

CHAPTER 10
PUBLIC ENTERPRISE, MANAGEMENT, AND TRUST FUNDS
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CHAPTER 10

PUBLIC ENTERPRISE, MANAGEMENT, AND TRUST FUNDS

1001 GENERAL

100101 Purpose

A. This chapter highlights the policies and justification procedures underlying budget formulation and congressional justification.

B. The following accounts are covered:

Section
1002

Public Enterprise Funds

- National Defense Stockpile Transaction Fund
- Pentagon Reservation Maintenance Revolving Fund
- National Defense Sealift Fund
- Buildings Maintenance Fund

Management Funds

- Navy Management Fund
- Army Conventional Ammunition Working Capital Fund
- Emergency Response Fund

Trust Funds

- National Security Education Trust Fund
- Dept. of the Navy Trust Revolving Funds
- Dept. of the Air Force Trust Revolving Funds
- Surcharge Collections, Sales of Commissary Stores, Defense
(see Section 010603 for listing of all current trust fund accounts)

100102 Background

A. Public Enterprise Funds are expenditure accounts authorized by Congress to be credited with collections, primarily from the public, that are generated by, and earmarked to finance, a continuing cycle of business-type operations.

B. Management Fund Accounts are authorized by law to credit collections from two or more appropriations or funds to finance an activity not involving a continuing cycle of business-type operations. These accounts are permitted to accept receipts and use those receipts to incur obligations and expenditures. Such accounts do not generally own a significant amount of assets (for example, supplies, equipment, loans, etc.), nor do they have a specified amount of capital provided (a corpus of the fund). Receipts from other appropriations or funds provide the budgetary resources of a management fund.

1. Management funds are chartered as prescribed in DoD Instruction 7460.2 in the following situations:

a. An operation or project that is financed by more than one appropriation or fund and whose costs cannot be distributed and charged to the financing appropriations or funds immediately, or

b. An operation or project that is established pursuant to a transfer of functions involving two or more appropriations or funds under authority of law.

2. A management fund is used only to finance operations for which the costs are appropriately chargeable to appropriations or funds of a DoD Component. Projects may encompass participation by organizational units of one DoD Component or of two or more DoD Components. A management fund incurs obligations to provide the required service for the customer. The receipts are normally available in their entirety for use by the management fund to incur obligations and expenditures to execute the required program.

3. A management fund is not approved to finance a new operation or project if other more effective and efficient financing techniques are available. In general, appropriation reimbursements shall be used for operations or projects that do not involve a continuing cycle of operations. In addition, Title

31 U.S.C., section 1534 permits charges to be made against an appropriation temporarily, if necessary, with an accounting adjustment to be made to charge properly the appropriate account before it expires for obligation purposes.

4. The essential differences between a consolidated working fund account and a management fund are that a management fund does not take on the purposes, fiscal characteristics, and limitations of the customers' appropriation or fund. A management fund is normally a "no-year" account. In addition, a management fund can execute an operational program. The principal limitation of a management fund as opposed to a revolving fund is that a management fund cannot be used to finance a continuing cycle of operations but must be used to perform operations that are limited in scope or of a special nature. Management funds are exempted from apportionment by OMB. Examples of management funds in the Department of Defense are:

21X4528 Army Conventional Ammunition Working Capital Fund

17X3980 Navy Management Fund

C. Trust Funds. The following definitions apply to trust fund accounts.

1. Trust fund receipt account.

Trust fund receipt accounts are credited with receipts generated by the terms of a trust agreement or statute. At the point of collection, these receipts are available for transfer to a trust fund expenditure account or are not available for transfer depending upon the terms of the trust agreement or statutory authority.

2. Trust fund expenditure

account. Trust fund expenditure accounts are established to record amounts appropriated or otherwise made available by transfer from a trust fund receipt account to be obligated and expended in carrying out the specific purposes or programs in accordance with the terms of the trust agreement or statute. Funds transferred or appropriated to a trust fund expenditure account are normally available for obligation and expenditure within the limits imposed by the trust agreement or authorizing statute.

3. Trust revolving fund

account. A trust revolving fund is a single account that is authorized to be credited with receipts and incur obligations and expenditures in support of a continuing cycle of business-type operations in accordance with the provisions of the trust agreement or statute. Trust revolving fund receipts are available for obligation and expenditure without further action by Congress.

4. Unavailable collections. Are either (1) unappropriated receipts or receipts that are precluded from obligation because of a provision of law, such as a benefit formula or limitation on obligations in PY, CY, or BY1/BY2, or (2) collections unavailable for obligation because of limitations on obligations in PY, CY, or BY1/BY2. Section 36.6 of OMB Circular A-11 provides instructions on MAX Schedule Non unavailable collections for trust funds and O&M special funds which Federal agencies must include in their annual budget submission to OMB.

