12,645
Feb-25		\$ 103,000	\$ 130	\$ 98,540	\$ 2,375	\$ 15,020
Mar-25		\$ 103,000	\$ 130	\$ 98,670	\$ 25,400	\$ 40,420
Apr-25		\$ 103,000	\$ 130	\$ 98,800	\$ 2,700	\$ 43,120
May-25		\$ 103,000	\$ 130	\$ 98,930	\$ 2,850	\$ 45,970
Jun-25		\$ 103,000	\$ 130	\$ 99,060	\$ 2,990	\$ 48,960
Jul-25		\$ 103,000	\$ 130	\$ 99,190	\$ 3,125	\$ 52,085
Aug-25		\$ 103,000	\$ 130	\$ 99,320	\$ 3,245	\$ 55,330
Sep-25		\$ 103,000	\$ 130	\$ 99,450	\$ 3,350	\$ 58,680
Oct-25		\$ 103,000	\$ 130	\$ 99,580	\$ 3,430	\$ 62,110
Nov-25		\$ 103,000	\$ 130	\$ 99,710	\$ 3,500	\$ 65,610
Dec-25		\$ 103,000	\$ 130	\$ 99,840	\$ 3,540	\$ 69,150
Jan-26		\$ 103,000	\$ 130	\$ 99,970	\$ 3,565	\$ 72,715
Feb-26		\$ 103,000	\$ 130	\$ 100,100	\$ 3,540	\$ 76,255
Mar-26		\$ 103,000	\$ 130	\$ 100,230	\$ 3,500	\$ 79,755
Apr-26		\$ 103,000	\$ 130	\$ 100,360	\$ 3,430	\$ 83,185
May-26		\$ 103,000	\$ 130	\$ 100,490	\$ 3,350	\$ 86,535
Jun-26		\$ 103,000	\$ 130	\$ 100,620	\$ 3,245	\$ 89,780
Jul-26		\$ 103,000	\$ 130	\$ 100,750	\$ 3,130	\$ 92,910
Aug-26		\$ 103,000	\$ 130	\$ 100,880	\$ 2,995	\$ 95,905
Sep-26		\$ 103,000	\$ 130	\$ 101,010	\$ 2,850	\$ 98,755
Oct-26		\$ 103,000	\$ 130	\$ 101,140	\$ 2,700	\$ 101,455
Nov-26		\$ 103,000	\$ 130	\$ 101,270	\$ 2,540	\$ 103,995
Dec-26		\$ 103,000	\$ 130	\$ 101,400	\$ 2,375	\$ 106,370

DD 1391/1391C (Page 9 of 9)

MC-2 Guard and Reserve Joint MILCON Project Exhibit

Joint Military Construction Project Exhibit
[Lead Component]
FY ____ - FY ____ Program/Budget Review
(Dollars in Thousands)

Location:
Project Title:
Lead Component:

Funding Requirement	<u>BY</u>	<u>BY+1</u>	<u>BY+2</u>	<u>BY+3</u>	<u>BY+4</u>
Army Reserve					
Army National Guard					
Navy/MC Reserve					
Air Force Reserve					
Air National Guard					
Total Requirement	0	0	0	0	0

Budgeted Amount	<u>BY</u>	<u>BY+1</u>	<u>BY+2</u>	<u>BY+3</u>	<u>BY+4</u>
Army Reserve					
Army National Guard					
Navy/MC Reserve					
Air Force Reserve					
Air National Guard					
Total Requirement	0	0	0	0	0

Instructions:

1. For each joint project, fill in the information (each project should be identified separately).
2. In the “Funding Requirement” section, enter the amounts that each Component is expected to contribute to the joint project.
3. In the Budgeted Amount” section, enter the amount that has been included in the FY_____ - FY_____ budget submission.
4. All dollars should be in thousands.

***Exhibit UH-6 Military Housing Privatization (MHPI) – Military Unaccompanied Housing Privatization**

DEPARTMENT OF _____
 Exhibit UH-6 Military Housing Privatization Initiative (MHPI) - Military Unaccompanied Housing Privatization
 Fiscal Year 20XX

Privatization Date ¹	MHPI Project Name ²	Installation/ State ³	Approved by OSD & OMB ⁴						Actual/Current Plan ⁸							MHPI Authorities ¹
			No. Units Conveyed ⁵	No. End State Units ⁶	Funding Source(s) ⁷				No. Units Conveyed ⁹	No. End State Units ¹⁰	Total No. Units in Current Inventory ¹¹	Funding Source(s) ¹²				
					Amount (\$M) ^{7a}	Budget Year(s) ^{7b}	Type of Funds ^{7c}	Source Project Name ^{7d}				Amount (\$M) ¹²	Budget Year(s) ¹²	Type of Funds ¹²	Source Project Name ¹²	
Grand Totals ¹⁴			0	0	\$0				0	0	0	\$0				

Notes:

1. The date the real property is transferred (land and family housing units) to the private owner/developer, and when service members become entitled to receive BAH.
2. Provide the name of the MHPI Project given to the privatization project, including the name given to integrated/grouped projects. The MHPI project name should be consistent with the MHPI project name used in the previously approved OSD/OMB Scoring report and/or subsequent notification to Congress.
3. List the MHPI project location by installation and state, including each installation/state incorporated into the integrated/grouped MHPI project.
4. This section relates the previously approved OSD/OMB project scope and funding amounts contained in the scoring package and/or subsequent Notification of Funds Transfer letters to Congress.
5. Provide the number of unaccompanied housing units to be conveyed by installation and state to the Developer, including each installation and state incorporated into the integrated/grouped MHPI project, as previously approved in the OSD/OMB Scoring report.
6. Provide the end state number of family housing units by installation and state to the Developer, including each installation/state incorporated into the integrated/grouped MHPI project, as previously approved in the OSD/OMB Scoring report.
7. Provide all of the funding source information for the MHPI project as reflected in the previously approved OSD/OMB report and consistent with the project summary details accompanying the Notification of Transfer letter to Congress, such as:
 - a. The amount of funds to be used for the Government's cost of the project (i.e., equity contribution, credit subsidy costs, differential lease payments).
 - b. The fiscal year(s) of the funding sources to be used to cover the Government's cost of the MHPI project.
 - c. The type of funds (e.g., MILCON) to be used to cover the Government's cost of the MHPI project.
 - d. The project(s) that are used to source the Government's cost of the privatization project.

