

**CHAPTER 7
BASE REALIGNMENT AND CLOSURE APPROPRIATIONS
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CHAPTER 7

BASE REALIGNMENT AND CLOSURE APPROPRIATIONS

0701 GENERAL

070101 Purpose

A. This chapter provides instructions applicable to budget formulation and congressional justification for Base Realignment and Closure (BRAC) appropriations.

B. The following appropriations and accounts are covered:

Section

070201

- DoD Base Closure Account (1988 Commission)
- DoD Base Closure Account 1990 (1991, 1993 & 1995 Commissions)

070102 Submission Requirements

General guidance with regard to submission requirements is presented in Chapter 1. Chapter 7 covers specific back-up material requirements for the above accounts. The above appropriations/accounts should also submit any applicable exhibits required in Chapter 19 - Special Analyses.

070103 Preparation of Material

General guidance with regard to format and preparation of material is presented in Chapter 1. Chapter 7 provides additional specific guidance with regard to the back-up material required for Base Realignment and Closure appropriations.

070104 References

Chapter 3 provides guidance related to costs and Chapter 6 provides guidance and formats related to Military Construction and Family Housing costs.

0702 UNIFORM BUDGET AND FISCAL ACCOUNTING CLASSIFICATION

070201 Base Closure Account, Defense Appropriations

The budget account classification structure for the Base Closure Account, Defense is prescribed in Comptroller of the Department Of Defense Memorandum, dated December 21, 1993 and outlined below.

A. Overview

The Director for Budget and Finance, Washington Headquarters Services (WHS), is responsible for departmental-level accounting and reporting for the DoD Base Closure Account. The Military Departments are responsible for implementing all base closure and realignment actions, and administering their allocations of base closure funds.

B. Guidance

1. WHS shall be responsible for obtaining and recording the appropriation warrant (IFS Form 6200) for the DoD Base Closure Accounts. The Directorate for Construction, ODC(P/B), is responsible for initiating the Apportionment and Reapportionment Schedule (DD Form 1105) for the DoD Base Closure Accounts and providing it to WHS for recording in the departmental-level accounting records.

2. The Comptroller of the Department of Defense shall make funds available to the Military Departments based on their official financial plans. Financial plans shall be prepared by the Military Departments in cooperation with and at the direction of the Deputy Assistant Secretary of Defense (Economic Security). Military Department financial plans and the subsequent allocation of funds shall be supported by the Format 460-BC, "DoD Base Closure Account Financial Plan". For planned military construction and family housing construction requirements, each project to be executed with the funds requested will be individually listed on the plan. A separate narrative explanation for other planned expenditures shall also be submitted to the Directorate for Military Construction, ODC(P/B),

insufficient detail on the Format 460-BC to support the Military Department financial plan.

3. In response to a request from the DoD Comptroller, WHS shall allocate DoD Base Closure Account funds to the Military Departments on SD Form 477, "Fund Authorization," with a Format 460-BC and supporting documentation attached. The Military Departments may re-phase planned execution as the situation dictates but shall notify DUSD(Industrial Affairs and Installations) and Directorate for Construction, Deputy Comptroller (P/B) of all changes. Where a military construction or family housing project is to be executed, but does not appear on the current approved financial plan, the prior approval of the Directorate for Military Construction is required. This will ensure that the Department has complied with the notification requirements of House of Representatives Report 101-176, Military Construction Bill, July 26, 1989, prior to the expenditure of DoD base Closure Account funds. To keep the Comptroller and DUSD(Industrial Affairs and Installations) apprised of these changes, the Military Departments shall submit a revised Format 460-BC and supporting documentation *as required* to reflect the status of the current plan being as required executed. The Military Departments and Defense Agencies will be allocated BRAC funds by subaccounts. The amounts allocated represent limitations subject to the provisions of section 1517 of 31 U.S.C., the Anti-Deficiency Act. Obligations are not to be incurred beyond the approved allocation amounts. However, Components may adjust amounts between BRAC subaccounts by up to 5 percent per quarter without prior Comptroller approval with the exception of the amounts provided for environmental efforts which may not be decreased *or increased* without Comptroller prior approval.