100103 General

A. In general, DoD trust funds authorized to incur obligations and expend receipts have been exempted from apportionment by OMB. However, the Surcharge Collections, Sales of Commissary Stores, Defense trust revolving fund, and the National Security Education Trust Fund are subject to apportionment by OMB. However, each trust fund must be viewed as a unique fund in light of any special provisions in the trust agreement or the enabling legislation.

B. Trust funds have been assigned account symbols between 8000 and 8999. Within this range trust revolving funds have been assigned symbols between 8400 and 8499. Some trust funds used by DoD are:

- Air Force Cadet Fund
- Surcharge Collections, Sales of Commissary Stores, Defense
- National Security Education Trust Fund
- Midshipmen's Store, United States Naval Academy

100104 Submission Requirements

General guidance with regard to submission requirements is presented in *the DoD Financial Management Regulation (DOD 7000.14-*

R), *Chapter 1*. Chapter 10 covers specific back-up material requirements for the above areas.

100105 Preparation of Material

General guidance with regard to format and preparation of material is presented in *the DoD Financial Management Regulation (DOD 7000.14-R)*, Chapter 1. Chapter 10 provides additional specific guidance with regard to the back-up material required for Public Enterprise, Management Fund and Trust Fund accounts.

100106 References

The DoD Financial Management Regulation (DOD 7000.14-R), Chapter 1 provides funding policies to be adhered to include those that impact other appropriations/accounts. Chapter 9 provides guidance related to Defense Business Operations Fund accounts. Certain exhibits required by this chapter are found in Section 0904 of Chapter 9.

1002 BUDGET ESTIMATES SUBMISSION

100201 Purpose

A. This section highlights the policies and justification procedures underlying budget formulation for Public Enterprise, Management Fund, and Trust Fund accounts.

100202 Submission Requirements

A. Public Enterprise Funds.

1. The Defense Business Operations Fund (Fund) schedules referenced here are in the *DoD Financial Management Regulation (DOD 7000.14-R)*, Chapter 9. Fund budget-type exhibits as noted below should be submitted for the OSD/OMB budget review.

- National Defense Stockpile Transaction Fund
Exhibits Fund-1, 1a, 2, 4, 11, 14, 17, 21, & 23.
- Pentagon Reservation Maintenance Revolving Fund
Exhibits Fund-1, 1a, 2, 3, 7, 9a, 9b, 11, 12, 14, 18, 21 & 23.
- *Building Maintenance Fund*
Exhibits *Fund-1, 1a, 2, 3, 7, 11, 14, 18, 21, & 23.*
- National Defense Sealift Fund (NDSF)
Exhibits Fund-1a, 2, 11, & 12.

2. *The instructions and formats for the preparation of the NDSF required procurement and RDT&E exhibits are included in the DoD Financial Management Regulation (DoD 7000.14-R), Chapters 4 and 5, respectively.*

Procurement/Ship Acquisition:

- *Budget Item Justification Sheet (P-40)*
- *Weapon System Cost Analysis (P-5)*
- *Analysis of Ship Cost Estimates (P-8a/8b)*
- *Advance Procurement Analysis (P-10/10a)*
- *Ship Production Schedule (P-27)*
- *Ship Outfitting Costs (P-29)*
- *Ship Post Delivery Estimates (P-30)*

National Defense Features (NDF):

- *Budget Item Justification Sheet (P-40)*

RDT&E:

- *Budget Item Justification Sheet (R-2)*
- *Program Element/Project Cost Breakdown (R-3)*

3. Additional data required by OMB Circular A-11 will be submitted in the fall in accordance with annual DoD Comptroller budget guidance.

B. Management and Trust Funds-

For Trust Funds, Trust Revolving Funds and other Management Funds, program and financing, and object classification schedules will be submitted for each account. The budget authority for each trust fund account must agree with the amounts reported against the applicable receipt accounts as required by DoD accounting guidance related to offsetting receipts. The receipt accounts are published in Treasury's Federal Account Symbols and Titles. There is an additional requirement for the Ship's Stores Profit account (8723N), Navy Trust Funds, that the budget authority must be offset by the amount reported in Navy's Interfund account (9082N). For the Defense Commissary Agency, a footnote to the program and financing schedule will show the value of the obligations for renovation/construction of commissaries included in total obligations of the trust revolving fund.