8. This section relates to the Military Departments' actual and/or current plan, which might or might not be consistent with the details contained in the previously approved OSD/OMB Scoring report and project summary to Congress for the MHPI project due to extenuating circumstances.

9. Provide the actual and/or revised planned number of unaccompanied housing units conveyed to the Developer by installation and state, including each installation/state incorporated into the integrated/grouped MHPI project.

10. Provide the actual and/or revised, planned number of unaccompanied housing end state units by installation and state, including each installation/state incorporated into the integrated/grouped MHPI project.

11. Provide the total number of privatized unaccompanied housing units in the inventory for each MHPI project by installation/state, including each installation/state incorporated into the integrated/grouped MHPI project, regardless if they are currently occupied or not.

12. Provide all the “actual and/or current” funding sources used to fund the MHPI project, which might or might not be consistent with the details contained in the previous-approved OSD/OMB Scoring report and project summary (i.e., project amount, budget year of funds, source project, appropriation) to Congress for the MHPI project due to extenuating circumstances. If possible and/or available, provide the requested funding information by installation/state.

13. Provide the applicable MHPI authorities in 10 U.S.C. Chapter 169 Subchapter IV used and/or proposed to be used for the privatization project. Designators are as follows:

1 = 10 U.S.C. § 2873 - Government Direct Loans

2 = 10 U.S.C. § 2873 - Loan Guarantees

3 = 10 U.S.C. § 2875 - Investments, such as DoD Equity Contributions in non-governmental entities

4 = 10 U.S.C. § 2877 - Differential Lease Payments

5 = 10 U.S.C. § 2878 - Conveyance or Lease of Existing Property and Facilities

14. Totals of number of units conveyed, number of end state units, and funding amounts.

*February 2025

*APPENDIX B: BES / FAMILY HOUSING EXHIBITS IN SUPPORT OF PARAGRAPH 4.2

Exhibit FH-1 Tri-Service Family Housing Cost Model

TRI-SERVICE FAMILY HOUSING COST MODEL									
Service		Activity and Location		Project Number		Fiscal Year			
_____		_____		_____		_____			
Harsh climate location?		Overseas?		Replacement?		ACF			
(Y/N)		(Y/N)		(Y/N)		___			
DWELLING COSTS:								Cumulative	
Paygrade	Bedrooms	Size of House	\$/GSM	# of units	Project Factor	=	Dwelling	Project Cost	
_____	_____	(NSF/GSF/GSM)	()	()	()	=	Cost (000)	(000)	
_____	_____	(NSF/GSF/GSM)	()	()	()	=	\$ _____		
DWELLING TOTAL:						\$ _____	\$ _____		
PROJECT FACTORS:									
() () = _____									
(ACF) (Proj Size Factor) = <u>Project Factor</u>									
ADJUSTMENT TO DWELLING COSTS:									
	Unit Cost	No. Units	Project Factor	=	Adjustment (000)				
Additional Fire Protection/Unit	()	()	()	=	\$ _____				
Renewable Energy Source Cost/Unit	()	()	()	=	\$ _____				
Other Special Construction/Unit	()	()	()	=	\$ _____				
TOTAL ADJUSTMENTS:						\$ _____	\$ _____		
Avg. Unit Costs:						= \$ _____			
SUPPORT COSTS:									
Lot Costs						\$ _____			
Site Improvements						\$ _____			
Utility Mains						\$ _____			
Streets						\$ _____			
Landscaping						\$ _____			
Recreation						\$ _____			
Environmental						\$ _____			
Demolition						\$ _____			
Special Construction Features						\$ _____			
Other (Specify)						\$ _____			
TOTAL SUPPORT COSTS:						\$ _____	\$ _____		
SUMMARY:									
() + () + () =						\$ _____	\$ _____		
(Dwelling Cost) + (Adjustment) + (Support Cost) =						<u>Subtotal</u>			
() + () + () + () =						\$ _____			
(Subtotal) + (Contingency) + (SIOH) + (Design) =						<u>Project Cost</u>			
PROJECT SIZE:			NSF	GSF	GSM		NSF	GSF	GSM
			()	()	()		Normalized Average Costs (ACF=1)		
Adj. Dwelling Cost per Project Size:			\$ _____	\$ _____	\$ _____		\$ _____	\$ _____	\$ _____
Project Cost per Project Size:			\$ _____	\$ _____	\$ _____		\$ _____	\$ _____	\$ _____

The Unit Cost Per Gross Square Meter, Project Size Factors, and Area Cost Factors (ACF) will be provided in Unified Facilities Criteria (UFC) 3-701-03 each year.

Exhibit FH-1 Tri-Service Family Housing Cost Model

Exhibit FH-2 Family Housing O&M

Family Housing, _____ Operation and Maintenance Summary (Excludes Leased Units and Costs) FY _____					
	<u>FY(PY)</u>		<u>FY(CY)</u>		<u>FY(BY)</u>
A. <u>Inventory Data</u>					
Units in Beginning of Year					
Units at End of Year					
Average Inventory for Year					
a. Historic Units <u>1/</u>					
Units Requiring O&M Funding:					
a. Conterminous U.S.					
b. U.S. Overseas					
c. Foreign					
d. Worldwide					
	<u>Unit</u>		<u>Unit</u>	<u>Unit</u>	
	<u>Cost 2/</u>	<u>Total</u>	<u>Cost 2/</u>	<u>Total</u>	<u>Cost 2/</u>
B. <u>Funding Requirement</u>					
1. Operations					
a. Management					
b. Services					
c. Furnishings					
d. Miscellaneous					
Subtotal-- Direct Obligations					
Anticipated Reimbursements					
Gross Obligations--Operations					
2. Utilities - Direct Obligations					
Anticipated Reimbursements					
Gross Obligations--Utilities					
3. Maintenance					
a. M&R, Dwellings					
b. M&R, Exterior Utilities					
c. M&R, Other Real Property					
d. Alterations & Additions					
Subtotal--Direct Obligations					
Anticipated Reimbursements					
Gross Obligations--Maintenance					
Grand Total, O&M - Direct Obligations					
Grand Total, Anticipated Reimbursements					
Grand Total, O&M - Gross Obligations					

1/ Show, as a subset of "Average Inventory for Year," the total number of units classified as historic (units that DoD must manage in accordance with the National Historic Act of 1966).