4. The Military Departments and Defense Agencies shall receive and record the suballocations of base closure funds received from the WHS and allot that suballocation to respective installations. The Military Departments and Defense Agencies shall subdivide their allocations of the base closure accounts by subaccount, and distribute the base closure funds to the installations responsible for base closure actions. Each Military Department and Defense Agency shall distribute the base closure funds to its installations in accordance with its normal fund

distribution procedures. This distribution process shall include allotment, or suballotment, as appropriate, of the suballocation for the WHS. The applicable subaccounts areas follows:

- Military Construction
 - a. Construction
 - (1) (Reject)
 - (2) (Project)
 - b. Planning and Design

NOTE: The military construction subaccount should be reserved for projects listed individually on the Format 460 accompanying the fund allocation document.

- Family Housing:
 - a. Construction
 - (1) (Project)
 - (2) (Reject)
 - b. Planning and Design
 - c. Operations
- Operation and Maintenance (O&M):
 - a. Civilian Severance Pay
 - b. Civilian Permanent Change of Station (PCS)
 - c. Transportation of Things
 - d. Real Property Maintenance
 - e. Program Management (civilian workyears, travel, and related support dedicated to implementation efforts)
- Environmental: Includes environmental restoration, including reducing, removing, and recycling hazardous wastes, and removing unsafe buildings and debris; Memoranda of Agreements between Defense and States (DSMOA), and reimbursements to the Agency for Toxic Substance and Disease Registry (ATSDR); and mitigation efforts associated with a military installation closure or realignment. Mitigation efforts do not apply to the DoD Base Closure Account.
- Community Programs:
 - a. Community Planning Assistance For communities located near a military installation to which functions will be transferred as a result of a closure or realignment of a military installation.

- b. Economic Adjustment Assistance: For communities located near a military installation being closed or realigned.

- Federal Agencies Reimbursement: Includes reimbursements to other Federal agencies for actions, other than for environmental activity discussed above, performed with respect to any closure or realignment.
- Military Personnel: Limited to PCS and TDY expenses dedicated to implementation efforts.
- Procurement-type Items: The procurement account should be limited to those items costing more than \$5,000 each and normally capitalized on installation-level accounting.
- Other Costs: Expenses, other than those above, associated with base closure and realignment efforts.

5. The general criterion to apply when deciding whether to charge specific costs to the DoD Base Closure Account is that the cost in question is a one-time implementation cost associated with the overall base closure effort. If the increased cost is a recurring one driven by the transfer of workload from one location to another, it should be documented to the extent practicable, but budgeted for and charged to the applicable Military Department appropriation. A legitimate one-time cost of base closure implementation should be charged to the subaccount of the DoD Base Closure Account consistent with the cost category under which the item has been justified in the President's Budget. For example, the one-time operations and maintenance-type costs at R&D funded installations should be allocated to the appropriate subaccount of "Operations and Maintenance." Low dollar value construction projects budgeted as a lump sum under the real property maintenance category should be charged to that subaccount and not the construction subaccount of military construction, which should be reserved for projects listed individually on the Format 460-BC accompanying the fund allocation document. Charges to the procurement account should include items normally charged to procurement accounts.

6. Proceeds resulting from transfer or disposal of property or facilities

(including buildings and structures) due to the base closure process shall be deposited as reimbursements into the DoD Base Closure Account. These reimbursements shall be reprogrammed from reimbursable to direct before distribution to the Military Departments. The detailed accounting and financial management procedures relating to the revenues from asset sales are prescribed in Comptroller of the Department of Defense memorandum, dated December 21, 1993.

C. Accounting Entries (see end of this section).

D. Reporting Requirements WHS is responsible for preparation of the departmental-level appropriation and fund status reports for the DoD Base Closure Account that are required by Volume 6 and Volume 12 (to be issued) of this Regulation. The specifications for any additional reports required by the Base Closure and Realignment Act are to be issued by the DUSD(Industrial Affairs and Installations).

1. The budget execution reports required for the DoD Base Closure Account are as follows a) Year-end Closing Statement, FMS Form 2108; b) Report on Budget Execution, Acct Rpt(M)1176; c) Flash Report on Obligation Status, Acct Rpt(M)1445; d) Report on Obligations, SF-225, IRCN 1183-TD-QU; e) Report on Appropriation Status by Fiscal Year Program and Subaccounts, Acct Rpt(M)1002; and, f) Report on Reimbursements, Acct Rpt(M)725.