C. Special budget Exhibits - Unique data pertaining to a particular fund are required as follows:

National Defense Stockpile

- Stockpile Financial Status Report (SP-1)

Pentagon Reservation Maintenance Revolving Fund

- Cost of Services (PR-1)
- Summary Statement (PR-2)

Buildings Maintenance Fund

- *Cost of Services (PR-1)*

Conventional Ammunition Working Capital
Fund

- Summary (CF-1)
- Funded Carryover (CF-2)
- Gain/Loss Position (CF-3)
- Standard Price Gain/Loss Analysis (CF-4)
- Summary of Deobligations (CF-5)
- Deobligations by LAP Facility (CF-6)
- Surcharge Analysis (CF-7)
- Obligation Plan (CF-8)
- Obligation Authority (CF-9)
- FY Budget (CF-10)
- Unfilled Orders by Customer/Program Year (CF-11)

Surcharge Collections, Sales of Commissary
Stores, Defense

- Summary (CT-1)
- Facility Programs Justification (CT-2)

National Defense Sealift Fund (NDSF)

Ready Reserve Force (RRF):

- *Budget Item Justification Sheet (RRF-1)*
- *Ship Composition Funding Requirements (RRF-2)*
- *Ship Readiness Operational Status (ROS) Composition (RRF-3)*

D. Budget exhibits will be submitted in accordance with the schedule published annually in DoD Comptroller budget guidance. Formats and instructions for preparation of the Special Exhibits are provided Section 1004.

E. *All NDSF related budget justification materials should be submitted directly to the Director for Investment, room 4B917. In addition to the DBOF schedules, procurement, and RDT&E exhibits referenced in paragraph 100202.A above, the special exhibits identified above must be included in the NDSF justification budget backup book for both the OSD and Congressional submissions. The backup book should include a table of contents, a computer generated FYDP funding report identifying each business area, and each business area/section should be tabbed.*

1003 CONGRESSIONAL
JUSTIFICATION/PRESENTATION

100301 Purpose

This chapter provides the policies and procedures to guide the development of budget justification and supporting narrative to be submitted by Components to the DoD Comptroller in development of congressional justification material.

100302 Submission Requirements

A. Guidance is applicable to the following DoD Public Enterprise, Management Funds, and Trust Funds:

Public Enterprise Funds

- (1) National Defense Stockpile Transaction Fund
- (2) Buildings Maintenance Fund
- (3) Pentagon Reservation Maintenance Revolving Fund
- (4) National Defense Sealift Fund

Management Funds

- (5) Navy Management Fund
- (6) Army Conventional Ammunition Working Capital Fund
- (7) Emergency Response Fund

Trust Funds

- (8) National Security Education Trust Fund
- (9) Dept. of the Navy Trust Revolving Funds
- (10) Dept. of the Air Force Trust Revolving Funds
- (11) Surcharge Collections, Sales of Commissary Stores, Defense

B. The table on the following page presents the exhibit requirements to be submitted as part of the President's budget for the Funds identified in paragraph A. above. Additional budget justification material to accompany the President's budget may be prescribed by separate DoD Comptroller budget guidance.

EXHIBIT/SCHEDULE REQUIREMENTS

<u>Fund</u>	<u>Prog & Financ.</u>	<u>Rev & Exp.</u>	<u>Finan. Cond.</u>	<u>Obj Class</u>	<u>Pers Summary</u>	<u>Status of Contr Auth</u>
(1)	x	x	x	x		
(2)	x	x	x	x	x	
						Fund-2, Fun-11, PR-2
(3)	x	x	x	x		
						Fund-2, Fund 9a/9b, Fund-11, PR-1, PR-2
(4)	x			x		
						P-5, P-8a/8b, P-10/10a, P-27, P-29, P-30, P-40, R-2, R-3, RRF-1, RRF-2, RRF-3
(5)	x					
(6)	x			x		
(7)	x					
(8)	x			x		
(9)	x			x		
(10)	x			x		
(11)	x			x		x

Public Enterprise Funds.

- (1) National Defense Stockpile Transaction Fund
- (2) *Building Maintenance Fund*
- (3) Pentagon Reservation Maintenance Revolving Fund
- (4) National Defense Sealift Fund

Management Funds

- (5) Navy Management Fund
- (6) Army Conventional Ammunition Working Capital Fund
- (7) Emergency Response Fund

Trust Funds

- (8) National Security Education Trust Fund
- (9) Dept. of the Navy Trust Revolving Funds
- (10) Dept. of the Air Force Trust Revolving Funds
- (11) Surcharge Collections, Sales of Commissary Stores, Defense

1004 PUBLIC ENTERPRISE,
MANAGEMENT AND TRUST FUND
FORMATS

100401 Purpose

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

100402 Exhibits in Support of Section 1002 - Budget Estimates Submission

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CT-1 Surcharge Collections, Sales of Commissary Stores Summary..... 24
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SP-1 Stockpile Financial Status Report 28
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CONVENTIONAL AMMUNITION WORKING CAPITAL FUND