2/ Based on number of units requiring O&M funding

Exhibit FH-2 Family Housing O&M

*February 2025

Exhibit FH-3 Furnishings Summary

Family Housing, _____
 Furnishings Summary
 (Dollars in Thousands)
 FY _____

	<u>Furnishings less Household Equipment</u>					<u>Household Equipment</u>				<u>Total Furnishings</u>					
	<u>Movg/</u> <u>Hdling</u>	<u>Maint/</u> <u>Repair</u>	<u>Replace</u> <u>ment</u>	<u>Initial</u> <u>Issue</u>	<u>Total</u>	<u>Movg/</u> <u>Hdling</u>	<u>Maint/</u> <u>Repair</u>	<u>Replace</u> <u>ment</u>	<u>Initial</u> <u>Issue</u>	<u>Total</u>	<u>Movg/</u> <u>Hdling</u>	<u>Maint/</u> <u>Repair</u>	<u>Replace</u> <u>ment</u>	<u>Initial</u> <u>Issue</u>	<u>Total</u>
(PY)															
CONUS															
US O/S															
Foreign															
Public															
Private															
Total															
(CY)															
CONUS															
US O/S															
Foreign															
Public															
Private															
Total															
(BY)															
CONUS															
US O/S															
Foreign															
Public															
Private															
Total															

Exhibit FH-3 Furnishings Summary (Page 1 of 2)

***February 2025**

Instructions for Preparation of Family Housing Furnishings Summary Exhibit FH-3

General. Furnishings to be included in Exhibit FH-3 are defined in Enclosure 6 to [DoDI 4165.63](#). For Unaccompanied Personnel Housing furnishings, see Exhibit OP-21, Chapter 232, this Manual.

PY Data. For the prior year, enter estimated end year obligations.

CY and BY Data. Estimates should be based on requirements determined to be in accordance with Section XI of [DoDI 4165.63](#) and applicable experience data. Provide an explanation for differences of more than \$1 million or 10%, whichever is less, between the total amount shown for furnishings in the [CY](#) and the [BY](#).

Moving and Handling. All identifiable transportation, handling and storage costs should be included here.

Initial Issue. Certain initial issue movable equipment, such as stoves and refrigerators, is usually procured as part of a construction project with construction funds, instead of operation funds. Likewise, in some circumstances leasing funds are utilized for furnishings in leased quarters. The FH-3 should reflect all family housing resources applied to furnishings, with memo entries to indicate the amounts funded from accounts other than the Furnishings portion of Operations and Maintenance.

Exhibit FH-4 Analysis of Leased Units

Family Housing, _____ Analysis of Leased Units FY _____									
	<u>FY(PY)</u>			<u>FY(CY)</u>			<u>FY(BY)</u>		
<u>Location</u>	<u>Unit</u> <u>Auth</u>	<u>Lease</u> <u>Months</u>	<u>Cost</u> <u>(\$000)</u>	<u>Unit</u> <u>Auth</u>	<u>Lease</u> <u>Months</u>	<u>Cost</u> <u>(\$000)</u>	<u>Unit</u> <u>Auth</u>	<u>Lease</u> <u>Months</u>	<u>Cost</u> <u>(\$000)</u>
<u>Domestic Leases</u>									
(list each location and month in which the annual award is exercised)									
Total Domestic Leases									
<u>Foreign Leases</u>									
(list each location and month in which the annual award is exercised)									
Total Foreign Leases									
Grand Total									

Exhibit FH-4 Analysis of Leased Units

*February 2025

Exhibit FH-5 General and Flag Officers' Anticipated Expenditures

Department of the ¹ _____									
General and Flag Officers' Quarters (GFOQ)									
Operations and Maintenance Expenditures Anticipated to Exceed \$35,000 per Unit for Fiscal Year									
FYXX ²									
(Dollars in Thousands)									
State/ Country ³	Installation ⁴	Quarters Address ⁵	Year Built ⁶	Size NSF ⁷	Opns Cost ⁸	Utilities Cost ⁹	Maint Cost ¹⁰	Leasing Cost ¹¹	Total Costs ¹²
Total GFOQ Costs									
Total GFOQ # Units									

Footnotes¹³:Instruction Notes:

1. Service name.
2. Budget year.
3. State name or foreign country.
4. Installation name.
5. Specific quarters address or unit identification.
6. Calendar year in which the dwelling unit or building (in case of multiple units) was built. Identify with an asterisk (*) next to the year built those units that are on the national, state and/or local historic registry.
7. Total net square footage of the dwelling unit.
8. Total operations (BA6) anticipated for the fiscal year.
9. Total utilities (BA5) anticipated for the fiscal year.
10. Total maintenance (BA10) expenditure anticipated for the fiscal year.
11. Total Leasing (BA7) expenditure for the fiscal year, if applicable.
12. Total Family Housing Operations and Maintenance expenditures anticipated for the GFOQ unit for the fiscal year.
13. Include any non- Family Housing O&M expenditures anticipated and a short description of these expenditures in a footnote.

Show these cost figures in thousands of dollars, carried out to no more than one decimal place.