2. WHS shall prepare the required reports based on accounting information held at the departmental level and feeder reports from the Military Departments and Defense Agencies. Each Military Department/Defense Agency shall provide feeder reports to WHS on the status of its allocation. These reports shall be submitted in accordance with a schedule of due dates to be published by WHS.

3. Special Instructions for Reports on Appropriation Status by Fiscal Year Program and Subaccounts, Acct Rpt(M)1002. Each Military Department will receive an allocation from OSD/WHS at the subaccount level. The Military Departments are required to distribute their allocations by the subaccounts shown below, and prepare the feeder Acct Rpt (M)1002's by those

subaccounts within each fiscal year program specified in Section 070201 B.4.

4. Line Entries for the 1002 are as follows:

a. Column (a). The DoD Base Closure Account must be subclassified to show, where applicable, the following Fiscal Year Program, Direct Program and Subaccounts (as specified above).

b. Columns (b) through (j). follow the instructions contained in Volume 6 of this Regulation.

ACCOUNTING ENTRIES

1. Departmental Level (WHS)

- a. Dr 4119 Other Appropriations Realized
Cr 4450 Authority Available for Apportionment
and

Dr 1013 Funds with Treasury
Cr 3100 Appropriated Capital

To record an appropriation realized.

- b. Dr 4450 Authority Available for Apportionment
Cr 4511 Unallocated Apportionment - Direct
Program - Current Period

To record the Apportionment and Reapportionment Schedule (DD Form 1105).

- c. Dr 4511 Unallocated Apportionment - Direct
Program - Current Period
Cr 4541 Allocations Issued - Direct Program
- Current Period

To record the allocation of obligational
authority to an intermediate command.

2. Intermediate Level (Military Departments)

- a. Dr 4550 Internal Fund Distributions Received
Cr Unallotted Allocations - Direct Program
- Current Period

To record receipt of an allocation of direct
program obligational authority.

- b. Dr 4561 Unallotted Allocation - Direct
Program - Current Period

Cr 4571 Allotments Issued - Direct Program
- Current Period

To record the allotment of direct program
obligational authority to a subordinate
activity.

3. Installation Level (Military Departments)

- a. Dr 4580 Allotments Received
Cr 4610 series Allotments Available for
Commitment/Obligation

To record receipt of an allotment.

0703 BUDGET ESTIMATES SUBMISSION

070301 Purpose

A. This Section prescribes instructions for the preparation and submission of budget estimates for the Base Realignment and Closure appropriations.

B. Unless otherwise specified, these instructions apply to all Base Realignment and Closure appropriations and to all budget estimates. Data submitted must be consistent with the budget estimate being supported.

C. Examples of budget exhibits can be found in Section 0705.

070302 Submission Requirements

A. General Guidance. Each Service will prepare a justification book for its portion of the Base Realignment/Closure initiative. Separate justification books will be prepared for the actions relating to the 1988 Commission, 1991, 1993 and 1995 Commissions. The justification books will be organized by closure package with narrative and financial summary exhibits. Section 070502 contains sample exhibits BC 01 through BC 03 for use in preparation of justification books. Included in the sample exhibits are instructions pertaining to the substance and format of the information to be displayed. In addition, detailed Form 1391s (with design status for each project noted on the Form) are to be provided by closure package for all military and family housing projects to be executed in biennial budgets subsequent to FY 1991 with Base Closure Account funding.

B. Base Realignment and Closure Service Overview Exhibit (BC-01). Each Service will prepare an overview exhibit (BC-01) for each Base Closure round summarizing by fiscal year, the names and locations of the affected bases, and how much of the DoD Base Closure Account will be expended in the fiscal year. The overview will also address mission impact and environmental considerations affecting closures and realignments for that round.

C. Base Realignment and Closure Cost and Saving Exhibit (BC-02). Each Service will prepare a cost and saving exhibit (BC-02) for each base closure package included in a Base Closure

round, i.e. 1988 Commission, 1991 Commission, etc. *BRAC saving estimates reported in Exhibit BC-02 must be based on the best projection of what savings will actually accrue from approved realignments and closures.* A BC 02 must also be prepared by each Service for each Base Closure round summarizing the packages contained in that round of closings

D. Realignment and Closure Package Description Exhibit (BC-03) Each Service will prepare a short narrative for each package describing the actions necessary to complete the realignment or closure at that location. The narrative will also address one-time implementation costs and anticipated savings that will accrue from the partial or complete closure of the base.

