

CHAPTER 6
MILITARY CONSTRUCTION/FAMILY HOUSING APPROPRIATIONS
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MILITARY CONSTRUCTION/FAMILY HOUSING APPROPRIATIONS**0601 GENERAL****060101 Purpose**

A. This chapter provides instructions applicable to budget formulation and congressional justification for Military Construction, Family Housing and Homeowners Assistance appropriations.

B. The following appropriations and accounts are covered:

Section

060201 Military Construction

- Military Construction, Army
- Military Construction, Navy
- Military Construction, Air Force
- Military Construction, Defense-Wide
- Military Construction, Army National Guard
- Military Construction, Air National Guard
- Military Construction, Army Reserve
- Military Construction, Navy Reserve
- Military Construction, Air Force Reserve

060202 Family Housing

- Family Housing, Army
- Family Housing, Navy & Marine Corps
- Family Housing, Air Force
- Family Housing, Defensewide

060203 Homeowners' Assistance

- Homeowners' Assistance Fund, Defense

060304 NATO Security Investment Program

- North Atlantic Treaty Organization (NATO) Security Investment Program

060305 NATO Security Investment Program

- NATO Enlargement

060306 Family Housing Improvement Fund

060102 Submission Requirements

General guidance with regard to submission requirements is presented in Chapter 1. Chapter 6 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.

060103 Preparation of Material

General guidance with regard to format and preparation of material is presented in Chapter 1. Chapter 6 provides additional specific guidance with regard to the back-up material required for Military Construction, Family Housing and Homeowners Assistance appropriations.

060104 References

Section 010212 provides policies and definitions concerning costs that are to be financed by the Military Construction appropriations as opposed to other appropriations for R&D facilities.

060105 Family Housing Program Policies and Guidelines**A. Purpose**

1. This section outlines the service aspects of the Family Housing Program; establishes policies and guidelines for program financial management, budgeting, accounting, and reporting; and assigns responsibilities for executing the program. Specific procedures for the administration and management of program funds are set forth in section 060106.

2. The Family Housing Program encompasses Military Family Housing as defined and authorized by the provisions of Title 10, United States Code, Chapter 169, and includes all DoD Component family housing in the Defense Family Housing Property Account, leases of real property utilized by DoD Components for family housing, and associated family housing support services programs.

B. Policy

1. It is DoD Policy: 1) to provide military family housing for military families and for eligible civilian families only when suitable housing in the community does not exist; 2) to provide for the housing and support services, as authorized by law, that are necessary to meet the requirements of the Department of Defense; 3) that the program shall be financed and managed in the most cost effective and efficient manner possible in order to support these requirements and to maximize the use of available program resources; 4) that the program shall include the provision of assistance to all military personnel and certain eligible civilians in locating and utilizing privately owned housing including leasing; 5) that the program shall include, within available resources, the provision of Government-owned or leased family housing and furnishings (referred to as Defense Family Housing Property); and 6) that the program shall include the efficient and effective financial and program management of Defense Family Housing Property, including acquisition, operation, improvement, maintenance, debt financing, leasing, and family housing support programs.

C. Responsibilities

1. The Under Secretary of Defense for Acquisition, Technology and Logistics (USD(AT&L)) is responsible for program management as set forth in DoD Directive 4165.63 and DoD 4165.63-M. The Under Secretary of Defense (Comptroller) (USD(C)) is responsible for financial management, program budget policies, program accounting policies, and financial reporting. As prescribed by the USD(C), the Director, Defense Finance and Accounting Service, is responsible for central accounting and financial reporting for the program. The Secretaries of the Military Departments and the Directors of the Defense Agencies, as prescribed by DoD Directive 4165.63, are responsible for execution of the program for personnel under their respective jurisdictions, including program and financial management, accounting and reporting.

2. In the financial management and execution of the program, DoD Components shall conduct program budget formulation, presentation, and execution in accordance with the guidance and provisions contained in Chapter 6 of this manual and adhere to the program accounting and financial reporting guidance and provisions contained in Volume 4 of this manual.

D. Objectives and Procedures

1. This section outlines the objectives and procedures of the Family Housing Program and is divided into the following subsections: assistance in locating and utilizing privately owned family housing; Defense Family Housing Property; and, management of Defense Family Housing Property.

a. Assistance in Locating and Utilizing Privately Owned Family Housing. Assistance provided to DoD personnel to obtain privately owned family housing under the program includes housing referral service including administration of private rental housing for DoD personnel overseas; DoD leasing of private housing; rental guarantee payments pursuant to section 507, Public Law 88-174, as amended and; service members' mortgage insurance payments on their privately owned housing made pursuant to section 222 of the National Housing Act, as amended.

b. Defense Family Housing Property. All DoD-owned or DoD-controlled physical property described below will be managed and controlled under the Family Housing Program. The properties will be recorded in a property account entitled the Defense Family Housing Property Account. Guidance for the maintenance of property accounting records is contained in Volume 4 of this manual. A continuing permanent accounting record will be maintained of the real property included in each installation's Family Housing Property Account. Appropriate classifications will be entered on the records to distinguish between real and personal property. Property will be removed from the Defense Family Housing Property account when the property is disposed of (as DoD property), or when it is transferred to DoD non-family housing use. The Report Control Symbol assigned to the special record keeping requirements is DD-COMP(AR)1501.

(1) The Defense Family Housing Property Account includes the following properties, under the jurisdiction of the Department of Defense, to which the Government has a right, title, or interest, with exceptions noted in paragraph 060105D.1.b.(2) below.

(a) All types of family dwelling units and mobile home park facilities, without regard to the military status of the occupant and including housing that is: located on or off station, owned or leased, occupied or unoccupied; situated in dispersed locations or in community-type areas; located at an active, inactive, standby, or reserve facility; or, operated or maintained by the Government, directly or by contract.

(b) Nondwelling buildings directly associated with family dwelling units or a family housing area, including structures outside the housing area required solely for family housing support.

(c) Roads, driveways, walks, and utility systems which primarily serve family housing units or areas.

(d) The grounds area of a group of family housing units and the yards of dispersed family housing units or areas.

(e) Community facilities which are integral to a family housing area and are available for use only by family housing area residents and their house guests.

(f) Fixtures and other appliances or equipment in a housing unit that are either integral components or movable items, such as: refrigerators, kitchen ranges and, when authorized, food freezers, room air- conditioners, washing machines, clothes dryers, dishwashing machines, garbage disposals, exhaust fans, roof or attic television antennas; and those appliances provided for family housing rented privately by DoD personnel in areas outside the conterminous United States, pursuant to DoD 4165.63-M.