FH-5 Exhibit General and Flag Officers' Anticipated Expenditures

*February 2025

Exhibit FH-6 Military Housing Privatization (MHPI) - Family Housing Privatization

DEPARTMENT OF _____
 Exhibit FH-6 Military Housing Privatization Initiative (MHPI) - Family Housing Privatization
 Fiscal Year 2019

Privatization Date ¹	MHPI Project Name ²	Installation/ State ³	Approved by OSD & OMB ⁴						Actual/Current Plan ⁸							MHPI Authorities ¹³
			No. Units Conveyed ⁵	No. End State Units ⁶	Funding Source(s) ⁷			Source Project Name ^{7d}	No. Units Conveyed ⁹	No. End State Units ¹⁰	Total No. Units in Current Inventory ¹¹	Funding Source(s) ¹²				
					Amount (\$M) ^{7a}	Budget Year(s) ^{7b}	Type of Funds ^{7c}					Amount (\$M) ¹²	Budget Year(s) ¹²	Type of Funds ¹²	Source Project Name ¹²	
Grand Totals ¹⁴			0	0	\$0				0	0	0	\$0				

Instructions:

1. The date the real property is transferred (land and family housing units) to the private owner/developer, and when service members become entitled to receive BAH.
2. Provide the name of the MHPI Project given to the privatization project, including the name given to integrated/grouped projects. The MHPI project name should be consistent with the MHPI project name used in the previously approved OSD/OMB Scoring report and/or subsequent notification to Congress.
3. List the MHPI project location by installation and state, including each installation/state incorporated into the integrated/grouped MHPI project.
4. This section relates the previously approved OSD/OMB project scope and funding amounts contained in the scoring package and/or subsequent Notification of Funds Transfer letters to Congress.
5. Provide the number of family housing units to be conveyed by installation and state to the Developer, including each installation and state incorporated into the integrated/grouped MHPI project, as previously approved in the OSD/OMB Scoring report.
6. Provide the end state number of family housing units by installation and state to the Developer, including each installation/state incorporated into the integrated/grouped MHPI project, as previously approved in the OSD/OMB Scoring report.
7. Provide all of the funding source information for the MHPI project as reflected in the previously approved OSD/OMB report and consistent with the project summary details accompanying the Notification of Transfer letter to Congress, such as:
 - a. The amount of funds to be used for the Government's cost of the project (i.e., equity contribution, credit subsidy costs, differential lease payments).
 - b. The fiscal year(s) of the funding sources to be used to cover the Government's cost of the MHPI project.

c. The type of funds (e.g., FH New Construction, FH Construction Improvements, FH Improvement Funds) to be used to cover the Government's cost of the MHPI project.

d. The project(s) that are used to source the Government's cost of the privatization project.

8. This section relates to the Military Departments' actual and/or current plan, which might or might not be consistent with the details contained in the previously approved OSD/OMB Scoring report and project summary to Congress for the MHPI project due to extenuating circumstances.

9. Provide the actual and/or revised planned number of family housing units conveyed to the Developer by installation and state, including each installation/state incorporated into the integrated/grouped MHPI project.

10. Provide the actual and/or revised, planned number of family housing end state units by installation and state, including each installation/state incorporated into the integrated/grouped MHPI project.

11. Provide the total number of privatized family housing units in the inventory for each MHPI project by installation/state, including each installation/state incorporated into the integrated/grouped MHPI project, regardless if they are currently occupied or not.

12. Provide all the "actual and/or current" funding sources used to fund the MHPI project, which might or might not be consistent with the details contained in the previous-approved OSD/OMB Scoring report and project summary (i.e., project amount, budget year of funds, source project, appropriation) to Congress for the MHPI project due to extenuating circumstances. If possible and/or available, provide the requested funding information by installation/state.

13. Provide the applicable MHPI authorities in 10 U.S.C. Chapter 169 Subchapter IV used and/or proposed to be used for the privatization project. Designators are as follows:

1 = 10 U.S.C. § 2873 - Government Direct Loans

2 = 10 U.S.C. § 2873 - Loan Guarantees

3 = 10 U.S.C. § 2875 - Investments, such as DoD Equity Contributions in non-governmental entities

4 = 10 U.S.C. § 2877 - Differential Lease Payments

5 = 10 U.S.C. § 2878 - Conveyance or Lease of Existing Property and Facilities

14. Totals of number of units conveyed, number of end state units, and funding amounts.

Exhibit FH-8 Inadequate Family Housing Elimination

Family Housing _____
Annual Inadequate Family Housing Elimination

Unit Description	Total Inventory	Total Inadequate Inventory	Total Inadequate Addressed
Total Units at beginning of FY 20XX	1/	2/	
FY 20XX total traditional MILCON projects to eliminate inadequate units	3/	3/	3/
project 1/installation	3/	3/	3/
project 2/installation	3/	3/	3/
FY 20XX total units privatized (no longer require FH O&M) to eliminate inadequate housing	3/	3/	3/
project 1/installation	3/	3/	3/
project 2/installation	3/	3/	3/
FY 20XX total units demolished/divested/ or otherwise permanently removed from family housing inventory	3/	3/	3/
project 1/installation			
project 2/installation			
Total Units at end of FY 20XX	1/	2/	
Note: The beginning total inventory and total inadequate inventory figures represent the total for all installations world-wide. The data listed for the individual projects/installations is a subset.			

1/ These total figures for the beginning and end of the fiscal year must cross-reference to the similar figures in Exhibit FH-2 and the FH-11 summary tables in the budget justification book.

2/ These total figures for the beginning and end of the fiscal year must cross-reference to the similar figures in Exhibit FH-11 summary table in the budget justification book.

3/ The Total Inventory data, Total Inadequate Inventory data, and Total Inadequate Addressed data should be included for each location in which the Service has a funded traditional [Milcon](#) project, will award a privatization project, or expects to demolish, divest, or otherwise permanently remove units from the family housing inventory.

