

VOLUME 11A, CHAPTER 16: “ACCOUNTING FOR PRODUCTION AND SALE OF FOREST PRODUCTS”**SUMMARY OF MAJOR CHANGES**

Changes are identified in this table and denoted by [blue font](#).

Substantive revisions are denoted by an asterisk (*) 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 [August 2002](#) is archived.

PARAGRAPH	EXPLANATION OF CHANGE/REVISION	PURPOSE
Policy Memo, 3.4	The Deputy Chief Financial Officer memorandum titled; “Treasury Appropriation Fund Symbols for the Department of Defense Forestry Products Program (FPM 22-02)” dated December 12, 2022, has been incorporated into the chapter and cancelled.	Cancellation
1.2	Added Authoritative Guidance section.	Addition
Figure 16-1 (previous version), 2.0	Deleted Figure 16-1 and clarified the definition of Forest Products under paragraph 2.0.	Deletion/Revision
Annex A	Revised Annex A to incorporate Army Regulation 200-1: “Environmental Protection and Enhancement”.	Revision

Table of Contents

VOLUME 11A, CHAPTER 16: “ACCOUNTING FOR PRODUCTION AND SALE OF FOREST PRODUCTS”	1
1.0 GENERAL.....	3
1.1 Purpose.....	3
*1.2 Authoritative Guidance	3
*2.0 DEFINITIONS	3
3.0 APPLICABILITY AND SCOPE	4
3.1 Policy and Procedures	4
3.2 DoD Forestry Reserve Account (DoD FRA)	4
3.3 Operating Procedures for Program Obligations.....	5
*3.4 Accounting and Reimbursements.....	6
3.5 Compute Entitlements.....	7
3.6 Distribute Net Proceeds.....	7
3.7 Coordinating and Reporting Requirements.....	7
4.0 RESPONSIBILITIES	7
4.1 The USD(A&S) or Designee must:.....	7
4.2 The Secretaries of the MilDeps must:	7
4.3 The Secretary of the Army must:	8
Table 16-1 Treasury Appropriation Fund Symbols (TAFS) For The DoD Forestry Products Program	9
Figure 16-1 Coordination And Reporting Requirements	10
Figure 16-2 Sample Report RCS: DD-A&T(Q&A) 1649.....	11
Figure 16-3 Sample Report RCS: DD-A&T(Q&A) 1649.....	12
Figure 16-4 Sample Report RCS: DD-A&T(Q&A) 1649.....	13
ANNEX A: ARMY FORESTRY RESPONSIBILITIES.....	A-1
A. The Reimbursable Forestry Program	A-1
B. The DoD Forestry Reserve Account	A-3
C. Equipment Purchases	A-4

CHAPTER 16

ACCOUNTING FOR PRODUCTION AND SALE OF FOREST PRODUCTS

1.0 GENERAL

1.1 Purpose

This chapter establishes the policy and procedures to account for the production and sale of forest products (see [Table 16-1](#)). This chapter also assigns responsibility for Department of Defense (DoD) reimbursement and for the entitlement of a state to a share in the net proceeds (see [Table 16-1](#)) derived from forest products sold from military installations or facilities.

*1.2 Authoritative Guidance

The accounting policy and related requirements prescribed by this chapter are in accordance with the applicable provisions of:

1.2.1. [Title 10, United States Code \(U.S.C.\), section 2665](#), “Sale of certain interests in land; logs”;

1.2.2. Department of the Treasury,
[Federal Account Symbols and Titles: “The FAST Book”](#); and

1.2.3. [DoD Instruction \(DoDI\) 4715.03](#), “Natural Resources Management”.

*2.0 DEFINITIONS

For purposes of this chapter, the definitions are as follows:

2.0.1. **Forest Products.** All plant materials in forested and wooded areas that have commercial value. Materials include, but are not limit to, sawlogs, timber, veneer logs, poles, piles, posts, pulpwood, pine straw, stump wood, bark, and other mulch, cones, seeds, mistletoe, firewood, Christmas trees, and wood chips.