(g) Furniture, furnishings, and other personal property that are directly associated with providing and supporting family housing units, including personal property provided for use outside the conterminous United States, pursuant to DoD 4165.63-M.

(2) The Defense Family Housing Property Account excludes the following properties, irrespective of the Government's right, title, or interest therein:

(a) Aerial roads, public walks, utility lines, and utility mains that may pass through or in front of family housing locations but serve those locations as an incidental or secondary purpose to other station requirements.

(b) Facilities similar to hotels or motels, which are provided for temporary family occupancy.

(c) Community facilities which are not integral to a family housing area or are available for use by other than family housing area residents and their house guests.

(d) Educational facilities.

(e) Telephone and other communication facilities for official use, and telephone facilities for unofficial use, installed in a family housing unit.

(f) Community Antenna Television distribution service by other Government agency, commercial cooperative, or private enterprise.

(g) Properties financed by and supporting the Defense Security Assistance Program.

(h) Food service facilities.

(i) Facilities used primarily for religious services or religious activities.

c. Management of Defense Family Housing Property. Management undertakings, which arise in connection with the DoD responsibility for and jurisdiction over Defense Family Housing Property, include:

(1) The acquisition, construction, and replacement of family housing facilities and the preliminary planning and design studies on prospective projects, including housing requirement surveys.

(2) The conversion of other real property facilities to family housing quarters.

(3) The upgrading to “adequate public quarters” of those family dwelling units designated as rental, substandard, or inadequate.

(4) The alteration of, or addition, expansion, or extension to, family housing facilities.

(5) The outfitting of family housing facilities, as defined in paragraph 060105D.1.b above, with fixtures and other equipment that are either integral components or movable items of major equipment of a housing unit, including major appliances; and furniture, furnishings, and other personal property. This function includes maintenance and repair.

(6) The maintenance and repair of family housing facilities.

(7) The furnishing of the following services to family housing facilities: utilities services, except telephone service and cable television; refuse collection and disposal; insect and rodent control; snow removal; handling and moving Government-owned furnishings; police and fire protection; and, administrative, supervisory and clerical services related to the performance of services rendered the family housing facilities.

(8) The maintenance and security of family housing property declared excess to DoD needs, which rests with the DoD Component until the Department of Defense is relieved of this responsibility. The following rules and principles apply:

(a) If the property is being disposed of by the General Services Administration, the transfer of financial responsibility to GSA will be in accordance with Federal Property Management Regulations, Part 101-47, 402.

(b) When the Department of Defense recommends to GSA that disposal of excess property be delayed because of economic considerations and a contract has been made with a local agency to rent the property and to protect and maintain it, the residual financial responsibility for maintenance and security rests with the Department of Defense.

(c) It has been agreed with the GSA that, in interpreting property disposal regulations, the Department of Defense will be deemed to have declared the property excess to GSA on the date that the protection and maintenance contact is discontinued.

060106 Family Housing Procedures for Administration and Management of Program Funds

A. Purpose.

This section outlines the procedures for the administration and management of funds appropriated or otherwise made available to the Department of Defense for the Family Housing Program including: authorized reimbursements; application of proceeds from sales or handling of excess family housing for debt service; administration of separate “fixed year” and “annual” accounts; and clarification and amplification of certain financial administration procedures.

B. Treasury Accounts

1. For construction and improvement of family housing facilities, funds are appropriated to remain available for five years. For Operation and Maintenance (O&M) of family housing facilities, funds are appropriated with annual account limitations. These and other funds made available for family housing are administered under the Treasury accounts outlined in section 010603 of this manual.

C. Financing the Family Housing Program

1. The Family Housing Program will be financed from:

a. Those funds primarily appropriated for family housing purposes.

b. Authorized reimbursements and collections from housing rentals and services furnished as set forth below:

(1) Charges will be made for rentals and services furnished certain occupants or users of family housing facilities. The amount of rent charged shall be determined in accordance with the provisions of DoD 4165.63-M. Disposition of the proceeds of handling or disposal of excess family housing property is treated in paragraph C.1.c of this section.

(2) Those collections for rents and services which will be utilized to finance family housing expenses in accordance with applicable statutes are listed below. Such reimbursements will be utilized within the financial authority issued by the Deputy Comptroller (P/B) but limited to the amount of reimbursements earned.

(3) Proceeds received for rental of Defense housing shall be utilized within the applicable DoD Component family housing account to defray O&M expenses. If the housing is rented with Government furniture provided, the combined total charge for shelter rent and furniture rent shall be treated as indicated above.

(4) Proceeds from the sale of utilities and services will be utilized within the appropriation currently available for the supply of that utility or service in accordance with the authority set forth in 10 U.S.C. 2686.

(5) Collections from other agencies related to O&M charges pursuant to 31 U.S.C. 686 will be effected.

(6) When nonexcess family housing property is leased, pursuant to 10 U.S.C. 2667, rental moneys received will be deposited in a special account in the U.S. Treasury established for DoD Components for allocation as prescribed in 10 U.S.C. 2667. Moneys received for utilities or services will be deposited to the applicable DoD Component family housing account.

(7) For accounting purposes, those reimbursements described above to be used for O&M purposes will be identified as financing the operations portion of the O&M expenses.

(8) All collections for family housing rents or services, other than those described above and in paragraph C.1.c of this section will be deposited to Treasury Miscellaneous Receipt Account 1830, "Rent of Real Property not Otherwise Classified," under a citation which includes the appropriate DoD Component two-digit prefix symbol. Such collections include those to cover costs of repairing damages to family housing facilities (including replacement of items) caused by family housing occupants.

c. Other funds which are available from disposal of excess family housing property as set forth below:

(1) In the case of family housing in the United States disposed of pursuant to title II of the Defense Authorization Amendments and Base Closure and Realignment Act (Public Law 100-526) or the Defense Base Closure and Realignment Act of 1990 (Public Law 101-510), the proceeds should be deposited in the Department of Defense Base Closure Account 1990.

(2) In the case of family housing disposed of under authorities contained in 10 U.S.C. 2871-2885, as added by section 2801 of the National Defense Authorization Act for FY 1996, for purposes of using the proceeds to carry out activities authorized under those provisions, the proceeds should be deposited in the DoD Family Housing Improvement Fund.

(3) In the case of family housing overseas disposed of under circumstances which fall within the provisions of section 2921 of Public Law 101-510, as amended, the proceeds should be deposited in the Defense Overseas Military Facility Investment Account.