Exhibit FH-8 Inadequate Family Housing Elimination

Exhibit FH-9 General and Flag Officers' Expenditures

Department of the ¹ _____
 General and Flag Officers' Quarters (GFOQ)
 Operations and Maintenance Expenditures for Fiscal Year XXXX²
 (Dollars in Thousands*)

<u>State/ Country</u> ³	<u>Installation</u> ⁴	<u>Quarters Address</u> ⁵	<u>Year Built</u> ⁶	<u>Size NSF</u> ⁷	<u>Opns Cost</u> ⁸	<u>Utilities Cost</u> ⁹	<u>Maint Cost</u> ¹⁰	<u>Leasing Cost</u> ¹¹	<u>Total Costs</u> ¹²
--	----------------------------------	--	------------------------------------	----------------------------------	-----------------------------------	--	-------------------------------------	---------------------------------------	--------------------------------------

13

 Total GFOQ Costs

Total GFOQ # Units
 #Owned Units
 # Leased Units
 # Privatized Units¹³

Footnotes¹⁴:

Instruction Notes:

1. Service name.
2. Budget year.
3. Name of state or foreign country.
4. Installation name.
5. Specific quarters address or unit identification.
6. Calendar year in which the GFOQ unit was built. Identify with an asterisk (*) next to the year built those units that are on the national, state and/or local historic registry.
7. Total net square footage of the dwelling unit.
8. Total operations (BA6) anticipated for the fiscal year.
9. Total Utilities (BA5) anticipated for the fiscal year.
10. Total Maintenance (BA8) expenditure anticipated for the fiscal year.
11. Total Leasing (BA7) expenditure for the fiscal year, if applicable.
12. Total Family Housing Operations and Maintenance expenditures anticipated for the GFOQ unit for the fiscal year.
13. Annotate privatized units on the list with an asterisk after the installation location.
14. Include any non- Family Housing O&M expenditures anticipated and a short description of these expenditures in a footnote.

* Show these cost figures in thousands of dollars, carried out to no more than one decimal place.

FH-11 Inventory and Condition Government-Owned, Family Housing Units United States

DEPARTMENT OF _____
FH-11 Inventory and Condition of Government-Owned, Family Housing Units
UNITED STATES (CONUS plus Hawaii and Alaska)
(Number of Dwelling Units in Inventory)
Fiscal Year 20XX

	Number of Units - U.S.						
	PY	CY	BY	BY+1	BY+2	BY+3	BY+4
Beginning of FY Adequate Inventory Total	-	-	-	-	-	-	-
BCI - 90% to 100%							
BCI - 80% to 89%							
Beginning of FY Inadequate Inventory Total	-	-	-	-	-	-	-
BCI - 60% to 79%							
BCI - 59% and below							
Beginning of FY Total Inventory	-	-	-	-	-	-	-
Percent Adequate - Beginning of FY Inventory	%	%	%	%	%	%	%
Inadequate Inventory Reduced Through:	-	-	-	-	-	-	-
Construction (MilCon)							
Maintenance & Repair (O&M)							
Privatization							
Demolition/Divestiture/Diversion/Conversion							
Funded by Host Nation							
Adequate Inventory Changes:	-	-	-	-	-	-	-
Privatization							
Demolition/Divestiture/Diversion/Conversion							
End of FY Adequate Inventory Total	-	-	-	-	-	-	-
BCI - 90% to 100%							
BCI - 80% to 89%							
End of FY Inadequate Inventory Total	-	-	-	-	-	-	-
BCI - 60% to 79%							
BCI - 59% and below							
End of FY Total Inventory	-	-	-	-	-	-	-
Percent Adequate - End of FY Inventory	%	%	%	%	%	%	%
NOTES:							

*February 2025

FH-11 Inventory and Condition Government-Owned, Family Housing Units Foreign

DEPARTMENT OF _____
 FH-11 Inventory and Condition of Government-Owned, Family Housing Units
 FOREIGN (includes U.S. Territories)
 (Number of Dwelling Units in Inventory)
 Fiscal Year 20XX

	Number of Units - Foreign						
	PY	CY	BY	BY+1	BY+2	BY+3	BY+4
Beginning of FY Adequate Inventory Total	-	-	-	-	-	-	-
BCI - 90% to 100%							
BCI - 80% to 89%							
Beginning of FY Inadequate Inventory Total	-	-	-	-	-	-	-
BCI - 60% to 79%							
BCI - 59% and below							
Beginning of FY Total Inventory	-	-	-	-	-	-	-
Percent Adequate - Beginning of FY Inventory	%	%	%	%	%	%	%
Inadequate Inventory Reduced Through:	-	-	-	-	-	-	-
Construction (MilCon)							
Maintenance & Repair (O&M)							
Privatization							
Demolition/Divestiture/Diversion/Conversion							
Funded by Host Nation							
Adequate Inventory Changes:	-	-	-	-	-	-	-
Privatization							
Demolition/Divestiture/Diversion/Conversion							
End of FY Adequate Inventory Total	-	-	-	-	-	-	-
BCI - 90% to 100%							
BCI - 80% to 89%							
End of FY Inadequate Inventory Total	-	-	-	-	-	-	-
BCI - 60% to 79%							
BCI - 59% and below							
End of FY Total Inventory	-	-	-	-	-	-	-
Percent Adequate - End of FY Inventory	%	%	%	%	%	%	%
NOTES:							