SUMMARY

FY _____

<u>SERVICE, OTHER AGENCY OR GOVERNMENT</u>	<u>TOTAL AMMUNITION PROGRAM CAWCF</u>	<u>CAWCF ORDERS</u>				<u>OBLIGATIONS</u>	
		<u>STANDARD PRICED AMOUNT</u>	<u>%</u>	<u>NONSTANDARD PRICED AMOUNT</u>	<u>%</u>	<u>OBLIGATED %</u>	<u>UNOBLIGATED %</u>
ARMY							
NAVY							
AIR FORCE							
MARINE CORPS							
DOD SUBTOTAL							
OTHER FED. AGENCIES	xx	xx			100		
FOREIGN MILITARY SALES	xx	xx			100		
OTHER NON-DOD	xx	xx			100		
NON-DOD SUBTOTAL	xx	xx			100		
TOTAL							

Instructions For Exhibit CF-1

Separate exhibits will be submitted for the Prior Year, Current Year, Budget Year 1 (BY1), and Budget Year 2 (BY2). The purpose of the CF-1 is to compare CAWCF orders to the total ammunition budget, standard and nonstandard orders, and to display obligation status.

The obligations section will be left blank for BY1 and BY2. The obligation section for the execution year will reflect planned annual obligations.

Exhibit CF-1 Conventional Ammunition Working Capital Fund Summary

**CONVENTIONAL AMMUNITION WORKING CAPITAL FUND
FUNDED CARRYOVER**

(DOLLARS IN MILLIONS)

<u>BUDGET CATEGORY</u>	<u>UNOBLIGATED AMOUNT</u>	<u>UNLIQUIDATED OBLIGATIONS</u>
AMMUNITION COMPONENTS		
LOAD/ASSEMBLE/PACK		
ENGINEERING SUPPORT		
QUALITY ASSURANCE SUPPORT		
PROOF & ACCEPTANCE TESTING		
SUBTOTAL DOD REQUIREMENT		
FMS/OTHER	_____	_____
SUBTOTAL OF REQUIREMENTS		
NONSTANDARD DOD ORDER VARIANCE		
CUSTOMER ORDER VARIANCE	_____	_____
TOTAL		

Instructions For Exhibit CF-2

Separate exhibits should be submitted for the Prior Years (cumulative), and the Current Year (estimated). This exhibit provides a budget cost category breakdown of the unobligated and unliquidated amounts. The exhibit also displays nonstandard orders and standard order variances. The total on this exhibit should equal the total unobligated amount on the corresponding CF-1. The unliquidated column of the Current Year exhibit will be left blank.

Exhibit CF-2 Funded Carryover

CONVENTIONAL AMMUNITION WORKING CAPITAL FUND

GAIN/LOSS POSITION

(Dollars in Millions)

OSD
APPROVED

PROPOSED

EXECUTION YEAR (FY__)

ESTIMATED CAWCF POSITION

ESTIMATED DEOBLIGATION

ESTIMATED GAIN/LOSS

CAWCF POSITION END FY

BUDGET YEAR 1 (FY__)

ESTIMATED DEOBLIGATIONS FY

ESTIMATED GAIN/LOSS FY

(Based on standard priced
orders of __ X % surcharge)

CAWCF POSITION END FY

BUDGET YEAR 2 (FY__)

ESTIMATED FUTURE DEOBLIGATIONS

ESTIMATED GAIN/LOSS FY

CAWCF POSITION END FY

NARRATIVE EXPLANATION OF DEVIATION:

Exhibit CF-3 Gain/Loss Position

Instructions For Exhibit CF-3

This exhibit provides a comparison of the previously approved CAWCF position with that being reflected in the budget submission. The estimated gain or loss position in the budget year will be the surcharge (plus or minus) required to bring the CAWCF position to a zero balance. A narrative explanation will be provided to explain any deviation from the projections previously approved by OSD.

The estimated CAWCF position for the execution year should reflect the difference between the total value of customer orders received and the cost to complete, adjusted for variances exceeding the 10 percent or \$1 million. Adjustments should also be made for CAWCF expenditures that are not charged to a specific customer order, and income from nonstandard customer orders.

The estimated gain or loss will be based on customer orders anticipated in the execution year plus all prior years.

The estimated deobligations for Budget Year 1 and Budget Year 2 will be consistent with the CF-5.

**CONVENTIONAL AMMUNITION WORKING CAPITAL FUND
STANDARD PRICE GAIN/LOSS ANALYSIS BY FISCAL YEAR**

(Dollars in Millions)

APPROVED:	<u>FY</u>	<u>FY</u>	<u>FY</u>	<u>FY</u>	<u>TOTAL</u>
GAINS					
LOSS					
NET					
PROPOSED:					
GAINS					
LOSS					
NET					
CHANGE:					
GAINS					
LOSS					
NET					

Instructions For Exhibit CF-4

This exhibit provides a comparison by fiscal year of previously projected Gain and Loss estimates to that being proposed in the current budget submission. This exhibit will provide individual entries for the current execution year and the two previous years, and a cumulative column summarizing any remaining prior year funds.

