

SUMMARY OF VOLUME 2 CHANGES

Section Number	Changes
010201	Refined definitions of expense/investment criteria are provided for real property maintenance, depot maintenance, service life extension programs, and technology refreshment. Deleted paragraph E. Special Guidance Concerning General Purpose Communications and Information Systems Procurement. Information Technology guidance has been re-written under section 010211.
010211	New section entitled “Budgeting for Information Technology and Automated Information Systems” replaces information systems expense/investment guidance provided under section 0102.
010212	Guidance for budgeting for Low Rate Initial Production (LRIP) assets has been modified. If LRIP assets are acquired initially for testing, but will subsequently be fielded, they must be financed with procurement funds. Research & Development (R&D) funds are no longer to be used for such acquisitions.
010213	Reincorporates guidance on exercising Special Termination Cost Clauses for fixed-price incentive contracts and incrementally funded cost reimbursement contracts.
010215	Requirement for Underutilize Plant Capacity (UPC) Budget Exhibit (Fund –30) identified.
010216	Requirement for War Reserve Material Exhibit (SM-6) identified.
010218	Central Design Agents added to list of activities that may change rates during year of execution.
010219	Paragraph C, Depreciation schedules updated. Current published rules are effective until October 1, 2000. Refers user to Financial Management Regulation Volume 4, Chapter 6 for latest depreciation rules applicable after this date.
010301	Revises Budget Estimates Submission (BES) requirements to require that most unclassified budget justification material be posted to an access controlled internet site instead of being submitted in paper form. Site is anticipated to be hosted by OUSD(Comptroller).
010302	Revises BES distribution tables to reflect the budget submission via a controlled access Internet site.
010305	Adds requirement for each Component to submit new exhibit PB-1A, Fiscal Guidance Track – TOA in Millions of Dollars and new exhibit PB-3, Current Year Reprogramming/Transfers Between Appropriations as part of the September BES. Deletes requirement for Components to submit hard copy Program and Financing/Object Class exhibits PB-2/PB-2A.
010309	Updates budget review procedures to reflect use of Comptroller Information System (CIS)
010401	Deletes reference to C ³ programs due to elimination of C ³ Congressional Justification Books (CJB) which was formerly prescribed in Chapter 17, CJB
010402	Clarifies guidance for preparation of supplemental and amended appropriation requests.

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010403	Distribution addresses have been updated.
010502	CIS uses EXCEL formatted data entry for the Procurement Programs database. Instructions on Procurement Program data elements and record formats are available on the SIPRNet home page of the OUSD (Comptroller).
010503	CIS uses EXCEL formatted data entry for the RDT&E Programs database. Instructions on RDT&E Program data elements and record formats are available on the SIPRNet home page of the OUSD (Comptroller).
010504	CIS uses EXCEL formatted data entry for the Construction System database. Instructions on the Construction System data elements and record formats are available on the SIPRNet home page of the OUSD (Comptroller).
010505	<p>Effective with the September 2000 BES, the CIS replaces the Budget Review System (BRS) for automated budget submissions. Pamphlets “CIS Transition Guide” and “Coding CIS Transactions for the Fiscal Year (FY) 2002/2003 Budget,” which are available on the SIPRNet home page of the OUSD (Comptroller), provide the instructions, data elements, and record layouts to update budget estimates in the CIS database.</p> <p>For the September BES, Components will submit budget plan, military end-strength, and civilian FTEs for current year, budget year(s) and outyears. Components will submit obligations by object class for the current year and budget year(s).</p> <p>Components are not to submit prior year data in the September BES. The Directorate for Program and Financial Control will replicate Prior Years (PY) from the Calendar Years (CY) column of the previous year’s budget and later update the PY column based on accounting actuals.</p> <p>Components are no longer required to submit obligation plan and expenditure tail data for the Program & Financing Schedule. Obligation plans and expenditure tail data will be computer generated in CIS.</p>
010506	CIS Budget Structure Listing replaces the BRS Name Edit System Listing to reflect the official DoD budget account structure for Component submission of data in machine readable form. The BSL is available on the SIPRNet home page of the OUSD (Comptroller).
010600	<p>Updates current accounts in DoD functional titles for Operation & Maintenance (O&M), Procurement, RDT&E, Military Construction, Revolving Funds, Offsetting Receipts, and Interfund.</p> <p>Effective with the FY 2002/2003 BES, receipt accounts are seven characters – the first six positions are numeric to align with Office of Management and Budget’s receipt account numbering and the last character is A, N, F, or D for Component identification. Proprietary General Fund Offsetting Receipt Accounts (0001A, 0002N, 0003F and 0004D) are the exception and retain their five character numbering.</p> <p>In CIS Components will have the option to enter Defense (non-051) receipts to capture contributions to trust funds and earnings on trust fund investments.</p>
010701	Paragraph A, identifies requirement for Future Year Defense Plan (FYDP) data submitters of the