E. Base Realignment and Closures Military Construction/Family Housing Construction Projects. There will be an individual Form 1391 for each military construction/family housing construction project. The 1391s will be prepared in accordance with guidance contained in DoD Instruction 7040.4 and reproduced in Section 0605 of this volume. *As a minimum, BRAC construction projects should beat least 35-percent design complete or based on the Congressionally-approved parametric estimation process to be included in the budget submission. Components will also prepare a state list for BRAC construction projects being requested in the budget year similar to the Construction Annex (C-1). This project list must be included in the back section of each BRAC justification book.*

F. Base Realignment and Closure One-time Implementation Operation and Maintenance costs. One-time base realignment and closure implementation costs must also be quantified and justified according to categories such as travel, transportation of people, transportation of things, PCS costs, etc. In this regard, each Service will prepare a separate Summary OP-5 exhibit on all the BRAC packages contained in a base realignment and closure round, e.g. 1988 Commission round, 1991 Commission round, etc.

1. Summary of Price and Program Changes. A financial summary of price and program changes, for each realignment and closure round, between amounts requested in the President's Budget for the current year and budget years will be prepared by each Service. The

format for the pricing and programming changes is to be identical to the OP-32 Exhibit shown in Section 0304. This exhibit is required for OMB/OSD review, and should be provided separately.

2. Reconciliation of Increases and Decreases. A reconciliation of increases and decreases, for each base realignment and closure round, between the amounts requested in the President's Budget for the current year and Budget years will be prepared by each Service. The format of this reconciliation is to be identical to Attachment 1 to the OP-5 shown in Section 0705. For each program increase or decrease, quantitative and qualitative information relative to the proposed change should be provided. Increases and decreases should address specific adjustments in the program. This exhibit is only required for OMB/OSD review, and should be provided separately.

G. Budget Submission. Coincident with the hard copy submission of the Base Closure budget estimates, Military Departments and Defense Agencies, as applicable, will submit machine-readable data entries for all applicable budget accounts for budget years only. Detailed data entries only will be submitted since subtotals and summary totals are computer generated. Input data will be formatted in accordance with DD Form 2232 on a media type specified in Section 010506, Name Edit System (NES) structure and description, of this manual. An example of the Name Code File Listing for Base Realignment and Closure Accounts can be found in Section 010506. A full listing will be made available periodically from the DoD Comptroller, Directorate for program and Financial Control (rm 3B872, com:(703)697-7564, DSN:227-7564). All TOA values for BY1 and BY2 will be submitted on DD Form 2232 in accordance with the detail prescribed by the Name Edit System (Structure documented in the "Budget Accounts Title File Listing"). Amounts will be in agreement with the PB-2 and PB-2A exhibits.

1. Submission of Outyear Estimates. The submission for BY+1 through BY+4 TOA will be made coincident with the budget submission. Input to the data base will be formatted in accordance with DD Form 2234 using the Name Edit System structure and description

by base closure round, base closure account and subactivity.

2. Decision Rounding. DD Form 2233 and DD Form 2236 will not be used for budget estimates submissions. These forms are used to record decisions documented by Program Budget Decisions (PBDs).

0704 CONGRESSIONAL
JUSTIFICATION/PRESENTATION

070401 Purpose

A. This Section presents the justification book organization and the exhibit requirement for submission to Congress. Examples of budget exhibits can be found in Section 0705 and reflect those addressed in Section 0703.

070402 Organization of Justification Books

A. Justification material will be organized into four volumes entitled:

1. DoD Base Realignment and Closure (1988 Commission)

2. DoD Base Realignment and Closure (1991 Commission)

3. DoD Base Realignment and Closure (1993 Commission)

4. DoD Base Realignment and Closure (1995 Commission)

B. Each justification book will be organized as shown on the following page for each base realignment and closure round contained in the book

ORGANIZATION/EXHIBIT REQUIREMENTS

A. Organization

- Table of Contents
- Base Realignment and Closure Overview
- Financial Summary
- Base Realignment and Closure Detail:

By Package (Each package will include appropriate 1391/1391C Military/Family Housing Construction Exhibits).

- *Base Realignment and Closure Construction Projects*

By Component, State, Project Description, Project Number, BRAC Round and Dollar Amount.

0705 BASE REALIGNMENT AND CLOSURE
APPROPRIATION SUBMISSION
FORMATS

070501 Purpose

The formats provided on the following page reflect guidance presented in previous sections of this chapter. Unless modified in a submission budget call, these formats should be adhered to.