(4) In the case of family housing disposed of under other circumstances, the proceeds should be deposited in the appropriate military family housing account.

2. Family Housing Program costs will be programmed, budgeted and accounted for by the DoD Component having responsibility for the Defense installation or housing area, regardless of the DoD Component of the housing occupant. Reimbursement for such costs will not be made between DoD Components.

3. Financing will be on a program-year basis. The detailed program-year criteria for the major functional categories and for the immediate subordinate accounts is set forth below:

a. The program year for the undertakings (projects for new construction, acquisition of housing, construction improvements, and minor construction) shall be the same as the year of the applicable annual Military Construction Authorization Act.

b. After the program year for a specific project is established as provided above, the related appropriation for that project will be administered under the designated program year, irrespective of when the work is undertaken. In the event there are savings due to lower bids, change in scope, etc., these savings may be reprogrammed for projects authorized in different program years.

c. For planning and design, which is a “level of effort“ type activity, the following program year concept applies:

(1) Budget estimates for the budget year and each future year will include the planning and design work programmed to be placed on contract or intragovernmental order during the program year and the planning and design work expected to be performed with in-house capabilities during the program year. The dollar value of a planned program will be determined on the basis of estimated obligations to be incurred during the program year for the program scope embraced by (a) and (b), above.

(2) Obligation authorities will be requested and issued by program year on the basis of obligations estimated to be incurred as a result of the issuance during the program year of contracts or other orders which constitute valid obligations pursuant to Volume 4 of this Regulation for planning and design work, irrespective of when the work is to be performed and the accomplishment during the program year of planning and design work with in-house capability. Obligations will be charged by program year on these same bases.

(3) Adjustments to obligations charged against a prior program year will be made only to the extent of an adjustment in the amount of an obligation recorded for specific work ordered in that prior program year or deobligations to reflect cancellation of work ordered in that prior year. New obligations for planning and design work for a particular project which are in addition to that ordered in prior program years for that project are charges against the program year in which those new obligations are incurred.

d. For rental guarantee payments, the program year shall be the fiscal year in which the rental guarantee payments are obligated. No new obligations may be incurred under a program year obligation authority after the close of that program fiscal year. Adjustments to obligations for rental guarantee payments may be made as necessary to reflect actual obligations incurred during the fiscal program year in accordance with existing procedures covering adjustment to annual accounts.

e. The major functional categories of operation and maintenance and debt payment are considered “level of effort“ type activities. Program planning and budget estimates for these categories will be developed in accordance with that concept. Obligational authority for operation and maintenance and debt payment will be requested and issued by program year and will not be available for new obligations after the close of the fiscal year for which such authority is issued. Adjustments to obligations for operation and maintenance and debt payment may be made as necessary to reflect actual obligations incurred during the fiscal program year in accordance with existing procedures covering adjustment to annual accounts.

4. Economic analysis will be applied to all program investment proposals in accordance with this manual which sets forth budget submission requirements.

5. Apportionment of funds and issuance of financial authorities will be obtained as follows: each DoD Component (except Defense Agencies) shall submit to the Deputy Comptroller (P/B) an apportionment request, then the Deputy Comptroller (P/B) will issue specific financial authority to the DoD Components concerned in such amounts and at such levels as appropriate for efficient and economical administration of the Family Housing Program.

6. For the Construction category, OSD program approval and obligating authority will be provided by fiscal year, generally at the construction element level (immediate subordinate account level) or at project level where circumstances warrant. Volume 3 of this Regulation defines the scope of realignment authority delegated to the DoD Components. All program/fund realignments will be reported in accordance with Volume 4 of this Regulation and this volume.

7. Obligations, incurred costs, accrued expenditures, accrued revenues, disbursements and receipts will be recorded and reported in accordance with Volume 4 of this Regulation. When another appropriation, e.g., Operation and Maintenance, initially incurs a funded cost, the applicable DoD Component family housing account will be billed at least monthly. Obligations, incurred costs, accrued expenditures and disbursements will be charged to the applicable accounts.

8. The balance due on indebtedness previously assumed should be in a “Borrowing Account“ in conformance with Federal budget concepts.

a. The acquisition of property will be recorded in accordance with Volume 4 of this Regulation. The amount of the mortgage assumed will be recorded as an increase in the “Borrowing Account“ and will be reported to the Treasury under Code (97).

0602 UNIFORM BUDGET AND FISCAL ACCOUNTING CLASSIFICATION**060201 Military Construction Appropriations**

Programming, budgeting, financing and accounting for the Military Construction Program will be accomplished under an account structure uniformly used for these purposes by all DoD Components. The uniform account structure and scope of each account prescribed for the administration of the Military Construction Program are as follows:

A. Major Functional Category: Construction

1. Immediate Subordinate Account: Major Construction. Includes construction projects authorized under 10 U.S.C. 2802 for the purposes of erection, installation, or assembly of a new facility; the addition, expansion, extension, alteration, conversion, or replacement of an existing facility; or the relocation of a facility from one installation to another. Includes equipment installed and made a part of such facilities, and related site preparation, demolition, excavation, filling and landscaping, or other land improvements.

2. Immediate Subordinate Account: Minor Construction. Includes any urgently required construction project not otherwise authorized by law having a cost equal to or less than \$ 1,500,000. However, if the military construction project is intended solely to correct a deficiency that is life-threatening, health-threatening, or safety-threatening, a minor military construction project may have an approved cost equal to or less than \$3,000,000. Minor construction projects costing more than \$500,000 may not be carried out unless 10 U.S.C. 2805 requirements are met. This includes advance approval by the Secretary concerned and notification to the Congress. An unspecified military construction project costing not more than \$500,000 may be funded from appropriations available for operation and maintenance. However, if the project is intended solely to correct a deficiency that is life-threatening, health-threatening, or safety-threatening, up to \$1,000,000 may be funded from operation and maintenance accounts.

3. Immediate Subordinate Account: Planning and Design. Includes architectural and engineering services, construction design, planning, study, working drawings, specifications and estimates for construction projects. 10 U.S.C 2807 pertains to architectural and engineering services and construction design.

a. Design Status. Projects using parametric cost estimates should be considered zero (0) percent designed. Projects using the traditional method of design, being designed in-house, using a standardized design, or site adapting a previous design should use the milestone chart below to gauge their design status.