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	requirement to submit O&M, RDT&E, and Procurement through the Standard Data Collection System.
	Paragraph F, Updates instructions for the format for submitting data and includes the FYDP data format requirements in lieu of a format in section 010905. Adds O&M data submission to the section.
010702	Changes the update of 7045.7-H to three times a year on the DefenseLink web site.
010800	Deletes reference to C ³ CJB.
010904	Deletes BRS coding sheets DD Forms 2232, 2233, 2234, 2235, 2236, 2236-1.
	Procurement Appendix and the RDT&E Appendix are eliminated. New Funding Appendix and manpower Appendix are attachments to Program Budget Decisions (PBD) for Military Personnel, O&M, Procurement, and RDT&E appropriations to tabulate PBD dollar and manpower deltas.
	Deletes Procurement Programs standard forms SD 463, SD 463-N and the Procurement Nomenclature/Data Transaction Record. CIS uses EXCEL formatted data entry for the Procurement Programs database.
	Deletes RDT&E Programs standard forms SD 463-1, SD 463-1N and the RDT&E SAR/Classification Nomenclature Formats. CIS uses EXCEL formatted data entry for the RDT&E Programs database.
	Deletes Construction System standard forms SD 463-2 and SD 462-2. CIS uses EXCEL formatted data entry for the Construction System database.
020101	Paragraph D, Computation of Subsistence-in-kind rates. Deleted.
	Paragraph E. Requirement for data on end strength under the purview of Washington Headquarters Services deleted.
020202	\$30,000 Lump Sum Bonus for service members who entered the uniformed service on or after August 1, 1986 who opt to retire under the Redux plan added to the chart of accounts.
	Career Enlisted Flyer Pay added to the chart of accounts.
	High-Deployment Per Diem allowance under the provisions of 37 U.S.C. 435 added to the chart of accounts.
	Housing Allowances, Overseas combined with Basic Allowance for Housing (BAH).
	Judge Advocate Continuation Pay added to the chart of accounts.
	Special Compensation for certain severely disabled uniformed services retirees under the provisions of 10 U.S.C. 1413 added to the chart of accounts.
	Special pay for Special Warfare Officers extending period of active duty added to the chart of accounts.

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	Surface Warfare Officer Continuation Pay added to the chart of accounts.
020204	MP-11, Gains Phased by Month added as a back-up exhibit. This replaces exhibits PB-30F-1 and PB-30F-2.
	MP-12, Pay Raise Data added as a back-up exhibit. This formalizes information requested annually.
020302	Nurse Candidate bonuses for personnel in the Armed Forces Health Profession Scholarship Program under the provisions of 10 U.S.C. 1230a added to the chart of accounts.
020602	Exhibit MP-2, Dependents, Housing and BAH Estimates. End Strength data deleted.
	Exhibit MP-2, Dependents, Housing and BAH Estimates. Section 2, Outyear Summary added.
	Exhibit MP-3, Summary of Outyear Data. Categories of information changed.
	Exhibit PB-30E, Active Duty Strengths by Month. Format changed from rounding strength numbers to the nearest hundred, to not rounding.
	Exhibit PB-30K, Analysis of Appropriation Changes (Active). Deleted column for pay increase costs. Instructions clarified.
020603	Exhibit MPR-2, Additional Training Assemblies. Deleted.
	Exhibit MPR-7, Pay Raise Data added as a back-up exhibit. This formalizes information requested annually.
	Exhibit PB 30J, Summary of Entitlements by Subactivity (Reserve). Category changes.
	Exhibit PB-30K, Analysis of Appropriation (Reserve). Deleted column for pay increase costs. Instructions clarified. Category changes.
	Exhibit PB-30U, Reserve Officer Candidates. Deleted
	Exhibits MP-4 and MP-5 updated to include additional countries. The Former Soviet Union has been added as a separate section.
030201	Exhibit O-1, O&M Funding by Budget Activity/Activity Group/Subactivity Group and PB-20, Aircraft Inventory. Requirement for automated exhibit added.
030301	Exhibit PBA 20C, Manpower Data Selected Reserve. Deleted and information requirement shifted to Exhibit PBA-11.
	Exhibit PBA-11, Reserve Forces. Revised to include Primary Aircraft Authorized, Total Aircraft Inventory and Brigades.
	Exhibit PBA-20B, Manpower Data Military. Revised to show specified categories for Summary of Increases/Decreases.
	Exhibit PBA-7, Real Property Maintenance. Revised to show price/program changes for Maintenance and Repair of Real Property, Minor Construction, Demolition Costs and Backlog of