2.0.2. **Net Proceeds.** The amount [the United States](#) received during a fiscal year (FY) as proceeds from the sale of forest products produced on a military installation or facility, minus the amount reimbursed to the [DoD](#), under 10 U.S.C. § 2665, for program costs incurred by that installation or facility. Program costs include obligations for current operating expenses and for the purchase of capital equipment required to operate the program.

2.0.3. **Reserve Funds.** A reserve account authorized under 10 U.S.C. § 2665 and administered by the [DoD](#). (The standard general ledger accounts used to report [DoD](#) entries are provided in the Transaction Library and Standard Reporting Chart of Accounts available on the Office of the Deputy Chief Financial Officer [SFIS](#) web page.) The amount is held in the U.S.

Treasury Special Fund Account 21*5285, Reserve Account, [DoD](#), Forest Products Program, Army (Replace * with fiscal year designation).

2.0.4. Surplus Funds. The amount expected to be available during the year within the DoD after providing for the reimbursements. These funds represent the amounts to be transferred to the DoD Forestry Reserve Account.

3.0 APPLICABILITY AND SCOPE

The policies and procedures established by this chapter:

3.0.1. Apply to the Office of the Secretary of Defense (OSD) and to the Military Departments (MilDeps, including their Reserve Components). The term “Military Services,” as used herein, refers to the Army, Navy, Air Force, and Marine Corps.

3.0.2. Cover forest products production and sales programs on military installations or facilities in the United States.

3.0.3. Do not apply to forestry activities within the civil programs of the U.S. Army Corps of Engineers ([USACE](#)) or to the state-owned National Guard installations.

3.1 Policy and Procedures

3.1.1. DoD appropriations that incur obligations to fund the production and sale of forest products must be reimbursed from collections made [because of](#) the sale of those products.

3.1.2. Remaining collections are disposed of, as follows:

3.1.2.1. Distribute forty (40) percent of installation net proceeds to the state that includes the military installation or facility from which forest products were sold during a fiscal year. If the installation or facility is in more than one state, each state shares the proceeds proportional to the installation or facility [area](#) in each state. (See paragraphs 2.0.2 and 3.6)

3.1.2.2. Disburse to each state [and transfer](#) any remaining amount to the reserve account. (See paragraph [3.2.](#)) [If](#) collections from the sale of forest products are inadequate, production and sale [obligations](#) may be financed either from the appropriation accounts or from transfers from the reserve account when other sources of funds are not available in a timely manner. If a disbursement to a state is rejected or [cannot](#) occur then the transfer will be deposited into the Reserve account.

3.2 DoD Forestry Reserve Account (DoD FRA)

A DoD reserve account [must](#) be established. [This](#) account may be used for:

3.2.1. Improvements of forest lands;

3.2.2. Unanticipated contingencies in the administration of forest lands and the production of forest products for which other sources of funds are not available in a timely manner; and

3.2.3. Natural resource management that implements approved plans and agreements.

3.2.4. The balance **must** not exceed \$4 million on December 31 of any calendar year. Unobligated balances exceeding \$4 million on that date **are** deposited in the U.S. Treasury General Fund Miscellaneous Receipts Account. (See paragraph 3.4.2.)

3.3 Operating Procedures for Program Obligations

3.3.1. Program obligations **must** be related directly to the economic production and sale of forest products in the following functions:

3.3.1.1. Forest Improvement. Obligations incurred to improve an existing timber stand or forest, whether it is planted, seeded, or natural, to include thinning, pruning, and controlling undesirable vegetative growth.

3.3.1.2. Reforestation. Obligations incurred for natural or artificial regeneration include planting, purchasing seeds or seedlings, preparing sites, and controlling insects, diseases, vegetation, and animals.

3.3.1.3. Forest Protection. Obligations incurred to protect a forest capable of economic production of forest products from damage by fire, insects, diseases, animals, floods, and erosion.

3.3.1.4. Forest Access Roads. Obligations incurred for construction, reconstruction, repair and maintenance of forest access roads and trails, and for repair of other roads **because of** forest production and harvest operations.

