



OFFICE OF THE UNDER SECRETARY OF DEFENSE
1100 DEFENSE PENTAGON
WASHINGTON, DC 20301-1100

OCT 23 2006

COMPTROLLER
(Program/Budget)

MEMORANDUM FOR ASSISTANT SECRETARY OF THE ARMY (FINANCIAL
MANAGEMENT AND COMPTROLLER)
ASSISTANT SECRETARY OF THE NAVY (FINANCIAL
MANAGEMENT AND COMPTROLLER)
ASSISTANT SECRETARY OF THE AIR FORCE
(FINANCIAL MANAGEMENT AND COMPTROLLER)

SUBJECT: DD Form 1414, Base for Reprogramming Actions

This memorandum establishes December 15, 2006, as the due date for two copies of the DD Form 1414, Base for Reprogramming Actions for FY 2007. This initial submission must include proper footnoting of all congressional special interest programs consistent with the language and intent of the applicable committee reports.

Do not submit a DD Form 1414 for the Operation and Maintenance appropriations that are to be included in the FY 2007 Operation and Maintenance Rebaselining Report. We will provide instructions for the Rebaselining Report in separate correspondence.

In addition, a DD 1414 is required for the Basic Allowance for Housing and Facilities Sustainment, Restoration and Modernization appropriations. The submission for these accounts will be due 45 days after the enactment of the Military Quality of Life and Veterans Affairs, and Related Agencies Appropriations Act, 2007.

I am attaching a copy of the instructions that your staff should use to prepare the report.

A handwritten signature in black ink, appearing to read "John P. Roth".

John P. Roth
Deputy Comptroller

Attachment:
As stated

cc: OUSD(C) Operations Directorate
OUSD(C) Investment Directorate
OUSD(C) Military Personnel and Construction Directorate

Instructions for DD Form 1414, Base for Reprogramming Actions

The Department of Defense Financial Management Regulation, Volume 3, Chapter 6, Appendix A contains the basic instructions.

You should include a line item for the undistributed congressional reductions, including those that specify a prorated reduction (such as sections 8106 of Public Law 109-289). You can distribute the reductions in the appropriate columns of the subsequent DD Form 1416, Report of Programs.

You may document realignments for congressionally added items that were appropriated in the wrong program element (PE) or line item using the DD Form 1414, as long as the realignment **does not change the purpose for which the funds were appropriated and does not** involve transfer authority (i.e., stays within the same appropriation). **Show both, losing line item and the gaining line item, and footnote each accordingly.** The FY 2008 President's Budget (PB) will include all realignments. Identify both the gaining and losing PEs or line items in the footnote. "The xxx program will execute the congressionally added XYZ program in the YYY program." Include PE numbers and line item title in the footnote, as appropriate. On subsequent DD 1416s, show the project in the correct line item – as you do on the DD 1414 – but you can delete the losing project line item from the losing program by adding the footnote to the basic program line item.

Footnotes will vary depending on congressional action/intent (e.g., do not increase or decrease an item without prior congressional committee approval).

You should footnote any congressional add, entire requested amount, or partially requested amount that is fenced or identified as a special interest item. Footnote all items designated as "only for" or "only to" in public law or in any report language. Footnote all Procurement programs and subprograms and all Research, Development, Test, and Evaluation program elements and projects that are listed in any table of the Conference Report 109-676, the Senate Report 109-292, and the House Report 109-504. Footnotes should reference the section number and the public law and/or the report number that made it a congressional special interest item. Footnote these items (see attached wording) in separate memo entry lines under the parent program, unless the increase or decrease is to the same program or project. In that case, footnote the line item itself (a non-add entry is unnecessary in these instances because the format identifies the specific amount to that specific program). Add any footnotes that may be required by the Authorization Committees.

Use a single asterisk "*" to reflect items that were denied without prejudice:

** The Congress denied this item, but without prejudice (Report xxx, page xxx). Congressional prior approval **is required** before increasing funds on this program.*

Use a double asterisk "**" to reflect items that were denied with prejudice:

*** The Congress specifically denied this item. **This item may not be included on any reprogramming action.***

DD FORM 1414 INSTRUCTIONS (Continued)

Use a 1/ footnote to reflect congressional special interest items:

*1/ One of the FY 2007 congressional reports specifically provided funds for this item using the phrases "only for" or "only to," or the item appears in one of the project level tables. **Congressional prior approval is required before decreasing funds on this program.***

Use a 2/ footnote to reflect congressional special interest items with congressional reductions:

*2/ This item was specifically reduced by one or more of the congressional committees. A prior approval reprogramming will be required to increase this line item. **Below Threshold Reprogramming (BTR)** authority can only be used to restore undistributed congressional reductions. The program amount cannot exceed the amount in the appropriation tables or the original President's budget request, whichever is less.*

Include the Operation and Maintenance budget activities and subactivity group areas listed on pages 47 and 48 of the House Report 109-504, footnoted as follows:

2/ Proposed transfers of funds between O-1 budget activities in excess of \$15 million are subject to standard reprogramming procedures. The committees shall be notified of any reprogramming increase or decrease that exceeds \$15 million from the following budget activities and subactivity categories. List those enumerated in the House report along with the baseline dollar value consistent with the congressional Rebaselining Report.

Use sequential numbering footnotes to reflect the congressional special interest items. The footnote should cite the Public Law number, Title, General Provision, or page number along with a paraphrase of the congressional direction:

2/ or 3/ Section xxx of P L.109-289 directs that not less than \$x million shall be made available only for xxx.

Use additional footnotes as necessary.

The subsequent DD Form 1416, Report of Programs, will contain all footnotes on the DD 1414 unless subsequent documentation indicates the footnote is no longer applicable. Consolidate footnotes on the last page of each account. This avoids repetition of the same footnote that may appear on several pages of an account.

In order for the Report of Programs to be used fully by the staffs of the congressional defense oversight committees, the Department will submit an unclassified Report accompanied by a classified extract. Therefore, each Service should submit an unclassified DD Form 1414. All classified programs should be consolidated into a single line titled Classified Programs and should be displayed at the end of the Direct Program section. A separate classified DD Form 1414 should also be submitted (each appropriation should be displayed on a separate page) to show the detail programs

included in the consolidated classified line(s). Include the appropriate (S) or (C) marking at the beginning of each line item and bracket all classified information in that line item. Use a pen or magic marker for the brackets and make the brackets larger than type.

For uniformity purposes, please use the following stub entries in the Program and Financing Sections of the DD 1414, as applicable:

Funds provided in Title IX, should be reflected in column g of the DD 1414 in accordance with DoDFMR, Volume 3, Chapter 6, Appendix A.

Program Section:

Management Improvement (Sec. xxxx)

Excessive Growth (Sec. xxxx)

Cash Balances/Rate Stabilization (Sec. xxxx)

Limit Excessive Growth in Travel (Sec. xxxx)

Across-the-Board Rescissions (Sec. xxxx)

Financing Section:

P.L. 109-289, Section xxxx

P.L. 109-289, Section xxxx