FH-11 Inventory and Condition Government-Owned, Family Housing Units Worldwide

DEPARTMENT OF _____							
FH-11 Inventory and Condition ¹ of Government-Owned, Family Housing Units							
WORLDWIDE							
(Number of Dwelling Units in Inventory)							
Fiscal Year 20XX							
	Number of Units - Worldwide						
	PY	CY	BY	BY+1	BY+2	BY+3	BY+4
Beginning of FY Adequate Inventory Total	-	-	-	-	-	-	-
BCI - 90% to 100%	-	-	-	-	-	-	-
BCI - 80% to 89%	-	-	-	-	-	-	-
Beginning of FY Inadequate Inventory Total	-	-	-	-	-	-	-
BCI - 60% to 79%	-	-	-	-	-	-	-
BCI - 59% or less	-	-	-	-	-	-	-
Beginning of FY Total Inventory	-	-	-	-	-	-	-
Percent Adequate - Beginning of FY Inventory	%	%	%	%	%	%	%
Inadequate Inventory Reduced Through:	-	-	-	-	-	-	-
Construction (MilCon)	-	-	-	-	-	-	-
Maintenance & Repair (O&M)	-	-	-	-	-	-	-
Privatization	-	-	-	-	-	-	-
Demolition/Divestiture/Diversion/Conversion	-	-	-	-	-	-	-
Funded by Host Nation	-	-	-	-	-	-	-
Adequate Inventory Changes:	-	-	-	-	-	-	-
Privatization	-	-	-	-	-	-	-
Demolition/Divestiture/Diversion/Conversion	-	-	-	-	-	-	-
End of FY Adequate Inventory Total	-	-	-	-	-	-	-
BCI - 90% to 100%	-	-	-	-	-	-	-
BCI - 80% to 89%	-	-	-	-	-	-	-
End of FY Inadequate Inventory Total	-	-	-	-	-	-	-
BCI - 60% to 79%	-	-	-	-	-	-	-
BCI - 59% or less	-	-	-	-	-	-	-
End of FY Total Inventory	-	-	-	-	-	-	-
Percent Adequate - End of FY Inventory	%	%	%	%	%	%	%
DoD Performance Goal - At least 90% BCI		90%	90%	90%	90%	90%	90%
NOTES:							
Include narrative describing the Service's funding and improvement strategy for maintaining at least 90% of the world-wide, government-owned Family Housing inventory at good or fair condition.							

AGENCY NAME
Privatized General and Flag Officers' Quarters
Operations, Maintenance and Repair Costs Incurred by Private Sector Developer/Partner/Owner
Exceeding \$50K per Housing Unit
for Fiscal Year 2##
(Dollars in Thousands)

1. Place an **asterisk (*)** by the **GFOQ units**, where Utility costs are included as part of Operation Costs.
2. This annual report complies with the **FY09 NDAA § 2805** requirement, **as amended**.

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*February 2025

Exhibit FH-14 FHIF Admin Requirements

**Family Housing Improvement Funds (FHIF) Admin Requirements (FH-14)
Military Housing Privatization Initiative (MHPI) Program Support
Consolidated OSD and DFAS Requirements**

FY 20XX

(Dollars in thousands)

CIS		FY 20XX	FY 20XX	FY 20XX	<u>Comments</u>
		<u>(PY)</u>	<u>(CY)</u>	<u>(BY)</u>	
<u>OCC¹</u>	<u>CIVILIAN LABOR</u>				
	Number of FTE ² - Direct				
	Number of FTE ² - Reimbursable				
11110	Full-Time Permanent Positions - Basic Compensation				
11310	Other Than Full-Time Permanent - Basic Compensation				
11510	Other Personnel Pay (overtime/comptime, awards, etc.)				
12110	Civilian Personnel Fringe Benefits				
Total Labor		-	-	-	
21010	Travel				
25210	Training - Non-Federal Sources				
25310	Training - Federal Sources				
23010	Rent, Communications & Utilities				
24010	Printing and Reproduction				
26010	Supplies & Material				
31010	Equipment Purchases (please specify if IT or non-IT)				
	<u>Other Contractual Services (Please list contracts and amounts):</u>				
25110	<u>Advisory and Assistance Services:</u>				
25210	<u>Other Services from non-Federal Sources:</u>				
25310	<u>Other Goods and Services from Federal Sources:</u>				
Total Non-Labor		-	-	-	
Total FHIF Admin Request for OSD FE&P		-	-	-	

FH-14 FHIF Admin Requirements

Notes:

1 - CIS Object Class Codes (OCC), which can also be found in OMB Circular A-11.

2 - Provide number of Full-Time Equivalent (FTE) and type of support being provided by FTE in the comment column.

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Exhibit FH-14 [FHIF](#) Admin Requirements (Continued)

Family Housing Improvement Funds (FHIF) Admin
 Military Housing Privatization Initiative (MHPI) Program Support
 For OSD Facilities Energy & Privatization (FE&P)
 FY 20XX
 (Dollars in thousands)

CIS		FY 20XX (PY)	FY 20XX (CY)	FY 20XX (BY)	Comments
<u>OCC¹</u>	<u>CIVILIAN LABOR</u>				
	Number of FTE ² - Direct				
	Number of FTE ² - Reimbursable				
11110	Full-Time Permanent Positions - Basic Compensation				
11310	Other Than Full-Time Permanent - Basic Compensation				
11510	Other Personnel Pay (overtime/comptime, awards, etc.)				
12110	Civilian Personnel Fringe Benefits				
	Total Labor	-	-	-	
21010	Travel				
25210	Training - Non-Federal Sources				
25310	Training - Federal Sources				
23010	Rent, Communications & Utilities				
24010	Printing and Reproduction				
26010	Supplies & Material				
31010	Equipment Purchases (please specify if IT or non-IT)				
	<u>Other Contractual Services (Please list contracts and amounts):</u>				
25110	<u>Advisory and Assistance Services:</u>				
25210	<u>Other Services from non-Federal Sources:</u>				
25310	<u>Other Goods and Services from Federal Sources:</u>				
	Total Non-Labor	-	-	-	
	Total FHIF Admin Request for OSD FE&P	-	-	-	

FH-14 FHIF Admin Requirements

Notes:

1 - CIS Object Class Codes (OCC), which can also be found in OMB Circular A-11.

2 - Provide number of Full-Time Equivalent (FTE) and type of support being provided by FTE in the comment column.