1% Design Complete:	Design instructions issued to major command.
2% Design Complete:	Major command design instructions issued to design agent.
3% Design Complete:	Notice to proceed issued to architect/engineering firm (A&E) by the design agent.
30% Design Complete:	Concept plan, early preliminary working drawings, design analyses, and outline specifications issued by the designer.
35% Design Complete:	Concept or early preliminary review comments forwarded to the design agent.
60% Design Complete:	Regular preliminary working drawings, design analyses, and updated cost estimate and outline specifications issued by the designer.
65% Design Complete:	Regular preliminary review comments forwarded to the design agent.

- 90% Design Complete: Final design (working drawings, design analyses, cost estimates, and specifications) completed by the designer.
- 95% Design Complete: Final design review comments forwarded to the design agent.
- 100% Design Complete: Corrected final design accepted by the DoD Component.

4. Immediate Subordinate Account: Supporting Programs. Includes Defense access roads and land acquisitions.

B. Major Functional Category: North Atlantic Treaty Organization Security Investment Program

Includes contributions for the United States share of the cost of multilateral programs for the acquisition and construction of military facilities and installations (including international military headquarters) and for the related expenses for the collective defense of the North Atlantic Treaty Area. 10 U.S.C. 2806 pertains to contributions for North Atlantic Treaty Organization Security Investment Program.

060202 Family Housing

DoD Components will use the uniform account structure established for programming, budgeting, financing and accounting for the family housing program. The account structure will be administered so as to provide program and financial control of the family housing program consistent with applicable statutes. The uniform account structure and scope of each account for the family housing program are as follows:

A. Major Functional Category: Construction

1. Immediate Subordinate Account: New Construction (by Installation and Project). Includes the erection, installation, assembly, relocation or replacement of single or multifamily dwelling units; related land acquisition, site preparation, excavation, filling and landscaping, or other land improvements. Also included are the initial outfitting during construction of a dwelling unit with fixtures and other requirements which are either integral components or movable items of major equipment thereof, including major appliances; and architectural and engineering supervision and inspection of construction. Includes design costs of contractor to perform a turnkey contract. New construction also includes the construction of items included in section 060105D.1.b.(1) (a), (b), (c), and (e).

2. Immediate Subordinate Account: Post Acquisition Construction. Includes major construction projects (projects beyond those authorized under the minor construction program) for the following (by installation and project): upgrading inadequate public quarters, rental housing and acquired Wherry Housing units to produce adequate public quarters; conversion of existing facilities to public quarters; alterations, additions-expansions-extensions; construction of family housing real property, other than dwelling units required subsequent to and because of previously acquired dwelling units; and the payments made to military personnel for telephone reconnection charges shall be included in project costs under this subaccount when a construction project involves relocation, alteration, improvement, or other work necessitating Government directed, non-Permanent Change of Station moves between Government quarters. However, in cases where concurrent maintenance/repair work is involved, telephone reconnection costs shall be charged to the maintenance account.

3. Immediate Subordinate Account: Planning and Design. Includes the design, working drawings, specifications and estimates for construction projects approved by the Secretary of Defense for inclusion in the President's Budget. Also includes consolidated DoD guide drawings, specifications, and planning and design efforts on projects which are not subsequently constructed.

B. Major Functional Category: Operation and Maintenance

1. Immediate Subordinate Account: Operation. This account includes the following: initial acquisition, maintenance, repair and replacement of furniture, furnishings and other personal property (see section 060105D.1.b.(1)(g)); the furnishing of services included in section 060105D.1.c.(7); inspection of construction and administration of rental guarantee projects; leasing of family housing facilities by the Government as outlined in section 060105D.1.a.; and contractor support for family housing privatization.

2. Immediate Subordinate Account: Maintenance of Real Property Facilities. This account includes maintenance and repair of buildings, roads, driveways, walks, exterior and interior utility systems and grounds care; and maintenance, repair and replacement of fixtures and other equipment which are integral components of a housing unit. This account also finances the costs of reimbursements made to military personnel for telephone reconnection charges when maintenance or repair work necessitates Government-directed, non-PCS moves. This includes such charges resulting from improvement/repair projects funded in part from the family housing construction account.

C. Major Functional Category: Debt Payment (Interest and Other Charges)

1. Immediate Subordinate Account: Servicemen's Mortgage Insurance Premiums. This account includes payments of servicemen's mortgage insurance premiums pursuant to Section 222 of the National Housing Act as amended.

D. Major Functional Category: DoD Family Housing Improvement Fund

Includes activities required in connection with the planning, execution, and administration of contracts entered into under the authorities of Chapter 169, Subchapter IV (Alternative Authority for Acquisition and Improvement of Military Housing), Title 10 U.S.C.

060203 Homeowners' Assistance Fund, Defense

The program/budget account classification structure for the Homeowners' Assistance program is prescribed in Exhibits HA-1 through HA-4, found in Section 060504.

0603 BUDGET ESTIMATES SUBMISSION**060301 Military Construction****A. Purpose**

1. This Section prescribes instructions for the preparation and submission of budget estimates for the Military Construction, appropriations.

2. Unless otherwise specified, these instructions apply to all Military Construction appropriations and to all budget estimates. Data submitted must be consistent with the budget estimate being supported.

B. Submission Requirements

1. **General Guidance.** Supporting data for each of the military construction appropriation requests will be submitted concurrently with all other Department of Defense appropriation requests. To facilitate the review and decision making process, it is essential that the packaging of justification materials conform to the uniform facility category structure established by DoD Instruction 4165.3.

a. Construction requirements will be determined in consonance with PDM guidance and with applicable Executive Orders, OMB Circulars, and DoD 4270.1-M.

b. Each proposed construction project will be supported by DD Form 1391/1391C, Military Construction Project Data. These will be prepared in accordance with guidance contained in Section 060502. Projects associated with intelligence or intelligence-related operations will be so identified. Block 5, Program Element, DD Form 1391, will include the annotation “NFIP”, “JMIP”, or “TIARA” as appropriate. DD Form 1390, Military Construction Program, will be prepared for each installation at which major construction is planned, utilizing the format prescribed in Section 060502. DD Form 1390S, Guard and Reserve Forces Military Construction, will be utilized by the Guard and Reserve Components.

c. Lump sum requests for a number of construction projects at a single location or for related projects at several locations will not be considered.