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	Maintenance and Repair. Organization and order of Volume 1 and Volume 2 exhibit requirements revised.
030402	Exhibit O-1, O&M Funding by Budget Activity/Activity Group/Subactivity Group. Instructions updated. Request to provide electronic formats for FY PY through BY2+4. Instructions for OP-5 updated to include explanation on Fact-of-Life adjustments in the Reconciliation of Increases and Decreases section. Section III categories reorganized. Exhibit OP-14, Attachment 1, Individual Training Program Elements. Program Elements updated. Exhibit OP-14, Attachment 2, DoD Institutions. List of Institutions updated. Exhibit OP-20D, Analysis of Army Flying Hour Program. Crew quantity, crew ratio and flying hours/crew/month added. Exhibit OP-31, Funding for Defense Working Capital Funded (DWCF) Depot Level Repairables. Title changed to Spares and Repair Parts. Changes in information requirements. Exhibit OP-32, Summary of Price and Program Changes. Categories updated. Exhibit OP-34, Appropriated Fund Support for Morale, Welfare, and Recreation Activities. Revised to include requirement for title page with program information. Exhibit OP-5, Detail by Subactivity. Rounding changed from \$ in tenths of millions to \$ in thousands. Exhibit OP-5, Section V, Personnel Summary. Requirement to show Military Technicians strength under the Reserve Drill Strength category deleted. Military Technician strength is still required under the Civilian end strength category. Exhibit OP-71, Organizational Clothing and Equipment. Deleted. Exhibit PB-20, Aircraft Inventory. Added. Automated submission required.
030403	Exhibit PB-31R, Personnel Summary, Added. Revised from FY 2001 President's budget format. Exhibit PBA-15, Commissary Support. Deleted. Exhibit PBA-16, Management Headquarters. Renamed to Major Department of Defense (DoD) Headquarters Activities and additional guidance provided. Exhibit PBA-21, Key Activity Indicators. Special Operation Command information added. Exhibit PBA-26, Special Operations Forces. Reporting criteria changed. Exhibit PBA-3, Ship Operations. Deployed months added to criteria. Base support section deleted. Exhibit PBA-4, Land Forces. Categories for program data revised.

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	Exhibit PBA-8, Training and Education. Changes to agencies included for student/trainee workyears.
	Exhibits PBA-2, PBA-4, PBA-5, PBA-7, PBA-9, PBA-10, and PBA-22. Personnel Summaries revised or added.
040103	Deletes requirement for Major Defense Acquisition Programs Automated Submission.
040402	Deletes requirement to submit Exhibit PB-32B, Comparison of Program Requirements and Financing, as part of the congressional committee backup book justification prepared along with the President's budget request.
040502	Deletes exhibit format for PB-32B Comparison of Program Requirements and Financing. Exhibit P-3A, Individual Modifications, instructions updated commensurate with the New Start Policy.
050101	Change made to reflect consolidation of Developmental Test and Evaluation, Defense with Operational Test and Evaluation, Defense.
050103	Deletes requirement for Major Defense Acquisition Programs Automated Submission.
050503	Deletes requirement to submit Exhibit R-33, Program Element Comparison Summary, as part of the congressional committee backup book justification prepared along with the President's budget request.
060202	Added DoD Family Housing Improvement Fund as a major functional category of family housing.
060301	Incremental funding policy for Military Construction projects added. Type of design contract added to DD Form 1391 Supplemental data. Construction contract award date (month and year) added to DD Form 1391 Supplemental data. Construction start date (month and year) added to DD Form 1391 Supplemental data. Construction completion date (month and year) added to DD Form 1391 Supplemental data. Requires the name and phone number of the civil engineer responsible for requested military construction project. Threshold raised from \$300,000 to \$500,000 for unspecified minor construction that may be funded with working capital funds consistent with current practice. Requirement added to certify that each project requested has been considered for joint use potential; a recommendation for joint or unilateral construction; and the reason for that recommendation if joint use is not recommended.
060302	Deleted historic housing costs exhibit because the FY 2000 DoD and Military Construction