3.3.1.5. Sales. Obligations incurred to facilitate **forest product** sales and preparation for sales, including appraising, cruising, marking, scaling, advertising, and escorting prospective bidders, as well as preparing, administering, and enforcing compliance with sales contracts.

3.3.1.6. Management. Obligations incurred to manage the functions listed in subparagraphs 3.3.1.1 through 3.3.1.5, including supervising, planning, programming, conducting field surveys and inventories, training, and attending professional meetings.

3.3.1.7. Forestry Equipment. Obligations incurred to purchase vehicles, minor equipment, and heavy equipment used exclusively in forest management (purchased, as appropriate, by O&M or procurement appropriations under reimbursable program authority).

3.3.2. To the extent that an installation receives applicable program support from a function or activity **above** the installation level, costs **must** be prorated based on the level of effort among all applicable military installations or facilities in the program.

3.3.3. Program obligations do not include amounts incurred for operations that, while related to the land and forest, are for other purposes such as the military mission, recreation, general area improvement, wildlife management, and beautification. Do not include amounts for the protection of forests that are incapable of economic production of timber products. Program obligations at all organizational levels **must** be categorized according to the functions listed in subparagraphs 3.3.1.1 through 3.3.1.7.

3.3.4. Reimbursable program obligations under 10 U.S.C. § 2665(d) include all program costs except those cited in subparagraph 3.3.3. Acquisition of equipment **is** justified on an economic basis. When general equipment is used in forestry program operations, obligations incurred by DoD appropriations for that use **are** included as program costs.

*3.4 Accounting and Reimbursements

3.4.1. Proceeds collected from forestry sales **must** be turned over to the supporting DoD disbursing officer. The MilDeps **must** use the Treasury Appropriation Fund Symbols (TAFS) identified in Table 16-1 to ensure proper accounting and reporting of proceeds from the sales of DoD forestry products. 10 U.S.C. § 2665 provides complete guidance for collections and disbursements related to the Forestry Products Program. Annually, MilDeps **must** forecast and communicate requirements to their respective Forestry Program Manager and Budget Officer to facilitate the accurate apportionment of Forestry Program funding.

3.4.2. The Department of the Army is the only MilDep authorized to use special fund account 21*5285, "Forestry Reserve Account" (FRA), for its annual Forestry Products Program. The Army manages, on behalf of the Office of the Secretary of Defense, the FRA separately from its annual apportionment and ensures the FRA balance within 21*5285 does not exceed the \$4 million unobligated balance threshold by December 31 of each calendar year. The Department of the Navy and Department of the Air Force collect and execute (obligate and disburse) the Forestry Products Program proceeds using their General Fund (GF) and Operation and Maintenance (O&M) accounts. That portion of the proceeds used to finance reimbursable expenses **must** be transferred to the funding O&M or procurement appropriation in accordance with annual budget guidance. Table 16-1 illustrates the applicable TAFS.

3.4.3. The MilDeps **must** validate the accuracy and completeness of their Forestry account transactions, maintain auditability of their Forestry account transactions, and transfer all residual funding to the DoD FRA by the first week of December of each calendar year. The MilDeps **must** obligate and disburse Forestry Program proceeds only for purposes specifically authorized in 10 U.S.C. § 2665.

3.4.4. All MilDeps are prohibited from using the Budget Clearing Account (suspense) F3875 to record and report forestry product proceeds. Each MilDep received instructions to develop standard operating procedures documenting their process to ensure all future collections and disbursements in the program are in accordance with this policy.

3.5 Compute Entitlements

3.5.1. Compute entitlements to each state in accordance with 10 U.S.C. § 2665(e). Determine these entitlements based on a separate calculation for each military installation or facility from which forest products were sold in that fiscal year.

3.5.2. Maintain records for each military installation or facility concerned to effect sales proceeds and reimbursable program obligations by fiscal year. If a military installation or facility is located in more than one state, make [payments proportional to the area of the installation or facility situated in](#) each state. If an installation or facility is in more than one county within a state, a description of the areas (acres) of the installation or facility situated in each county may accompany that state's entitlement.