070502 Exhibits in Support of Section 0703 - Budget Estimates Submission

| | |
|---|----|
| BC-01 BRAC Service Overview | 12 |
| BC-02 BRAC Implementation Costs..... | 13 |
| BC-03 BRAC Package Description | 15 |
| DD 1391/1391C Military Construction Project Data | 17 |
| OP-5 (Part 2) Attachment 1: Reconciliation of Increases and Decreases | 25 |

INSTRUCTIONS FOR PREPARATION OF
EXHIBIT BC-01
"FY ____ BASE REALIGNMENT AND CLOSURE DATA"
19__ COMMISSION

Service Overview

Schedule: Summarize by fiscal year, the names and locations of the affected bases, and how much of the DoD Base Closure Account will be expended in the fiscal year. Discuss possible problems in meeting the schedule. Highlight realignment/closure actions where the estimated implementation costs and impacts significantly differ from those determined by the Commission.

Mission Impact: Describe possible mission impact in completing the realignment/closure.

Environmental Considerations: Describe potential problems in closing an installation due to the complexity in cleaning up environmental wastes and hazards.

Address any other items/issues appropriate for the overview section.

Exhibit BC-01 BRAC Service Overview

BASE REALIGNMENT AND CLOSURE ACCOUNT - 19__ Commission _ 1/
2/

(DOLLARS IN 3/)

| | <u>FY 1994</u> | <u>FY 1995</u> | <u>Total</u> <u>FY 1990-1995</u> |
|--------------------------------|----------------|----------------|-------------------------------------|
| ONE-TIME IMPLEMENTATION COSTS: | | | |
| Military Construction | | | |
| Family Housing - Construction | | | |
| Operations | | | |
| Environmental | | | |
| Operation and Maintenance | | | |
| Military Personnel - PCS | | | |
| Homeowners Assistant Program | | | |
| Other | | | |
| TOTAL ONE-TIME COSTS | | | |
| Revenues From Land Sales(-) | | | |
| Budget Authority Request | | | |

FUNDED OUTSIDE OF THE ACCOUNT:

Military Construction
Family Housing - Operations
Operation and Maintenance
Homeowners Assistance Program
Other

TOTAL OUTSIDE THE ACCOUNT

SAVINGS:

Military Construction
Family Housing - Construction
 Operations
Operation and Maintenance
Military Personnel
Other
Civilian End Strength
Military End Strength

TOTAL SAVINGS

NET IMPLEMENTATION COSTS:

Military Construction
Family Housing - Construction
 Operations
Environmental
Operation and Maintenance
Military Personnel
Other
Homeowners Assistance Program
Revenues From Land Sales

NET IMPLEMENTATION COSTS

Less Estimated Land Revenues

1/ 1988 Commission, 1991 Commission, 1993 Commission, etc.

2/ Identification, e.g., DoD Financial Summary, Army Summary or Pease AFB Package, etc.

3/ Dollars in thousands.

EXHIBIT BC-02 (page 2 of 2)

BASE REALIGNMENT AND CLOSURE
19 COMMISSION
PACKAGE DESCRIPTION

Service/Location/Package: Cross-reference to standard terminology employed in the Commission's report.

Closure/Realignment Package: Brief description of the actions necessary to complete the realignment or closure at this location. A package is defined as all actions, costs and savings associated with the closing or realignment of a base or installation as recommended by the Commissions. Include how the physical plant will be affected and the missions that must be terminated or transferred to other locations. Reflect planning and design and management overhead costs in a separate package covering, overall one-time implementation cost. All military construction savings should also be addressed in this same package.

One-time Implementation Costs:

Military Construction: New facilities that must be constructed to accommodate a realignment or closure action. List the construction projects associated with the package as follows:

| <u>Location/Project Title</u> | <u>Fiscal Year</u> | <u>Amount</u> |
|-------------------------------|--------------------|--------------------|
| | <u>of Award</u> | <u>(\$ in 000)</u> |

Subtotal for Each Fiscal Year

Conjunctively-Funded Construction: Identify each project that is funded conjunctively, the total cost of each project and the amounts funded by non-Base Closure Account sources. These projects will also appear on the above list, which will reflect only that portion of the project to be funded by the Base Closure Account.