Exhibit CF-4 Standard Price Gain/Loss Analysis

CONVENTIONAL AMMUNITION WORKING CAPITAL FUND

SUMMARY OF ESTIMATED DEOBLIGATIONS

(Dollars in Millions)

			<u>EXECUTION YEAR</u>		
			%	<u>PROG VALUE</u>	<u>\$ AMT</u>
FY	DEOBS IN FY	=			
FY	DEOBS IN FY	=			
FY	DEOBS IN FY	=			
FY	DEOBS IN FY	=			
FY	DEOBS IN FY	=			Total _____
			<u>BUDGET YEAR 1</u>		
			%	<u>PROG VALUE</u>	<u>\$ AMT</u>
FY	DEOBS IN FY	=			
FY	DEOBS IN FY	=			
FY	DEOBS IN FY	=			
FY	DEOBS IN FY	=			
FY	DEOBS IN FY	=			Total _____
			<u>BUDGET YEAR 2</u>		
			%	<u>PROG VALUE</u>	<u>\$ AMT</u>
FY	DEOBS IN FY	=			
FY	DEOBS IN FY	=			
FY	DEOBS IN FY	=			
FY	DEOBS IN FY	=			
FY	DEOBS IN FY	=			Total _____

Exhibit CF-5 Summary of Estimated Deobligations

Instructions For Exhibit CF-5

This exhibit reflects a summary of planned deobligations for the Execution Year, Budget Year 1, and Budget Year 2.

The fiscal year of funding planned for deobligation will be listed in the first column. The percent column will reflect the projected deobligations based on historical experience. The program value should be the amount obligated for LAP. The \$ Amt Column is computed by multiplying the percent times the program value.

CONVENTIONAL AMMUNITION WORKING CAPITAL FUND

FY_DEOBLIGATIONS BY LAP FACILITY

(Dollars in Millions)

	<u>FY__</u>	<u>FY__</u>	<u>FY__</u>	<u>FY__</u>	<u>FY__</u>	<u>CUMULATIVE</u>
	<u>PROG DEOBS %</u>	<u>PROG DEPBS %</u>	<u>PROG DEOBS %</u>	<u>PROG DEOBS %</u>	<u>PROG DEOBS %</u>	<u>PROG DEOBS %</u>
MILAN						
RADFORD						
INDIANA						
LAKE CITY						
LONGHORN						
HOLSTON						
LONE STAR						
KANSAS						
IOWA						
LOUISIANA						
TOTAL						

Instructions For Exhibit CF-6

This exhibit will be prepared for the three years preceding the execution year. The program value will reflect the value of contract obligations by fiscal year.

Exhibit CF-6 Deobligations by LAP Facility

**CONVENTIONAL AMMUNITION WORKING CAPITAL FUND
SURCHARGE ANALYSIS**

<u>PROPOSED</u>	PRIOR YEAR-1		PRIOR YEAR		EXECUTION		BUDGET		BUDGET	
	ACTUAL		ACTUAL		YEAR		YEAR 1		YEAR 2	
	<u>AMOUNT</u>	<u>%</u>	<u>AMOUNT</u>	<u>%</u>	<u>AMOUNT</u>	<u>%</u>	<u>AMOUNT</u>	<u>%</u>	<u>AMOUNT</u>	<u>%</u>
STANDARD ORDERS		xx		xx		xx		xx		xx
ENGINEERING										
QUALITY ASSURANCE										
PROOF & ACCEPTANCE										
INDUSTRIAL STOCK SUPPORT										
INTERIM TRANS.										
TOTAL										

NARRATIVE:

Instructions For Exhibit CF-7

This exhibit provides an analysis of the surcharges and standard price orders.

A narrative explanation should provide the detail of how the proposed surcharge was estimated. The exhibit should also be annotated to indicate which surcharges are sensitive to the total value of anticipated standard price orders.

Exhibit CF-7 Surcharge Analysis

CONVENTIONAL AMMUNITION WORKING CAPITAL FUND
 FY__ OBLIGATION PLAN
 (Dollars in Millions)

<u>SERVICE</u> <u>CARRYOVER</u>	<u>PRIOR YEAR</u> <u>PRIOR YR</u>	<u>CHG TO</u> <u>ORDERS</u>	<u>NEW</u> <u>AVAILABLE</u>	<u>TOTAL</u> <u>OBLIGATIONS</u>	<u>%</u>
ARMY					
NAVY					
AIR FORCE					
MARINE CORPS					
FMS/OTHER					
TOTAL					

Instructions For Exhibit CF-8

This exhibit provides an obligation plan by Service for the execution year. The column 2 total should equal the unobligated amount shown on the CF-1 for prior years. Column 3 will reflect changes to prior year orders anticipated in the current year. Column 4 should reflect the total anticipated new orders to be received in the execution year. Column 5 is the sum of Columns 2-4. Column 6 should reflect the total obligations planned for the execution year.