3.5.3. Disburse states' entitlements within 90 days after the end of the fiscal year. [Pay](#) by electronic funds transfer.

3.6 Distribute Net Proceeds

As directed by the USD (Acquisition and Sustainment) ([A&S](#)) or designee, in coordination with the Office of the Under Secretary of Defense (Comptroller) (OUSD(C)), distribute net proceeds among the MilDeps to meet the overall funding requirements of the DoD forestry program.

3.7 Coordinating and Reporting Requirements

Figure 16-2 contains USD([A&S](#)) coordinating and reporting requirements. The Forest Products Sales Program report has been assigned Report Control Symbol DD-A&T(Q&A)1649. See subparagraph [4.2.1](#), and Figures [16-2](#), [16-3](#), and [16-4](#).

4.0 RESPONSIBILITIES

4.1 The USD([A&S](#)) or Designee [must](#):

4.1.1. Issue and monitor policy on forest management of DoD lands in accordance with DoDI 4715.03, "Natural Resources Management."

4.1.2. Advise the MilDeps of potential downward adjustments in funding for the program during the year if timely receipt of anticipated proceeds becomes doubtful.

4.2 The Secretaries of the MilDeps [must](#):

4.2.1. Prepare annual forestry program budgets for the coming fiscal year that include anticipated sales revenue, program obligations, states' entitlements, unfinanced requirements, and transfers. See Figure 16-1, "Coordination and Reporting Requirements" for due date and other reporting information.

4.2.2. Ensure that all proposed obligations are related directly to the economical production and sale of forest products, consistent with DoDI 4715.03.

4.2.3. Ensure that no unplanned program obligations are incurred simply to “use up” proceeds.

4.2.4. Adjust the program downward during the year by reducing planned obligations if actual proceeds do not materialize at anticipated levels and sufficient funding cannot be obtained from the reserve account.

4.2.5. Ensure that all program obligations are accumulated in DoD appropriation accounts and that reimbursements and distributions to [states](#) and the use of funds from the DoD Reserve Account conform to paragraph [3.2](#).

4.2.6. Comply with requirements stated in paragraph [3.5](#).

4.2.7. Coordinate approved budgets with the USD(A&S) or designee to assist in planning and trade-off analysis and to ensure [the](#) effective and efficient functioning of the overall DoD program.

4.2.8. Review the cumulative total obligations incurred, estimated program obligations, cumulative revenue, and realistic estimates of future revenue to determine whether DoD forests remain capable of economic production.

4.2.9. Identify to the DoD [Supporting Agent \(SA\)](#) (see subparagraph [4.3.1](#)) the official who is authorized to transfer surplus funds (see Figure 16-1) and accept reserve funds.

4.3 The Secretary of the Army [must](#):

4.3.1. Act as DoD [SA](#) to monitor and coordinate financial management of the DoD forest products program.

4.3.2. Coordinate the transfers of surplus and reserve funds.

4.3.3. Maintain the DoD Forestry Reserve Account (21*5285) and make transfers in accordance with the instructions from the USD(A&S) or designee (Replace [*](#) with fiscal year designation).

Table 16-1 Treasury Appropriation Fund Symbols (TAFS) For The DoD Forestry Products Program

Operation and Maintenance is shown in the following table as an example.

Component	Account No.	Account Name
Army Program Deposits and Execution		Reserve Account, DoD Forestry Products Program, Army
Collections, Army	21 R 5285	Limit 0021**
Expenditure, Army	21 * 5285	
All Services Deposit End of Year Excess Forestry Net Proceeds		DoD Forestry Products Program, Army
DoD FRA	21 * 5285	Limit 0097^
Program Deposits and Execution		Operation & Maintenance
Navy	17 CY/CY 1804	Navy**
Air Force	57 CY/CY 3400/3410	Air Force**
Marine Corps	17 CY/CY 1106	Marine Corps**

^ Limits are reported internally within DoD only; limits must be consolidated before reporting externally

** USACE will deposit Forest Product Collections directly into the financial accounting system requested by the military service.