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	Appropriations Acts prohibit the use of regular O&M funds for repair and maintenance of family housing. The exhibit was required by the conference report accompanying the FY 1990 DoD Appropriations Act in response to and approval of the Navy's request for regular O&M funds for work on historic housing. Because historic facilities/housing in general is a congressional interest item, added a line in Exhibit FH-2, Family Housing O&M Summary, to capture historic housing inventory data.
	Changed the reporting threshold from \$15,000 to \$20,000 per unit per year for maintenance and repair on units other than GFOQ. The threshold was raised in the conference report accompanying the FY 1999 Military Construction Act.
	Added a requirement for a Family Housing Privatization exhibit (FH-6).
	Added GFOQ Expenditure exhibit (FH-5) and associated paragraph to obtain data to satisfy a new requirement for annual reporting of prior year family housing O&M expenditures on all GFOQs.
060304	Requirement to identify detailed construction and procurement requirements in support of the normal NSIP requirements, exhibit added.
060305	Requirement to identify detailed construction and procurement requirements in support of NSIP expansion requirements, exhibit added.
060306	Revised the Family Housing Improvement Fund section to reflect the changes in management and budgeting for this Fund.
060402	Requirement to include English measurements parenthetically on DD Forms 1390 and 1391 added.
	Requirement to include the real property maintenance backlog at all installations on DD Forms 1390 and 1391 added.
060403	Type of design contract added to DD Form 1391 Supplemental data.
	Construction contract award date (month and year) added to DD Form 1391 Supplemental data.
	Requires the Services to include major family housing O&M accounts (operations, leasing, maintenance, and Debt) in the FYDP exhibit.
060502	DD Forms 1390 and 1390S instructions updated to include English measurements parenthetically.
	DD Form 1391 instructions updated to include English measurements parenthetically.
	DD Form 1391 instructions updated to include joint use certification requirement.
	Deletes reference to 5 percent contingency rate and indicated that the appropriate contingency rate will be addressed in the guidance memorandum for the FY 2002/2003 Defense Budget Review.
	Added a column for a brief explanation to explain change from previous budget submission to the Military Construction/Family Housing Outyear Project Data.

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060503	<p>Added a column for a brief explanation to explain change from previous budget submission to the Military Construction/Family Housing Outyear Project Data.</p> <p>Changed FH-2 for historic units.</p> <p>New requirement for a Family Housing Privatization exhibit (FH-5).</p> <p>New requirement for a GFOQ Expenditure exhibit (FH-6) .</p>
070302	<p>Base Realignment And Closure (BRAC) construction and family housing exhibits are no longer required.</p> <p>Requires that each Service prepare separate summary exhibits for each BRAC round and base for which funds are requested beyond FY 2001 in order to separate one-time implementation costs from continuing cleanup and caretaker costs.</p>
070502	BRAC construction and family housing exhibits are no longer required.
080201	Thresholds for O&M funded minor construction projects are now the same for all components (Reserve Components previously has separate thresholds)
080603	Eliminated PBA-7 exhibit in Chapter 8; however, identified a revised and updated PBA-7 in Chapter 3, section 030403.
090103	<p>Paragraph A, Added requirement that all cash transfers between DWCF activity groups must be approved by OUSD(Comptroller) and documented in a PBD.</p> <p>Paragraph A, Specified a Congressional limitation on advance billings.</p> <p>Paragraph B, Revised depreciation schedules. Refers user to Volume 4, Chapter 6 for most recent schedules.</p> <p>Paragraph B, Clarifies the rules for reprogramming actions</p> <p>Paragraph F, Specifies new War Reserve and UPC budget exhibits. Adds Industrial Mobilization Costs definition</p> <p>Paragraph H, Adds exception to stabilized rate policy for Central Design Agent Activity Group</p> <p>Paragraph I, Establishes policy for reimbursement for Contingency Operations and Humanitarian Aid</p>
090104	Paragraph D, Allows Components to propose alternatives to the traditional methods for recovering cost of operations.
090203B	Paragraph B, Adds War Reserve Material Exhibit to the Supply Management Activity Group List.
090204	Paragraph A, Adds UPC Exhibit to the non-Supply Activity group list.