Family Housing Construction: Specify the number of units and location. As with military construction, list each family housing construction project.

Family Housing Operations: The one-time family housing operations costs associated with package implementation.

Operation and Maintenance: Includes PCS of civilian personnel, civilian severance costs, transportation of things, RPM and other one-time implementation costs as a result of closure or realignment. Program management costs should also be addressed, but only in the separate package covering overall one-time implementation costs.

Procurement Items: Items normally funded from procurement appropriations.

Revenues From Land Sales: Provide statistics and narrative to adequately describe the land being proposed for sale. Describe the method and date of appraisal.

Environmental: Indicate the environmental restoration actions that will occur at both the losing and gaining locations, the funding requirements and status of all such restoration actions.

Savings: Demonstrated savings that will accrue from the partial or complete closure of the base.

Military Construction: To be addressed in the single package addressing overall/program management costs.

Family Housing Construction: Self-explanatory.

Family Housing Operation: Savings (offset by increased recurring costs).

Operation and Maintenance: One-time and recurring savings (offset by increased recurring costs) in civilian personnel, base operations, RPMA and other costs as a result of closure or realignment. Be specific as to the category,

Military Personnel: One-time and recurring savings (offset by increased recurring costs) in military personnel as a result of closure or realignment. Be specific as to the category.

Other: Self-explanatory.

| | | | | |
|--|---|-------------------|----------------------|--------------|
| 1. COMPONENT | FY 19— MILITARY CONSTRUCTION PROJECT DATA | | | 2. Date |
| 3. INSTALLATION AND LOCATION | | | 4. PROJECT TITLE | |
| 5. PROGRAM ELEMENT | 6. CATEGORY CODE | 7. PROJECT NUMBER | PROJECT COST (\$000) | |
| 9. COST ESTIMATES | | | | |
| ITEM | U/M | QUANTITY | Unit Cost | Cost (\$000) |
| | | | | |
| 10. DESCRIPTION OF PROPOSED CONSTRUCTION | | | | |
| | | | | |

| | | | |
|------------------------------|--|-------------------|----------------------|
| 1. COMPONENT | FY 19__ MILITARY CONSTRUCTION PROJECT DATA | | 2. Date |
| 3. INSTALLATION AND LOCATION | | 4. PROJECT TITLE | |
| 5. PROGRAM ELEMENT | 6. CATEGORY CODE | 7. PROJECT NUMBER | PROJECT COST (\$000) |
| | | | |

INSTRUCTIONS FOR PREPARATION OF
DD FORM 1391/1391C
"FY __ MILITARY CONSTRUCTION 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 Military Construction 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. 2674) which the Active Forces are required to submit to OSD for approval in accordance with the statute and provisions of DoD Directive 4270.24.

b. Operation and maintenance type projects required to, be submitted to OSD in accordance with the provisions of DoD Directives 4270.24, 1225.5 and 4165.2.

c. Projects for restoration of damaged facilities (10 U.S.C. 2673 and 10 U.S.C. 22) which are required to be submitted for approval in accordance with the statute.

d. Nonappropriated fund construction projects requiring OSD concurrence or approval.

e. 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, fallout shelters, etc. However, when submitting an annual Military Construction Program, these mandatory statements may be included in the front of the program book.

3. Instructions for preparation of DD Form 1391 are outlined below:

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) Except for new construction, the type of work, such as "addition," "conversional," "alteration," or "modernization" shall be used in the title.

(2) Where a single structure is to serve more than one purpose, the title should reflect the predominate use.

(3) 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.")

(4) Avoid the inclusion of acronyms.

(5) If a project requires land acquisition estimated to cost in excess of \$50,000, the project title will be suffixed with "With Land Acquisition". Land to be acquired for the construction of several projects or for other purposes shall be programmed as a separate project and identified on a separate DD Form 1391.

d. ITEM 5 -PROGRAM ELEMENT: Enter the appropriate number as it relates to the "Five Year Defense Program," except when inclusion of this number would require classification of an otherwise, unclassified form.

e. ITEM 6 - CATEGORY CODE: Enter the applicable category code using no less than three nor more than six digits consistent with item 8, column 1 on DD Form 1390.

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, etc. as described in item 9., line 1.

(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, etc.). 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 shall be enclosed with parentheses. The sum total cost of these features shall 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.