Figure 16-1 Coordination And Reporting Requirements
Annual Coordination of DoD Forest Products Program

1. Purpose. To coordinate forestry obligations and revenues of the MilDeps to ensure that overall DoD revenue is sufficient to reimburse all authorized obligations for the production and sale of forest products.
2. Authority. 10 U.S.C. § 2665
3. Schedule
 - a. December 15. Each MilDep disburses funds to the various states. [Accompany](#) each disbursement, identifying the generating installation(s), and amount generated by each installation.
 - b. December 30. [Each MilDep](#) deposits residual forestry funding into the DoD Forestry Reserve Account (21*5285) (Replace * with fiscal year designation).
 - c. January 2. Each MilDep transmits the “Actual Revenue and Obligations Report” to the Executive Agent (EA) and the OUSD(A&S). See Figure 16-2.
 - d. February 15. Each MilDep transmits to the EA and the [OUSD\(A&S\)](#) a report of cumulative program revenue and obligations through December 31 of the current fiscal year and any planned changes. See Figure 16-3.
 - e. May 15. Each MilDep transmits to the EA and the [OUSD\(A&S\)](#) a report of cumulative program revenue and obligations through March 31 of the current fiscal year and any planned changes. See Figure 16-3.
 - f. August 15. Each MilDep transmits to the EA and the [OUSD\(A&S\)](#) a report of cumulative revenue and obligations through June 30 of the current fiscal year and any planned changes. See Figure 16-3.
 - g. September 1. Each MilDep transmits to the EA and the [OUSD\(A&S\)](#) its planned forest products revenue and expenses, by appropriation, for the coming fiscal year. See Figure 16-4. This plan [must](#) reflect no deficit in the program; however, a description of unfinanced needs may accompany the plan.

Figure 16-2 Sample Report RCS: DD-A&T(Q&A) 1649

ACTUAL REVENUE AND OBLIGATIONS			
RCS: DD-A&T(Q&A)1649			
(Due January 2)			
For FY _____			
Military Service _____	(Other) Procurement	O&M	Total
I. PROGRAM RESERVE AND OBLIGATIONS			
A. Revenue (actual deposits to 21R5285, or designated GF account)			\$
B. Distributions (from 21*5285 or GF account)	\$ _____	\$ _____	(\$ _____)
C. Reimbursable Obligations	(\$ _____)	(\$ _____)	
D. Unobligated Balance Remaining and Returned to 21*5285, or GF account	\$ _____	\$ _____	\$
E. Subtotal			\$
F. States' Entitlements (note 1)			\$
G. Transfer to DoD Forestry Reserve Account			(\$ _____)
H. Total			(\$ _____)
II. UTILIZATION OF RESERVE FUND			
A. Transfer In	\$ _____	\$ _____	
B. Obligations (note 2)	\$ _____	\$ _____	
C. Unobligated Balances Returned to DoD Forestry Reserve Account	\$ _____	\$ _____	
NOTES:			
1. Furnish by installation, state, and amount.			\$
2. Briefly describe the forestry projects and/or activities funded from reserve funds.			

Figure 16-3 Sample Report RCS: DD-A&T(Q&A) 1649

QUARTERLY FOREST PRODUCTS PROGRAM**RCS: DD-A&T(Q&A)1649**

(Due February 15, May 15, August 15)

Military Service _____

Date _____

FY _____

A. Planned Revenue this Fiscal Year (FY)	\$ _____
B. Planned Obligations this FY	\$ _____
C. Cumulative Actual Revenue this FY	\$ _____
D. Cumulative Actual Obligations this FY	\$ _____
E. Net Proceeds this FY (Item C minus Item D)	\$ _____
F. Current Estimate of States Entitlements this FY	\$ _____
G. Current Unfinanced Needs for this FY (describe below)	\$ _____

Figure 16-4 Sample Report RCS: DD-A&T(Q&A) 1649

ANNUAL FOREST PRODUCTS PROGRAM BUDGET**RCS: DD-A&T(Q&A)1649**

(Due September 1)

For FY _____

Military Service _____

	(Other) <u>Procurement</u>	<u>O&M</u>	<u>Total</u>
A. Planned FY Revenue		\$ _____	
B. Planned FY Distribution	\$ _____	\$ _____	\$ _____
C. Planned FY Obligations	\$ _____	\$ _____	\$ _____
D. Planned Net (note)		\$ _____	
E. Planned Payments to States		\$ _____	
F. Unfinanced Needs (describe below)	\$ _____	\$ _____	\$ _____

NOTE: Total of item A. minus total of item C

.