d. *OMB policy is to fully fund military construction projects; however, Section 12.3(K) of OMB Circular No. A-11 allows the Department to incrementally fund projects in certain instances. In an effort to ensure that the policy is applied uniformly throughout the Department, the following criteria should be satisfied: 1) The estimated cost of the proposed project should be \$50.0 million or greater; 2) The construction schedule should be equal to or greater than 24 months; 3) Incrementally funded contracts shall conform with the Federal Acquisition Regulation to prevent over-obligation of the government; 4) Configuration of the contract in separate increments will not significantly increase the cost of the project. The Services or Defense Components have the discretion to request full funding for any project. However, any requests for incrementally funded projects must include a waiver to the OMB full funding policy. If the service request is approved, authorization for the total cost of the project will be requested in the first year, but authorization of appropriation and appropriation of funds will be requested only for the increment being funded in the budget year. If the request is disapproved by the Deputy Secretary for lack of adherence to the above policy, the projects must be fully funded through offsets from the Component.*

e. In order to ensure prudent and economic investments a life-cycle, net present value economic cost analysis is required to support all new construction or renovation projects estimated to cost in excess of \$ 2 million dollars. Copies of these studies are to be retained by the DoD Components and must be available, when requested, during the OSD - OMB budget review. In accordance with Section 010303, components are required to indicate on the justification page for each individual construction project whether or not an economic analysis is applicable or pertinent. If not applicable, a statement is required indicating why.

f. In accordance with guidance provided under Section VI.D. of DoD Directive 2010.5, components are required to indicate on the justification page for each individual construction project for U.S. forces committed to NATO a statement whether or not the project is planned for prefinancing, with appropriate explanation as to: (a) why U.S. unilateral financing is being proposed; and (b) as appropriate, follow-on actions planned to seek reimbursement through NATO channels. A similar statement is required for any other overseas construction, describing why the project is not eligible for host nation funding. More specific guidance is provided in DoDD 2010.5.

g. Justification materials (DD 1390/1391/1391C) will be submitted in book form, with appropriate cover, bound on the left margin. Classified materials are to be submitted in separate volumes, with appropriate security classification markings on covers.

h. The following sections outline the specific materials to be provided including special guidance as to formats to be followed. The numbers of copies required are identified in Chapter 1. Other special materials required are outlined under related Chapter 16.

i. It is recognized that it may be necessary to revise construction project costs subsequent to the budget submission which have changed significantly because of Congressional action, design changes, etc. Such changes will be considered as an additional budget submission and all ground rules, including cut-off dates, will apply.

j. For the biennial budget, separate sections or volumes will be provided for Biennial Year 1 (BY1) and Biennial Year 2 (BY2). For the Biennial Year 2 (BY2) section, BY1 will be considered as the prior year and BY2 as the budget year.

k. All budget submissions for military construction and family housing programs should include outyear project level detail in the format specified in Section 060502.

2. Construction Programs for the Active Forces and Defense Agencies. The books containing the DD Forms 1391/1391C will be arranged by facility category, following the guidelines established by DoD Instruction 4165.3. For each project, the DD Form 1390 will immediately precede the DD Form 1391/1391C. In each DD Form 1391/1391C provided for the OSD submission, the following design status is required: (1) date of design initiation; (2) percentage of design complete on the OSD submission date; (3) date on which 35 percent design will be or has been completed (including review and approval of 35 percent drawings); (4) projected or actual date of design completion; (5) percentage of design utilizing standard design, (6) if the project cost is based on parametric estimates, include the annotation "Parametric estimates have been used to develop project costs"; and (7) *type of design contract, i.e. design-build, design-bid-build, or other, if other, provide a brief explanation of the design contract.* Projects proposed for alternative construction methods such as turnkey, or private financing alternatives, for which percent design is not appropriate, should be noted in place of the design status required for normal projects. Prior to the submission of the President' Budget to Congress, the OUSD(C) Military Construction Directorate shall be notified if any projects will not be at the 35 percent design status by January 1.

a. Major Construction. For purposes of the OSD/OMB review:

(1) No project will be identified or listed under more than one facility category.

(2) The "Operation and Training Facilities" category is to be packaged in the justification books as two separate categories, i.e., "Operation Facilities" followed by "Training Facilities."

(3) Books containing the Forms DD 1391/1391C are to include omnibus packages for the energy conservation investment, and air and water pollution abatement programs. The total requested for each of these programs will be identified separately on single DD 1391s with the detail of program (installation, location, cost, and project description) provided on continuation pages (DD 1391C). None of the projects included in these categories are to be listed under any other facility category.

(4) *Each DD 1391 form for a major construction project must show the construction contract award date (indicate month and year the contract is planned to be awarded to the construction firm, the construction start date (indicate month and year construction is planned to start), and construction completion date (indicate month and year construction is planned to be completed). The information should be displayed on the DD 1391, section 12, Supplemental Data.*

(5) *All DD 1391 forms must include a name and phone number of the civil engineer at the installation responsible for the requested project. This information should be displayed in the bottom left hand corner on the last page of the DD 1391.*

b. Minor Construction. The total minor construction program request should be submitted as an omnibus package on a single Form DD 1391, specifying the lump-sum amount proposed for unspecified (unforeseen) minor construction projects costing up to \$ 1.5 million per project.

c. Supporting Activities. The funding request for Supporting Activities will continue to be reflected as a lump sum amount on DD Form 1391. Supporting detail (location/cost) will be shown parenthetically following the lump sum estimate. While this item will be addressed for decision making purposes in the document covering Utilities and Real Estate, it should be listed separately and not included in the indexes for either Utilities or Real Estate, which fall under different facility category codes.

d. Restrictions on Omnibus Construction Packages. Apart from the specific exceptions noted for the pollution abatement, energy conservation, and minor construction programs, which are discrete decisions, there are to be no other omnibus packages or breakouts in the DD 1391 justification books. All other projects are to be listed under the appropriate facility category. In this respect, the Marine Corps facilities program is to be integrated with the Navy facilities program so that all Navy and Marine facilities are included in a single Department of Navy facility category listing covering the entire "Military Construction, Navy" appropriation request. However, a separate "non-add" listing or index of all Marine Corps unique facilities, similar to those provided in the past, is both useful and desired.

e. Budget Summary and Indexing. Each Component will provide a one page Budget Summary at the front of the justification book that provides a summary of the total construction program request. The summary will show, by column, the total obligation authority (TOA), budget authority (BA), and authorization requested with subtotals by budget activity. Additionally, the books containing the Forms DD 1391/1391C should provide, immediately preceding each category section, an index showing facility category code numbers, installation and location, project number and title, cost, and DD 1391 page number. The index should also identify each project as either new mission or current mission.

f. Multi-service and National Level Support Programs. Projects providing multi-service or national level support are to be programmed/budgeted under the appropriation, "Military Construction, Defense-Wide", or, in the case of NATO Security Investment Program, under the appropriation "North Atlantic Treaty Organization Security Investment Program." These are to be determined on a case-by-case basis, and should be identified as early as possible in the program planning phase. Such items will be identified in the POM/PDM process with appropriate programmatic adjustment or treatment during that phase of the review.

g. Should, on rare occasions, other candidates surface following completion of the POM/PDM process, they will require review in the budget review process. The following guidelines apply:

(1) The individual military departments will serve in an executive agency capacity for support of those construction items. The military department assigned executive agency responsibility will continue to provide all necessary and appropriate management support for such projects, including preparation of budget justification materials, and will continue to fully manage and execute the program including the preparation of all budget justification materials and defense of estimates submitted to Congress.