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090205	Notes new requirement for electronic submission of budget exhibits.
090302	Notes requirement for electronic submission of Congressional Budget Exhibits.
090402	Adds War Reserve Material and UPC exhibits to the list. Copies of exhibits inserted. Included carryover calculation in Summary Sources of Revenue Exhibit (Fund 7a) and revised format for Sources of Revenue Exhibit (Fund 11) to include the current calculations for carryover.
120101	Revised to reflect RDT&E funding in Defense Health Program (DHP) Appropriation.
120102	Revised to require DHP approval of all reimbursable civilian employees in DHP.
120104	Revised to reflect RDT&E funding in DHP Appropriation.
120201	Revised to reflect RDT&E funding in DHP Appropriation.
120202	Revised to reflect RDT&E funding in DHP Appropriation.
120302	Revised to reflect RDT&E funding in DHP Appropriation.
130105	Revised to reflect Other Hazardous Waste requirements and to clarify budget exhibit requirements.
130401	Revised to require submission of President's budget exhibits in January versus February.
160105	Adds new paragraph D with definition of Intelligence Project Code and specifies requirement for Components to provide data for C3ISR database at this level of detail. Renumbers former paragraph D as E.. Within E,1, renumbers bullets b-e as a-d, deletes bullet f, and renumbers bullet g as e.
160202	Deletes reference to N22.
160203	Clarifies requirement for Components to provide an automated submission of Joint Military Intelligence Program (JMIP) resource data to ASD(C ³ I) for BES in Intelligence Project Code detail. Adds Defense Joint Counterintelligence Program to list of JMIP Programs.
160204	Clarifies requirement for Components to provide an automated submission of Tactical Intelligence/Related Activities (TIARA) resource data to OASD(C ³ I) for BES in Intelligence Project Code detail.
160301	Specifies that Components must ensure that data provided for CJB/CBJB submission is consistent with other supporting justification material submitted to Congress.
160302	Clarifies listing of JMIP programs.
160304	Clarifies that Components must submit applicable budget exhibits for TIARA and JMIP programs in addition to CJB documents.

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160502	<p>Deletes reference to C3 CJB .</p> <p>Clarifies requirements for C3ISR data updates.</p>
160602	<p>Deletes IP Form 1, National Foreign Intelligence Program/JMIP/TIARA Crosswalk</p> <p>Adds instructions for TIARA and JMIP Congressional Justification Books.</p>
170100	<p>The Command, Control and Communications chapter has been deleted. Requirements still relevant for submission to the Congress have been incorporated into Chapter 18, Information Technology.</p> <p>A new Chapter 17, Overseas Contingencies, has been added to Volume 2.</p>
180000	<p>Chapter 18 has been revised in its entirety.</p>
190200	<p>Combating Terrorism activity descriptions have been expanded and significantly revised.</p>
190600	<p>Specifies the Quadrennial Defense Review as the Department's Strategic Plan. Components are encouraged to include performance measures, as appropriate, in budget justification material.</p>
191202	<p>Combating Terrorism exhibits have been revised to accommodate additional combating terrorism activities and new congressional reporting requirements.</p>
191205	<p>Exhibit PB-15, Advisory and Assistance Services. Definitions revised to incorporate the changes indicated in section 911 of the National Defense Authorization Act for FY 1999 (codified in 10 U.S.C. 2212(b).</p> <p>Exhibit PB-22, Management Headquarters. Renamed to Major DoD Headquarters Activities and additional guidance provided.</p> <p>Exhibit PB-23, Acquisition and Technology Work Force, has been added. Submission is required for both the Budget Estimates Submission and the President's Budget.</p> <p>Exhibit PB-18, Foreign Currency Exchange Data. Updated to include the European Union and guidance on the Cost of Living Allowance.</p> <p>Exhibit PB-28, Funds Budgeted for Environmental Quality. Instructions changed to require separate exhibits for each appropriation/fund inside and outside the U.S. and territories.</p> <p>Exhibit PB-42, Competitive and Strategic Sourcing. Revised in its entirety.</p> <p>Exhibit PB-56, International Travel has been added to Volume 2.</p>