ANNEX A: ARMY FORESTRY RESPONSIBILITIES

A. The Reimbursable Forestry Program

1. General. This chapter and annex prescribe the policies and procedures for budgeting, accounting, and reporting of proceeds and obligations associated with the production and sale of forest products at Army installations or facilities (see Title 10, United States Code (U.S.C.), section 2665). Determine eligibility for participation in this program using the provisions of Army Regulation (AR) 200-1: “Environmental Protection and Enhancement”. The objectives of the Army’s reimbursable forestry products program are to support mission operations, support conservation compliance, and execute natural resources stewardship.

2. Responsibilities. Headquarters, Department of the Army (HQDA), Army Staff (ARSTAF) (Office of the Deputy Chief of Staff, G-9 (DCS, G-9), major Army commands (MACOMs), and Army installations, execute the Army’s reimbursable forestry program. The HQDA, DCS, G-9 is the program office and manager for coordination with major Army commands (MACOMs), US Army Corps of Engineers (USACE), and Army installations, to monitor all proceeds received and establish targets for reimbursable authority.

3. Budgeting. Include authority to execute reimbursable work on the Funding Authorization Document (FAD). Authorized funded or reimbursable main account authority may be used for operation and maintenance, minor construction, purchase of forestry equipment, and other obligations directly related to the reimbursable forestry program. The Army, DCS, G-9 office must annually determine targets for the MACOMs’ Forest products reimbursable authority based on the anticipated proceeds, obligations, and states’ entitlements. Issue these targets to the MACOMs separately.

4. Proceeds. Deposit proceeds from the sale of forest products into the Forestry Reserve Account, 21R5285.0021. Report proceeds on the Accelerated Reporting of Receipt and Outlay (Expenditure) Data-Statement of Accountability Report (RCS CSCFA-302A). This includes proceeds from forest products disposed of by the Defense Logistics Agency. Forest products include all plant materials in current and previously forested and wooded areas that have commercial value. The products can be dead and down or designated standing timber. When forest products are removed from Army lands by any means other than a commercial sale (for example, generating energy on the installation), a dollar amount equal to the fair market value must be deposited in the Army Forestry Account by the proponent of the activity removing the forest products. The only exception is that forest products may be removed or used directly to assist the military mission without payment. Deposit advances from contractors as unearned revenue in the same account as the unfilled orders to which the advance applies. Monthly, each activity’s accounting office must transfer the current month earnings from the unearned revenue to the deposit fund account.

5. Expenses. Program expenses incurred by Army installations or facilities and the USACE District Engineer Offices must be related directly to the integrated management, production and sale of forest products, and associated program management costs for personnel at

all levels (i.e., installation, MACOM, district, division, field operating activity (FOA), ARSTAF and auxiliary staff) whose primary duties are to administer the forestry reimbursable program. Program expenses **must** be categorized according to the following functions:

a. Forestry Equipment. Include purchase, over the Capital Expense/Investment Limit (currently \$350,000) only, of forestry equipment (for example, vehicles, or heavy equipment) used exclusively in reimbursable forest management.

b. Forest Fire Protection. Include the protection of forests on land in forestry reimbursable programs. Include equipment costing less than the Capital Expense/Investment Limit.