(2) For those projects which have been identified and programmed as multi-service or national level support programs during the POM/PDM process, the executive agent will provide, at the time of its own budget submission, a separate submission consisting of all justification materials (DD 1391/1391C) necessary

for OSD/OMB review. Such projects are not to be reflected (duplicated) in the submission covering the department's own program (i.e., financial program, facility category listings, etc.).

(3) For those projects which may surface following the POM/PDM process as possible additional candidates, the sponsoring military departments will include these in their own construction program submissions as outlined earlier in this chapter, within their own fiscal levels, and separately highlight such items, providing a narrative explaining the basis for change.

3. Construction Programs for the Guard and Reserve Forces. Justification materials for the Guard and Reserve construction programs will be submitted on DD Forms 1391/1391C (Project Data). A separate justification book is required for each of the five Guard and Reserve appropriations.

a. The DD Forms 1391/1391C will be in a single volume covering total requirements for each appropriation. The materials will be sequenced in alphabetical order, by state and by installation within state. The justification pages covering the lump-sum amount requested for minor construction will appear last. The DD Forms 1390S will be in a separate section following the DD Forms 1391/1391C. Each book is to include an index in the front, showing the installation and location, project title, project cost, DD 1391 page number, and arranged in alphabetical order by state.

b. Each Guard and Reserve program submission is to include separate listings identifying amounts requested in the budget year for: (a) air and water pollution abatement; and (b) energy conservation investment programs. Each listing is to show the installation and location, project title, project cost, and DD 1391 page number. "Negative response" listings are required to assure complete coverage.

4. Construction Planning and Design. The annual estimates for planning and design are to be identified and justified on DD Form 1391. In preparing the annual estimates, full consideration should be given to the lead-time required to meet the objective of having each construction project at the 35 percent design stage at the time the Budget is submitted to OSD. Guard and Reserve component construction projects will meet the design criteria established in DoDI 1225.8, "Programs and Procedures for Reserve Component Facilities and Unit Stationing," at the time the budget request is submitted to OSD.

a. The Military Departments will develop and submit planning estimates in support of the construction programs for the individual Active Forces, Guard and Reserve programs.

b. The Office of the Secretary of Defense will prepare a DD Form 1391, consolidating estimates to be submitted by the Defense Components having justified requirements for Defense Agencies planning and design funds.

(1) Each Defense Agency having a requirement for planning funds during the current and budget years is to submit its estimates on a DD Form 1391.

(2) The individual Military Departments may have a justified requirement for use of Defense-Wide planning funds under circumstances where the Military Departments serve as executive agents for certain multi-service or national-level support projects if funding is required to design a project which will be constructed using Military Construction, Defense-Wide funds. Under such circumstances, the Military Department should submit its estimates on a separate DD Form 1391.

5. Automated Data Requirement. All Military Construction estimates for the Active Forces, Defense Agencies, Guard and Reserve Components shall be addressed in the Exhibit C-1 Construction Annex input prescribed in Chapter 1.

6. Long-Term Facilities Contracts. A DD Form 1390 and 1391 must be submitted for each project proposed under the authorities of 10 U. S. C., Chapter 169. All additional supporting justification should be included in the DD 1390 Form and DD 1391 Justifications. These include Section 2809 ("Long-term facilities contracts for certain activities and services"), Section 2812 ("Lease-Purchase of Facilities"), Section 2835 (Long-term leasing of military family housing to be constructed"), Section 2836 ("Military housing rental guarantee

program“), and other third party financed construction authorities. Private financing initiatives will be closely reviewed to ensure their programmatic and budgetary viability. So that an informed decision regarding inclusion of the project in the budget may be made during the budget review, proposed projects must be supported by an economic analysis. In addition, to establish a reasonable expectation that the long-term facility project meets Congressional guidance that all third party financed projects, including proposed child care facilities, be at least five percent less expensive than regular military construction appropriation, a lease-versus-buy analysis conducted in accordance with the provisions of OMB Circular A-94 must also be submitted as backup documentation for the DD 1391.

a. In development of cost estimates, military construction alternatives should not exceed the published DoD pricing guidance. Private sector construction estimates should be fully supported by documentation and include all pertinent cost factors.

b. Guidance for development of the basic economic analysis required to support these long-term facility contracts is contained in DoDI 7041.3. The separate lease-versus-buy analysis must conform with OMB Circular A-104, and include full life-cycle costs and net present value discounting of each alternative.

c. Proposed child care facilities should also include in their justification the results of a market survey of child care services available in the local community, and the results of a need assessment and installation interest survey that documents and supports the need for the proposed project.

d. Authorization and appropriation procedures for long-term lease and lease-purchase contracts are special cases and may not be treated as regular military construction in some respects. General guidance for the treatment of budget authority, outlays, and scorekeeping guidelines for lease-purchase and capital lease contracts is contained in OMB Circular A-11.

(1) Under the provisions of public law these contracts may, depending on the authority used, be for periods of up to thirty-two years exclusive of the period of construction. However, for projects proposed under the authority of 10 U.S.C., Sections 2809, 2835, and 2836 the obligation of the United States to make payments under the contract in any fiscal year is subject to appropriations being provided specifically for that fiscal year and specifically for that project.

(2) Annual lease or annual lease-purchase payments commence at the time of beneficial occupancy, usually after the budget year in which the project is proposed for authorization.