Exhibit CF-8 Obligation Plan

**CONVENTIONAL AMMUNITION WORKING CAPITAL FUND
OBLIGATION AUTHORITY**

BUDGET YEAR

	<u>AMOUNT AVAILABLE</u>	<u>PLANNED OBLIGATIONS</u>	<u>UNOBLIGATED BALANCE</u>
PRIOR YEAR CARRY-OVER			
EXECUTION YEAR			
SUBTOTAL			
BUDGET YEAR			
TOTAL			

Instructions For Exhibit CF-9

Separate exhibits will be submitted for Budget Year 1 and Budget Year 2. This exhibit reflects the estimated obligational authority required for each year. The prior year carryover should equal the unobligated value on the CF-1. The execution and budget year estimates should agree with the CAWCF orders on the CF-1. The planned obligation estimates will reflect the obligations projected in the budget year being addressed.

Exhibit CF-9 Obligation Authority

CONVENTIONAL AMMUNITION WORKING CAPITAL FUND

FY__ BUDGET

COMPARISON OF ORDERS TO SALES

(Dollars in Millions)

	<u>UNOBLIGATED CARRYOVER</u>	<u>NEW ORDERS</u>	<u>NET SALES</u>	<u>INVENTORY VALUES</u>
<u>PRIOR YEAR</u>				
APPROVED				
ACTUAL <u>1/</u>				
<u>EXECUTION YEAR</u>				
APPROVED				
PROPOSED				
<u>BUDGET YEAR 1</u>				
PROPOSED				
<u>BUDGET YEAR 2</u>				
PROPOSED				
TOTAL PROPOSED				

1/ AS OF DATE _____

Instructions For Exhibit CF-10

This exhibit provides a summary of customer orders, planned obligations, net sales, and inventory for the prior year, execution year, Budget Year 1, and Budget Year 2. The approval amounts will match that previously approved in the OSD budget. The amounts for the prior year should be annotated to indicate the “as of” date. The prior year column will reflect the cumulative value for all prior years.

Exhibit CF-10 Comparison of Orders to Sales

**CONVENTIONAL AMMUNITION WORKING CAPITAL FUND
 FY BY1/BY2 BUDGET
 ANALYSIS OF UNFILLED CUSTOMER ORDERS BY CUSTOMER AND PROGRAM YEAR
 DATA AS OF**

<u>Customer</u>	<u>FY82-CY-5 Programs</u>	<u>CY-4 Program</u>	<u>CY-3 Program</u>	<u>CY-2 Program</u>	<u>CY-1 Program</u>	<u>CY Program</u>	<u>Total CAWCF</u>
<u>Army</u>							
Unfilled Orders (\$M)							
% of Total Orders							
<u>Navy</u>							
Unfilled Orders (\$M)							
% of Total Orders							
<u>Marine Corps</u>							
Unfilled Orders (\$M)							
% of Total Orders							
<u>Air Force</u>							
Unfilled Orders (\$M)							
% of Total Orders							
<u>All Other Customers</u>							
Unfilled Orders (\$M)							
% of Total Orders							
<u>Total CAWCF</u>							
Unfilled Orders (\$M)							
% of Total Orders							

Exhibit CF-11 Analysis of Unfilled Customer Orders by Customer and Program Year

INSTRUCTIONS FOR PREPARATION OF EXHIBIT CF-11

ANALYSIS OF UNFILLED CUSTOMER ORDERS BY CUSTOMER AND PROGRAM YEAR

This exhibit is required for the OSD, congressional, and midyear budget submissions. The purpose of the exhibit is to break out Conventional Ammunition Working Capital Fund (CAWCF) unfilled customer orders by customer and by the year in which the order was placed.

For the OSD submission, two versions of the exhibit will be prepared, one version reflecting actual data as of July 31, and a second version reflecting the Army's best estimate of what year-end data will be as of September 30. By November 1, the Army will provide an updated version of the exhibit reflecting actual data as of September 30. A separate exhibit forecasting en- of-year values for the budget years and the year before the budget year will be submitted with the OSD submission.

For the congressional submission, the exhibit will reflect actual data as of September 30.

Data for the five most recent program years will be displayed as individual columns. Data for orders received prior to this five-year period will be consolidated into a single column.