c. Forest Management. Include reimbursable forest management functions. Include supervision, planning, programming, and conducting field surveys and inventories, training, and attending professional meetings. Include improvements of existing forest stands, whether they are planted, seeded, or natural, including natural resources projects in direct support of the reimbursable forestry program. This includes controlling undesirable vegetative growth, prescribed burning, precommercial thinning, and pruning. Include the protection of reimbursable forests from insect, disease, animal, flood, and erosion damage. Include the sale and preparation for sale of forest products. Include appraising, cruising, marking, scaling, preparing sales contracts, escorting prospective bidders, advertising, sales administration, and contract compliance inspections. Include equipment costing less than the Capital Expense/Investment Limit.

d. Forest Access Roads. Include construction, repair, and maintenance of forest access roads and trails. Include the repair of other roads resulting from the production and harvest operations. Include equipment costing less than the Capital Expense/Investment Limit.

e. Reforestation. Include natural or artificial regeneration, including planting, purchasing of seeds or seedlings, and preparing sites. Include equipment costing less than the Capital Expense/Investment Limit.

f. Forestry Support. Include Phase I archaeological surveys, threatened and endangered species surveys, and military mission coordination efforts driven only by forestry activities (for example, planting and harvesting).

6. Reporting and Review

a. Report proceeds on the RCS CSCFA-302 report. (“Report obligations incurred as automatic reimbursable obligations on the RCS CSCFA-218 (Status of Approved Resources Report”). Report obligations incurred for items of equipment purchased with procurement appropriation funds on the RCS CSCFA-112 (“Status of Reimbursements Report”). See Volumes 6A and 6B of this Regulation for reporting instructions.

b. Report reimbursements earned on the RCS CSCFA-112 report as “Transferred for Collection” in the “Reimbursement Collected-Automatic” column. Identify the amounts transferred by detail reimbursement source code. Identify the reimbursement amount

“Transferred for Collection” as a separate footnote on the RCS CSCFA-112 report. Report reimbursements for items of equipment financed with procurement funds on the RCS CSCFA-112 report. Bill and collect according to procedures outlined in [Volume 5, Chapter 8](#) for collections and Volumes 6A and 6B for reporting instructions.

c. HQDA, MACOMs, installations, district engineering offices, Defense Finance and Accounting Service (DFAS) sites, and Field Accounting Offices (FAOs) submit quarterly analyses of actual proceeds and obligations to become part of the RCS CSCFA-218 report. The U.S. Army Corps of Engineers (USACE) districts **must** report proceeds and obligations separated by [the](#) installation to the DFAS-Indianapolis (DFAS-IN) [Accounts Maintenance & Control for Army/Air Force](#).

d. The Army, DCS, G-9 office provides a quarterly Consolidated Analysis of the Department of the Army (DA) Forest Products, based on installation and USACE Districts input, within 30 days after the end of each quarter. The [Army DCS, G-9](#), the MACOMs, and USACE jointly review the Army’s commercial forestry program using this report. The Army DCS, G-9 **must** maintain a [10-year](#) historical data record of annual proceeds and obligations.

e. Within 90 days after the conclusion of each fiscal year, the Army, DCS, G-9 computes the concluding fiscal year’s unfilled forestry orders (transferring excess to or removing required funds from that fiscal year’s authorized Funded or Reimbursable Main Account) and provides 40 percent of the net proceeds per Army installation to the appropriate states and deposits the remaining net proceeds into the DoD Forestry Reserve Account (21R5285, DFAS-IN Manual 37-100-*). Before issuing states’ entitlements, the DFAS-IN **must** confirm figures with the [Army DCS, G-9](#). States’ entitlements and transfers to 21R5285 **must** not be made until monies are set aside, if necessary, to cover unfilled forestry orders.

f. State entitlements **must** be issued to state treasurers or designated state offices with sufficient explanation to include [the](#) reason for the issuance, itemization by installations and counties, and the DFAS point of contact (POC) phone number(s).

g. USACE determines and updates, as required, the total acreage by county and state for all Army installations or facilities participating in the DoD Forestry Products Program. USACE provides this data to the [Army, DCS, G-9](#). The Army DCS, G-9 updates its files for determining states’ entitlements. Acreage by county is the total acreage of the installation or facility, not just the acreage applicable to the forest products program.