(3) Components will request authorization for the full asset value of the contract (the estimated construction or acquisition cost, the differential cost of financing, and any contract termination liability costs). Components will request budget authority for each project in the amount equal to the full extent of the Government's first year liability under the contract (the sum of all cost and contract termination liability costs), in the budget year the project is submitted for approval.

e. Components shall submit proposals for long-term facilities contracts in a separate section in the OSD/OMB Justification books. The section shall be entitled “Long-Term Facilities Contracts“. The section will include all DD Form 1390 and DD 1391s for newly proposed projects, and be preceded with an index showing facility category code numbers, installation and location, project number and title, estimated military construction cost and DD Form 1391 page number. Long-term leases and lease-purchases will be separately summarized in the index. In order to assess the long term financial impact of these proposals the section should also include a financial table that provides project data and cumulative totals for; total estimated project authorization, estimated annual lease payment, and year of planned beneficial occupancy.

f. Congressional budget presentation Justification Book guidance is provided in section 0604 of this manual.

g. Following approval of projects for inclusion in the President's Budget, Components may then proceed with project development.

h. In accordance with 10 U. S. C. these projects must be submitted to Congress for final review or approval 21 days in advance of contract award. Unless denied by Congress, Components may make contract award following the 21 day notification period.

(1) Components will submit these projects for approval to the Under Secretary of Defense for Acquisition, Technology, and Logistics, and the OUSD(Comptroller), prior to congressional notification, and again prior to the final submission to Congress.

(2) In order to ensure that only economical investments are approved, and that budget requests are sufficient to cover the full financing of the contract, only those projects demonstrated to be more cost effective than regular Military Construction will be approved for submission to Congress.

7. Construction Programs for Working Capital Funds

The Working Capital Funds related capital construction projects costing over \$500,000 will be included in the component military construction appropriation (including budget authority) budget estimates submission for review.

a. Military construction projects supporting the Working Capital Funds must be clearly labeled as Working Capital Fund projects. The C-1 Annex will include the Working Capital Fund projects (annotated as such) with their associated budget authority.

b. A separate copy of military construction projects supporting the Working Capital Funds will be provided to the Directorate for Revolving Funds, Program/Budget, OUSD(C) (Pentagon, room 3B866).

c. Copies of associated economic analysis studies supporting the construction requirements for Fund projects will be separately provided to the Directorate for Construction, Program/Budget, OUSD(C) (Pentagon, room 3D840).

8. Facilities Programming and Financing at DoD Installations Utilized by Two or More DoD Components. This section establishes the policy for programming and financing facilities at DoD installations where utilization by more than one DoD Component is involved, including host-tenant relationships.

a. Responsibilities

(1) *To ensure joint use construction is considered when assessing the Department's facilities needs, each DD Form 1391 must include a certification by the Secretary or Defense Agency Director concerned that the proposed project has been considered for joint use potential; a recommendation for either joint use or unilateral construction; and the reason(s) for that recommendation if joint use is not recommended. The certification may be delegated not lower than the Assistant Secretary responsible for the project.*

(2) **Single-Use Facilities.** The DoD Component requiring a facility for its own use shall program and budget for the construction project involved.

(3) **Joint-Use Facilities.** The DoD Component which has jurisdiction over the host command shall program and budget for a facility which is planned for the joint use or joint occupancy of two or more DoD Components.

(4) **Common-Purpose Facilities.** On a case-by-case basis, the individual DoD Components shall function as executive agents for programs whose output directly and uniquely operates to the benefit of two or more DoD Components. The executive agent shall be responsible for planning and programming all facilities.

(5) **Required Facilities.** Generally, the host Military Department will program and budget an extension, expansion, and/or increase the capacity of the main utilities and communications or transportation systems, consistent with the master plan of the installation, to support any required facilities, including

those required by a tenant. However, programming and budgeting for such connecting utilities and communications or transportation systems as an integral part of any single-use facility are the responsibilities of the DoD Components requiring the facility.

(6) **Siting Facilities.** Siting of any facility for a tenant will conform to the master plan of the installation or will be in accordance with an agreed-upon location by the DoD Components concerned.

(7) **Design.** Standards of design and construction will conform to those of the host Military Department, consistent with the master plan of the installation; however, exceptions will be made in those instances where tactical or other operational considerations requiring limited duration of occupancy economically would not justify construction of facilities to higher standards.

b. Utilization

(1) The tenant DoD Component will have exclusive use of any facility constructed for the duration of the tenants requirement. Upon termination of tenancy or use by the tenant, the facility will revert to the host Military Department for utilization without fee.

(2) Should the tenant DoD Component, at a later date have a requirement for use of the same facility, the host Military Department will make the facility, or an acceptable existing facility, available within a reasonable time period to the tenant. The host Military Department will not reconstruct or acquire a new facility for the tenant instead of returning the original facility or an acceptable existing substitute. If the host Military Department is not able to make a facility available to the tenant without creating unacceptable conditions for the host, the tenant will be responsible for obtaining a new facility.

c. Maintenance and Service Support Determination as to the levels of maintenance and service support and reimbursement therefore will be made by the DoD Components concerned consistent with DoD policies for host-tenant agreements.

060302 Family Housing

A. Purpose

1. This Section prescribes instructions for the preparation and submission of budget estimates for the Services' Family Housing, appropriations.

2. Budget estimates will be submitted by the Services and Agencies which have requirements for financing the Family Housing Program as defined in Section 060106.

B. Submission Requirements

1. Budget Estimates. Each DoD Component is to submit data to support the budget requirement for Family Housing on the basis of the accounts and account structure set forth in the detail prescribed in Section 060302 B.3 (Preparation of Material). In addition, each DoD Component will address Family Housing estimates in the Exhibit C-1 Construction Annex input prescribed in Section 010504.

2. General

a. All data (including the OP-5 exhibit) will be provided on 8-1/2 inch by 11 inch size paper, typed across the short dimension of the paper, except for the formal exhibits contained in Section 0605 which have been formatted across the long dimension of the paper (FH-2, FH-3, FH-4, and FH-5). All pages will be bound on the 11 inch side.

b. The family housing budget data will be bound in separate books for the Army, Navy (including Marine Corps, with Debt Payment and Operations and Maintenance Cost for Marine Corps shown separately), Air Force, and Defense Agencies.

c. The number of required copies of the above material is specified in Section 010302.

d. For the biennial budget, separate sections or volumes will be provided for Biennial Year 1 (BY1) and Biennial Year 2 (BY2). For the Biennial Year 2 (BY2) section, BY1 will be considered as the prior year and BY2 as the budget year.

3. Preparation of Material. Submit data using forms and formats as indicate below. Separate tabbed sections will be submitted for each of the categories below (a, b, and 4-18).

a. Index Provide a detailed index to the submission.

b. Summary

(1) Provide a short narrative summary (no more than one page) describing the most significant features of the request. This summary need not cover every facet of the request and is intended to highlight those items of special significance.