The line entries for orders from the four Services will exclude orders related to foreign military sales. The line for All Other Customers will include orders from other federal agencies, foreign military sales, and nonfederal sources.

The Percent of Total Orders stub entries will be computed by dividing the unfilled orders by the current value of total orders for the given customer/program year combination. The total value should include all filled and unfilled orders, whether open or closed, but should not include canceled orders.

Dollar amounts will be displayed in millions and tenths of millions. Percentages will be displayed to tenths of a percent (i.e., 37.6%).

Total CAWCF unfilled customer orders for all customers for all program years will agree with Line 13B3 of the DD 1176.

Surcharge Collections, Sales of Commissary Stores, Defense

Summary

(\$ in Millions)

	<u>FY PY col. of CY PB</u>	<u>FY PY</u>	<u>FY CY col. of CY PB</u>	<u>FYCY</u>	<u>FY BY1</u>	<u>FY BY2</u>
<u>OBLIGATIONS</u>						
Operating Expenses			Provide operations, equipment, and construction			
Equipment			obligations for the PY column of the CY President's			
Construction			budget, the PY, the CY column of the CY President's			
Total Obligations			budget, the CY, the BY1, and the BY2.			
<u>DISBURSEMENTS</u>						
Disbursement of			Provide disbursements of prior year obligations and			
Prior Year Obligations			current year disbursements for the PY column of the CY			
Current Year Disbursements			President's budget, the PY, the CY column of the CY			
Total Disbursements (a)			President's budget, the CY, the BY1, and the BY2.			
<u>COLLECTIONS</u>						
Revenue (b)			Provide revenue for the six years above.			
<u>NET OUTLAYS (c) (a-b=c)</u>						
CASH: Begin Year (d)						
Net Outlays (e)			Provide cash estimates for the six years above.			
End Year (f) (d-e=f)						
Unliquidated Obligations			Provide year-end unliquidated obligations for the six years above.			
Unfunded Contract Authority Requested			Provide unfunded contract authority for the six years above.			

Exhibit CT-1 Surcharge Collections, Sales of Commissary Stores Summary

**Surcharge Collections, Sales of Commissary Stores, Defense
Facility Programs Justification
(\$ in Millions)**

<u>LOCATION</u>	<u>DESCRIPTION</u>	<u>TOTAL COST</u>	<u>REMARKS</u>
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Provide a DD Form 1391 for each FY BY1 and FY BY2 proposed project.

List the location of each proposed construction project for FY CY, FY BY1, and FY BY2.

Description should include whether each project is a new store, add/alter, minor construction, energy conservation, etc.

Total cost is self-explanatory.

Remarks should provide narrative justification for and a description of each project.

Exhibit CT-2 Facility Programs Justification

Pentagon Reservation Maintenance Revolving Fund
Cost of Services
(\$ in Millions)

	<u>FY PY</u>	<u>FY CY</u>	<u>FY BY1</u>
1. Operated Space (Average Square Feet)*			
2. Unit Cost of Operations (\$)**			
Cleaning			
Maintenance			
Utilities & Fuel			
Protection			
Other Building Services			
Administration			
Total Unit Cost for Basic Services			
(Multiply by) Billable Space (Sq. Ft.)			
(Equals) Total Cost of Basic Services			

* Excludes reimbursable "above standard" services.

** Cleaning, maintenance, utilities and fuel, protection, other building services, and administration estimates should equal the cost of each function divided by the billable space square feet for the relevant fiscal year.

Exhibit PR-1 Pentagon Reservation Maintenance Revolving Fund Cost of Services

**Pentagon Reservation Maintenance Revolving Fund
Summary Statement
(\$ in Millions)**

	<u>Obs.</u>	<u>Orders</u>	<u>Rev.</u>	<u>Cost</u>	<u>(Disbursements by Fiscal Year)</u>							
					<u>FYPY</u>	<u>FYCY</u>	<u>FYBY1</u>	<u>FYBY2</u>	<u>FYBY2+1</u>	<u>FYBY2+2</u>	<u>FYBY2+3</u>	<u>FYBY2+3</u>
Pentagon Renovation												
FY PY			N/A	N/A								
FY CY			N/A	N/A								
FY BY1			N/A	N/A								
FY BY2			N/A	N/A								
Other Capital Purchases (specify each)												
FY PY			N/A	N/A								
FY CY			N/A	N/A								
FY BY1			N/A	N/A								
FY BY2			N/A	N/A								
Operating Budget												
FY PY												
FY CY												
FY BY1												
FY BY2												
Total												
FY PY BY2												
FY CY												
FY BY1												
Cash					<u>BOY</u>	<u>Collections</u>		<u>Disbursements</u>		<u>EOY</u>		
FY PY												
FY CY												
FY BY1												
FY BY2												

Obligations, new customer orders, revenue, and costs for the PY, CY, BY1, and BY2 years for the Pentagon Renovation, Other Capital Purchases, and Operating Budget (reimbursable services and basic services noted in Exhibit PR-1) should be provided. Disbursements of PY, CY, BY1, and obligations for each category are also requested. Beginning of Year (BOY) cash, collections, disbursements, and End of Year (EOY) cash for the PY, CY, BY1, and BY2 years is also requested.