B. The DoD Forestry Reserve Account

1. General. The DoD Forestry Reserve Account (21*5285) is sustained with receipts from each of the Services’ Forestry Program accounts.

2. Responsibilities. The Army is the assigned DoD executive agent for this account. Balances in this account **must** be used in accordance with paragraph [3.2](#) of this chapter.

3. Project Approval Process. The project approval, funding, and accounting processes for forestry reserve account projects at Army installations or facilities follow:

a. Annually, the Army, DCS, G-9 office must request the MACOMs, based on installation input, to submit proposed projects. The MACOMs must consolidate and rank the proposals and provide them to the Army, DCS, G-9. In coordination with other concerned ARSTAF offices and the Office of the Deputy Assistant Secretary of the Army, Environment, Safety and Occupational Health (ODASA-ESOH), the Army, DCS, G-9 office will rank the proposals and submit them to the ODASA-ESOH for consideration. The Army, DCS, G-9 or DASA-ESOH forwards the Army's official submittal to the DoD for funding.

b. The Army, DCS, G-9 office must transfer the total approved Army projects from 21*5285 when the Office of the Assistant Secretary of Defense, Energy Installation and Environment approval memorandum and appropriate accounting classification are received from MACOMs.

c. Any remaining funds, after completion of the project, must be returned to the Army DCS, G-9. The performing activity must not incur more expenses than the approved amount.

4. Fund Transfers from 21*5285. The Army, DCS, G-9 office transfers funds for approved Army projects from this account to the installations.

a. Army DCS, G-9 transfers funds for approved projects at other DoD agencies via an Intra-governmental Payment and Collection (IPAC) transaction.

b. Collection and disbursement of funds from this account are limited to the Army DCS, G-9.

5. Calendar Year End

a. The Army DCS, G-9 office will notify DFAS, and they must deposit unobligated balances exceeding \$4 million on December 31 to a U.S. Treasury General Fund Miscellaneous Receipts Account in accordance with subparagraph 3.2 of this chapter.

b. Deposits to the account of proceeds from the preceding fiscal year must not be made until after January 1 to allow sufficient time to manage new deposits efficiently.

c. The Army DCS, G-9 office must report the activity and balance of this account within 30 days after the end of each quarter.

C. Equipment Purchases

1. General. Equipment purchased must be for commercial forest management use when purchased with Forestry funded or reimbursable authority and for natural resources uses when purchased with DoD Forestry Reserve Account or Agricultural/Grazing funded or

reimbursable authority. (See Volume 4, Chapter 25.) Coordinate equipment purchases with the organization's equipment manager or equivalent.

2. Equipment Acquisition Process. Each purchase of equipment **must** begin with an internal review of contract/buy/lease options, funding availability, and the potential for use of multipurpose equipment. The reimbursable authority is intended only to supplement routine procurement sources. Programmed equipment authority, such as Other Procurement, Army (OPA), **must** be used for equipment. If the internal review justifies the need to purchase new equipment, then the general procedures outlined **must** be utilized.

a. The installation **must ensure** authority exists in the Table of Distribution and Allowances (TDA) or Common Table of Allowance (CTA).

b. The installation **must** determine whether the equipment to be purchased is centrally managed by the Tank-automotive and Armaments Command (TACOM). The installation Property Book Officer (PBO) can make this determination by checking the equipment Line-Item Number (LIN) against the Supply Bulletin 700-20. If the equipment is not centrally managed and is less than the Capital Expenditure Limit, then the equipment may be purchased locally or through the GSA schedule.

c. If the equipment is centrally managed, then the TACOM **must** conduct the purchase unless a waiver for local procurement is granted.

d. If the estimated cost of the equipment is greater than the capital expenditure limit, centrally managed or not, do not use OMA (Agricultural/Grazing, Forestry, or Forestry Reserve Account). The TACOM **must** use equipment purchase authority, reimbursing OPA. The purchase may be finalized at the TACOM, or the authority may be returned to the installation for a local procurement with a local procurement waiver.