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

(e) The cost entered for items such as “Subtotal,” “Contingency,” “Contract Cost,” “SIOH” and “Total Request” shall be entered without parentheses. However, the cost for Equipment Provided From Other Appropriations” shall be entered as a nonadd 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, etc.) 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 shall 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," "GFEU," 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.

(d) "Lump-sum" funding requests are prohibited. The only instance for which separate construction projects can be combined under a single DD 1391 is when each of the projects is in the same general facility category (i.e., supply facilities, maintenance and production facilities, unaccompanied personnel housing, etc.). 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.

(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, etc.); (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, etc.); (f) fencing; 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) SUBTOTAL: 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. While the normal contingency rate is 5 percent, contingency rates may vary with unusual conditions. Therefore, rates in excess of 5 percent shall be adequately justified.

(10) TOTAL CONTRACT COST: 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 below.

(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) 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. The following guidance is provided for "rounding-off" a projects' total request:

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

(13) 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" above. This excludes minor items procured with O&M funds, and in the case of Army National Guard, excludes equipment provided from other than 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) Begin with an accurate description of the primary facility. For buildings, indicate the materials planned to be used for the frame, walls, roof, and foundations, and identify the major functions for which space is being provided. For structures other than buildings, describe each major element required to produce a complete and usable facility. Avoid the use of generalities such as "most economical means" or "modern methods and materials."

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

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

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

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

(7) At the last entry in item 10., indicate the amount of air conditioning required (e.g., air conditioning - 15 tons).

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

(1) Immediately after the item title "Requirement" indicate, inappropriate units of measure, the total facility requirement (e.g., 77,366 SF), followed by two additional entries giving the status of the existing facility (e.g., adequate 66,134 SF; substandard: -0-).

(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., 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.

(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 in accordance with the OMB Circular A-76 and as required by applicable DoD Instruction. 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. NOTE: 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.

Reconciliation of Increases and Decreases

(Dollars in Thousands)

1. FY 19CY President's Budget Request (Amended)
2. Congressional Adjustments:
 - a.
 - b.
 - c.
 - etc.
3. FY 19CY Appropriated Amount
4. Proposed Supplementals:
 - a. Civilian Pay Raise
 - 1) Classified
 - 2) We Board
 - b. Program Supplemental
 - 1)
 - 2)
 - etc.

(To the extent that supplemental requests reflect an amount that is less than the requirement show (parenthetically) both the total requirement and the amount absorbed to arrive at the amount of the supplemental.)

5. Price Growth:

(Should agree with price growth on the OP-32 exhibit. It is not necessary to provide a distribution of the price growth into categories.)

6. Functional Program Transfers:
 - a) Transfers in
 - 1)
 - 2)
 - etc.
 - b) Transfers Out
 - 1)
 - 2)
 - etc.

(This category should be used only when a program function is transferred between activity groups or Services. This category should not be used to show the transfer of funds between activity groups in instances where the transfer of funds is not accompanied by a functional transfer of the program for which the funds were initially requested. Also see end "NOTE" on next page)

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

(page 1 of 2)

Reconciliation of Increases and Decreases (Continued)

(Dollars in Thousands)

- 7. Program Increases: (For each program increase or decrease provide quantitative and qualitative information relative to the proposed change, as well as the baseline (in dollars) to which the increase or decrease applies. Increases and decreases should address specific adjustments in program particularly changes in force structure, number of compensable days, workyears, etc. Where possible show specific workyear/end strength adjustments for both military and civilians.)
 - a.
 - b.
 - c.
 - etc.
- 8. Program Decreases:
 - a.
 - b.
 - c.
 - etc.
- 9. FY 19CY Current Estimate
- 10. Price Growth (See 5 above)
- 11. Functional Program Transfers (See 6 above)
- 12. Program Increases (See 7 above)
- 13. Program Decreases (See 8 above)
- 14. FY 19BY1 Budget Request
- 15. Price Growth (See 5 above)
- 16. Functional Program Transfers (See 6 above)
- 17. Program Increases (See 7 above)
- 18. Program Decreases (See 8 above)
- 19. FY 19 BY2 Budget Request

NOTE: If a particular category of increase or decrease does not apply leave it off the Exhibit OP-5 (rather than include it on the Exhibit OP-5 with a value of zero). Reprogramming actions included in the budget submission for the Current Year other than 1415-IR functional transfers should be shown separately. Except for this, categories of increases and/or decreases other than those shown above should not be used.