*February 2025

Exhibit FH-14 [FHIF](#) Admin Requirements (Continued)

Family Housing Improvement Funds (FHIF) Admin
 Military Housing Privatization Initiative (MHPI) Program Support
 For Defense Finance and Accounting Services (DFAS) Indianapolis (IN)
 FY 20XX
 (Dollars in thousands)

CIS		FY 20XX (PY)	FY 20XX (CY)	FY 20XX (BY)	Comments
<u>OCC¹</u>	<u>CIVILIAN LABOR</u>				
	Number of FTE ² - Direct				
	Number of FTE ² - Reimbursable				
11110	Full-Time Permanent Positions - Basic Compensation				
11310	Other Than Full-Time Permanent - Basic Compensation				
11510	Other Personnel Pay (overtime/comptime, awards, etc.)				
12110	Civilian Personnel Fringe Benefits				
	Total Labor	-	-	-	
21010	Travel				
25210	Training - Non-Federal Sources				
25310	Training - Federal Sources				
23010	Rent, Communications & Utilities				
24010	Printing and Reproduction				
26010	Supplies & Material				
31010	Equipment Purchases (please specify if IT or non-IT)				
	<u>Other Contractual Services (Please list contracts and amounts):</u>				
25110	<u>Advisory and Assistance Services:</u>				
25210	<u>Other Services from non-Federal Sources:</u>				
25310	<u>Other Goods and Services from Federal Sources:</u>				
	Total Non-Labor	-	-	-	
	Total FHIF Admin Request for DFAS-IN	-	-	-	

FH-14 FHIF Admin Requirements

Notes:

1 - CIS Object Class Codes (OCC), which can also be found in OMB Circular A-11.

2 - Provide number of Full-Time Equivalent (FTE) and type of support being provided by FTE in the comment column.

PBXX Reestimate CASH FLOW STATUS (FH-15)
DEPARTMENT OF THE _____
FOR FY 20XX¹

Cash Flows Requiring Further Revision	
File Name	Revision/Comments

Email address:

1 – Current Year (CY) of President's Budget

Exhibit OP-5 (Part 2) Attachment 1: Reconciliation of Increases and Decreases

Reconciliation of Increases and Decreases

	<u>Amount</u>	<u>(\$ in Thousands)</u>	<u>Totals</u>
FY 20CY President's Budget Request			
1. Congressional Adjustments			
FY 20CY Estimated / Appropriated Amount			
2. Supplemental Appropriations (if applicable)			
3. Fact-of-Life Changes			
FY 20CY Estimated / Appropriated and Supplemental Funding			
4. Anticipated Reprogramming			
Revised FY 20CY Estimate			
5. Less Supplemental Appropriations			
Normalized FY 20CY Current Estimate			
6. Price Change ¹			
7. Transfers ²			
8. Program Increases ³			
9. Program Decreases ³			
FY 20BY Budget Request			

¹Use inflation guidance as provided by OUSD (C).

²This category should be used only when a program function is transferred between activity groups or Military Departments.

³For each program increase or decrease, provide quantitative and qualitative information about these changes, and the baseline (in dollars) to which the increase or decrease applies. Increases and decreases must address specific adjustments in program such as changes in inventory, management initiatives, or statutory requirements.

Exhibit OP -5 (Part 2) Attachment 1: Reconciliation of Increases and Decreases
(page 1 of 1)

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[*APPENDIX C: BES / HOMEOWNERS ASSISTANCE EXHIBITS IN SUPPORT OF PARAGRAPH 4.3](#)

Exhibit HA-1 Homeowners Assistance - Workload and Obligation Data

HOMEOWNERS' ASSISTANCE FUND, DEFENSE WORKLOAD AND OBLIGATION DATA FY _____								
	Actual FY (PY)			Estimated FY (CY)			Estimated FY (BY)	
	Dollars		Average	Dollars		Average	Dollars	
	Units	(000)	(\$)	Units	(000)	(\$)	Units	(000)
1. Investment								
a. Equity Payments								
b. Liquidation of Second Mortgages								
c. Total Payments								
d. Mortgages Assumed								
e. Total Investment								
2. Expense - Corps of Engineers								
a. Payments - Private Sales								
b. Payments - Foreclosures								
c. Subtotal - Reimbursements to Homeowners								
d. Appraisals								
e. Administrative Expense								
f. Total Expense - CoE								
3. Expense - FHA								
a. Management & Maintenance of Homes								
b. Sales Expense								
c. Administrative Expense								
d. Total Expense - FHA								
4. Total Expense								
5. Total Program - Investment and Expense								

Exhibit HA-1 Homeowners Assistance – Workload and Obligation Data

*February 2025

Exhibit HA-2 Homeowners Assistance Status of Accounts

HOMEOWNERS' ASSISTANCE FUND, DEFENSE STATUS OF ACCOUNTS				
ITEM		Cash	Authority to	Total
		(S000)	Spend Agency Debt Receipts (S000)	(S000)
1.	EXPENDITURE ACCOUNT - RESOURCES AND APPLICATIONS (OBLIGATION BASIS)			
a.	Resources			
(1)	Unobligated balance, start of year			
(2)	Appropriations			
(3)	New authorization to spend Agency debt receipts			
(4)	Revenue			
(a)	Sales (Cash)			
(b)	Other Revenue			
(5)	Principal payments on mortgages (retirement of debt)			
(6)	Total			
b.	Applications			
(1)	Payments on acquisition of properties			
(2)	Value of mortgages payable assumed			
(3)	Expenses			
(4)	Transfer to miscellaneous receipts			
(5)	Total			
c.	Unobligated balance, end of period (line 1a(6) minus 1b(5))			
2.	PROPERTY ACCOUNT			
a.	On hand, start of year			
b.	Payments for equity and second mortgages on acquisition of properties			
c.	Value of mortgages payable assumed			
d.	Less acquisition price of properties sold or disposed of otherwise (line 5b(1) below)			
e.	On hand; end of period			
3.	BORROWING ACCOUNT (MORTGAGES PAYABLE)			
a.	Balance payable, start of year			
b.	Value of mortgages payable assumed			
c.	Less payments on principal			
d.	Less value of mortgages liquidated			
e.	Subtotal - Principal payments (retirement of debt)			
f.	Balance payable, end of period			
4.	NET EQUITY IN PROPERTY (line 2e minus line 3f)			
			Total (S000)	Average (\$)
5.	RECAPITULATION FOR PROPERTIES SOLD			
a.	Sales price			
b.	Less:			
(1)	Acquisition Price			
(2)	FHA or ACE Administrative Expenses			
c.	Net gain or (loss)			