NATIONAL DEFENSE STOCKPILE TRANSACTION FUND
Stockpile Financial Status Report
YEAR (PY, CY, BY1, BY2)
(Dollars in Millions)

	<u>ANNUAL PROGRAM</u>	<u>TOTAL</u>	
		BOP INVENTORY	_____
		BOP CASH	=====
Acquisitions	_____	Unliquidated Obligations	
(cash)	_____	(UOs) BOP	_____
(barter)	_____	+acquisitions	_____
(UOs)	_____	-disbursements	_____
		-barter	_____
		UOs EOP	_____
Disposals	_____	Unfilled Orders	_____
(cash)	_____	(UOs) BOP	_____
(barter)	_____	+sales	_____
(UOs)	_____	-collections	_____
		-barter	_____
		UOs EOP	_____
Grants	_____	Appropriation	_____
Other	_____ (explain)	Transfer	_____
Material Exchanges	_____	Asset Exchanges (upgrades)	
		Cash	_____
		Inventory	_____
		EOP INVENTORY	_____
		EOP CASH	_____

REVENUE	_____
(sales)	_____
(appropriation)	_____
EXPENSE	_____
(cost of goods sold)	_____
(grants)	_____
(other expenses)	_____

OBLIGATIONS
(Acquisitions+Grants+Obligated Asset Exchanges) _____

NOTE: Parenthetical entries are either subtotals or comments.

Exhibit SP-1 Stockpile Financial Status Report

INSTRUCTION FOR PREPARATION OF EXHIBIT SP-1
STOCKPILE FINANCIAL STATUS REPORT

1. Purpose. The purpose of this report is to provide information on financial status of the National Defense Stockpile.

2. Submission. This exhibit will be submitted for the prior year (PY), the current year (CY), budget year 1 (BY1), and budget year 2 (BY2) in support of the OSD/OMB and President's budget submissions.

3. Entries:

a. Annual Program addresses transaction during the year involving current year funds only.

b. Total addresses all transactions including adjustments and balances from previous years' transactions.

*Ready Reserve Force (RRF)
Budget Item Justification*

RRF **FY PY-1** **FY PY** **FY CY** **FY BY1** **FY BY2** **FY BY2+1** **FY BY2+2** **FY BY2+3** **FY BY2+4**

O&M

Acquisition

Provide annual funding requirements for the RRF.

Other (specify)

Total RRF

Purpose: Justification for the FYs BY-BY+5 budget request: Provide a narrative justification and sufficient justification for the funding requested

**Ready Reserve Force (RRF)
Ship Composition Funding Requirements**

<u>RRF</u>	<u>FY PY-1</u>	<u>FY PY</u>	<u>FY CY</u>	<u>FY BY1</u>	<u>FY BY2</u>	<u>FY BY2+1</u>	<u>FY BY2+2</u>	<u>FY BY2+3</u>	<u>FY BY2+4</u>
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O & M
Ship Types
Breakbulk
ROS-4
ROS-5
etc.

*Provide annual funding requirements for each ship type by ROS category.
Specify funding by O&M, acquisition and other (specify Other categories consistent with the RRF-1 exhibit).*

Ro/Ros
ROS-4
ROS-5
etc.

Total O&M

Acquisition
Ship Types

Total Acquisition

Other
Ship Types

Total Other

Total RRF

Exhibit RRF-2 Ship Composition Funding Requirements

**Ready Reserve Force (RRF)
Ship Readiness Operational Status (ROS) Composition**

RRF

Ship Types FY PY-1 FY PY FY CY FY BY1 FY BY2 FY BY2+1 FY BY2+2 FY BY2+3 FY BY2+4

Ro/Ros

(ROS Status ROS-4)
(ROS Status ROS-5)
(ROS Status etc.)

Total Ro/Ros

Breakbulk

(ROS Status ROS-4)
(ROS Status ROS-5)
(ROS Status etc.)

Total Breakbulk

etc.

Provide the composition of the RRF by FY for each ship type, i.e.; Breakbulk, Ro/Ros Tankers etc.
Specify ships consistent with the RRF-2 exhibit.

Totals

(ROS Status ROS-4)
(ROS Status ROS-5)
(ROS Status etc.)
Total RRF Fleet

**New Acquisitions
Retirements**

Exhibit RRF-3 Ship Readiness Operational Status (ROS) Composition