* Excludes Corps of Engineers Expense and FHA Expense

Exhibit HA-2 Homeowners Assistance Status of Accounts

Exhibit HA-3 Homeowners Assistance Work Unit Data

HOMEOWNERS' ASSISTANCE FUND, DEFENSE
WORK UNIT DATA
 FY _____

<u>ITEM</u>	<u>MILITARY</u>	<u>CIVILIAN</u>	<u>TOTAL</u>
1. APPLICATIONS FOR ASSISTANCE			
a. On hand - start of			
b. Received			
c. Less Actions Completed			
(1) Homes Acquired - For Outstanding Mortgage Balances			
(2) Homes Acquired - At 75%			
(3) Homes Acquired - No Mortgage			
(4) Reimbursements for Losses on Private Sales			
(5) Payments in Foreclosure Cases			
(6) Settlements - No Payment Due			
(7) Other (Not Eligible)			
d. On hand - end of period			
2. ACQUIRED HOMES			
a. On hand - start of year			
b. Acquired			
c. Disposed of			
d. On hand - end of period			
3. MORTGAGES PAYABLE			
a. On hand - start of year			
b. Assumed			
c. Less Liquidations			
d. On hand - end of period			
4. OTHER DATA			
a. Second Mortgages Liquidated			
b. Appraisals Made			
c. Appeals processed			
(Approved)			
(Disapproved)			

Exhibit HA-3 Homeowners Assistance Work Unit Data

*February 2025

Exhibit HA-4 Homeowners Assistance Program and Financing

Homeowners' Assistance Fund, Defense
Program and Financing
FY _____

	<u>FY PY</u> <u>Actual</u>		<u>FY CY</u> <u>Estimate</u>		<u>FY BY</u> <u>Estimate</u>
	<u>Obligations</u>		<u>Obligations</u>		<u>Obligations</u>
	<u>Units</u>		<u>Units</u>		<u>Units</u>
	<u>(\$000)</u>		<u>(\$000)</u>		<u>(\$000)</u>
Payments to homeowners <u>1/</u>					
Other operating costs <u>2/</u>					
Acquisition of properties <u>3/</u>					
Mortgages assumed <u>4/</u>					
Total program					
Available from prior year					
Estimated revenue <u>5/</u>					
Available for other years					
Budget Authority					
Authorization to spend agency					
debt receipts					
Appropriation					

NOTES:

1/ Reimbursements to homeowners for losses; private sales or foreclosures. Work unit, "number of payments."

2/ DoD and FHA expenses. Work unit, "total number of applications processed, including rejections."

3/ Payments to homeowners for equity in properties acquired by the Government. Work unit, "number of properties."

4/ Value of mortgage balances assumed by the Government on properties acquired. Work unit "number of mortgages assumed."

5/ Recovery of Government's investment by the sale of properties. Work unit, "number of properties sold."

Exhibit HA-4 Homeowners Assistance Program and Financing

***APPENDIX D: BES / NATO SECURITY INVESTMENT PROGRAM EXHIBITS IN
SUPPORT OF PARAGRAPH 4**

Exhibit NSIP -1 NSIP Project Data

NATO Security Investment Program (NSIP) Project Data

Location	Installation	Project Title	Project Description	Budget Scheme	Project Cost	U.S. Cost Share	Other Nation Cost Share

Instructions:

1. This exhibit will identify the NSIP requirements, both **MILCON** and procurement, at the project level detail. The exhibit should be completed for both the normal NSIP requirements and NATO Expansion requirements. The listing should be sufficiently detailed to identify discrete projects and initiative; aggregation at the capability package level i.e., Defense of the Mediterranean, is NOT sufficiently detailed.
2. **Submit** data in hard copy and on a disk in a Microsoft Access format or in Microsoft Excel format.
3. Location: State or country where the project will be executed, i.e. Alaska, Turkey, or Italy.
4. Installation: Base where the project will be executed, i.e. Aviano AB.
5. Project Title.
6. Project Description: Explanation and description of each project.
7. Budgeted Scheme: Identify the number of NATO nations sharing in the cost of the project.
8. Project Cost: The total cost for the NSIP project. The project's cost should be displayed in thousands.
9. U.S. Cost Share: Identify the estimated U.S. share of the project cost. The U.S. share should be displayed in thousands.
10. Other NATO Cost Share: Identify the estimated share of the other NATO nations. The cost should be displayed in thousands.
11. This exhibit should be completed for the current year and budget year, i.e., current year FY 2001; budget Year FY 2002.
12. The hard copy and electronic submission should include a total that reflects the cost of normal NSIP requirements and NSIP Expansion requirements by fiscal year.

Exhibit NSIP-1 NSIP Project Data

***February 2025**

Exhibit NSIP-2 NSIP Recoupment Estimates

North Atlantic Treaty Organization Security Investment Program Recoupment Estimates

Component	Appropriation	Fiscal Year	Location	Installation	Project Title	Slice/Serial (if known)	Recoupment Budget Estimate	Rate of Conversion

Instructions:

1. This exhibit will be executed at the project level for each NSIP major construction project that is eligible for recoupment (reimbursement by other member countries for eligible costs). No project level detail is required for minor construction, [design](#), family housing improvement or BRAC.
2. [Submit](#) data in hard copy and on a disk in a Microsoft Excel format.
3. Component should be the specific Service Active, Guard or Reserve Force component or Defense Agency. A recognized abbreviation such as ARNG (Army National Guard) is acceptable.
4. Appropriation should be a four-digit number (treasury code).
5. Fiscal year should be a four-digit number.
6. Location is the two-digit state or country code.
7. Installation is the military base where the project is being built.
8. Slice/Serial, if known, or pre-financing notification reference number.
9. Recoupment budget estimate amount is in thousands.
10. The estimated budget recoupment should reflect the rate of conversion at the time of estimate.
11. For the hard copy, the data should be sorted by fiscal year, location and then by installation. The hard copy and should also include a total for each fiscal year.

Date
Point of Contact: Name, Organization, and Phone number

Exhibit NSIP-2 NSIP Recoupment Estimates