(2) Provide a one-page financial summary of the entire request. This should include, as a minimum, the amounts requested for authorization and appropriation for the major programs (Construction, Operation and Maintenance, Utilities, Leasing, Debt and Reimbursable) and for the major subdivisions of these programs, as described below.

4. Legislative Language. Submit the requested authorization and appropriation language. Existing language should serve as a base, with changes and omissions bracketed.

5. New Construction

a. Summary. Provide a brief summary of the New Construction program. The summary should include, as a minimum: a short narrative highlighting the most significant features of the request, a comparison of the prior year program with the request, and a listing of each project requested showing location, number of units and the estimated cost. The index should also identify each project as either new mission or current mission.

b. Project Justification. For each New Construction project, including the construction of mobile home spaces, the following forms and exhibits are required. Additionally, in accordance with Sections 2823 and 2824 of Title 10 U.S.C., provide documentation of consultations with the Secretary of Housing and Urban Development on the availability of suitable alternative housing at each construction location.

(1) Military Construction Project Data -- DD Form 1391. Form will be prepared in accordance with the instructions contained in Section 0605 of this manual. It is important to avoid the use of "boiler-plate" justification. Cost estimates for new construction projects will include the maximum level of detail practicable. Any unusual features impacting on the cost of the project must be fully justified. In order to ensure prudent and economic investments a life-cycle, net present value economic cost analysis is required to support all new construction projects estimated to cost in excess of \$2 million dollars. Copies of these studies are to be provided with the Family Housing budget estimates. Each DD Form 1391 will (1) state if an economic analysis has been prepared and provide a summary of the results of that analysis, including the calculated savings-to-investment ratio, or (2) provide the specific reasons why an economic analysis is not required. Assemble the DD Form 1391's in the same sequence as the listing of projects on the summary page.

(2) Military Family Housing Justification - DD Form 1523. Form will be prepared in accordance with DoD Housing Management 4165.64-M. Data supplied should be in agreement with the latest formal housing survey for the location, and with the information provided on the DD Form 1390. The date of the survey should be specified. The form must include a statement indicating whether a private sector housing market analysis has been conducted and the date the market analysis was completed. When a market analysis has been conducted and is used as justification for new construction, a copy of the analysis must be available for review upon

request. Since this form deals with housing deficit calculations, the DD Form 1523 is required for housing unit and mobile home space projects only.

(3) Tri-Service Family Housing Cost Model. Provide, for each housing project, the calculations on which the budget estimate is based, using Exhibit FH-1, the “Tri-Service Family Housing Cost Model”. The appropriate DoD cost factors must be used in the calculations. In addition, Tri-Service Family Housing Cost Models should be prepared using metric units of measure.

6. Post-Acquisition Construction

a. Summary. Provide a general summary of the Post-Acquisition Construction program being requested. The summary should include, as a minimum, a short narrative highlighting the most significant features of the request, and a comparison of the prior year program with the request. For consistency, the program should be referred to as “Post-Acquisition Construction” rather than “Improvements” or any other title.

b. Project Justification. Provide a DD Form 1391 covering the entire Post-Acquisition Construction program and DD Form(s) 1391C listing each project requested. Project description should be specific with regard to the work which is to be done (specify the number of units to be improved by the intended occupant grade; senior officer, junior officer, or enlisted), and note planned concurrent RPM non-routine costs. Projects should be arranged alphabetically by state and country. Federal Energy Management Program (FEMP) funding, if any, must be separately totaled. Projects, or portions of projects, for General and Flag Officer Quarters (GFOQ) must be identified separately. For improvement projects, where the cost per unit exceed sixty percent of the current replacement value of the unit, the project must be supported by a life-cycle economic analysis that demonstrates that renovation is more cost effective than new replacement construction or other available alternatives, such as demolition and reliance on housing allowances.

c. Projects in Excess of \$50,000 Per Unit. A separate DD Form 1391 is required for each project for which the per unit cost is in excess of \$50,000, taking into consideration the appropriate DoD area cost construction index. In the case of improvements necessary to make the unit suitable for habitation by a handicapped person this threshold is increased to \$60,000 multiplied by the applicable area cost factor. The cost estimate should also include concurrent repair to be funded under O&M. The justification for the project must detail the findings of an economic analysis and the resulting savings-to-investment ratio. Any unusual features impacting on the cost of the project must be clearly cited. Additionally, note the total Post-Acquisition Construction and non-routine maintenance for the unit or set of units over the past five years.

d. Restriction on the Amount Invested in Improving Foreign Source Housing Units. The three-year limitation on overseas units is \$35,000. If the Services intend to program improvements to specific units which exceed \$35,000 over a period of three years, total funding should be requested in one year. The justification for each unit should identify all improvements and major maintenance work done in the past three years, and all improvements and major maintenance planned in the following three years.

7. Rental Guarantee Housing. For each rental guarantee housing project, both foreign and domestic, provide a listing showing: (1) location, (2) number of units (by intended occupants (senior officer, junior officer, enlisted), (3) term of contract, (4) fiscal year and month of contract renewal, and (5) maximum termination costs.

8. Advance Planning and Design. All requirements for Advance Planning and Design should be submitted in the format prescribed for military construction.

9. Operation and Maintenance Summary

a. Narrative Summary. Provide a general summary of the entire Operations and Maintenance program being requested, excluding leasing and debt. The summary should include, as a minimum, a succinct narrative highlighting the significant features of the request and a comparison of the prior year program with the budget request, particularly the reasons for any significant upward or downward shifts in funding levels.

b. Inventory and Funding Summary.

(1) Provide the data called for in Exhibit FH-2, Family Housing Operation and Maintenance Summary. *Include for each fiscal year, as a subset of "Average Inventory for Year," the total number of units that are classified as historic (units that DoD must manage in accordance with the National Historic Preservation Act of 1966).*

(2) Provide the total civilian personnel compensation for all U.S. Direct Hires, Foreign National Direct Hires and Foreign National Indirect Hires. This information should be provided for the prior year, current year and budget years in the format of Exhibit OP-8, Civilian Personnel Costs, shown in Section 030402 of this manual. This exhibit is only required for inclusion in the OMB/OSD review, but should be provided separately for the President's Budget submission.

10. Operations. The sub-accounts of Operations are Management, Services, Furnishings and Miscellaneous. For each of these provide:

a. Summary. A short narrative describing what the funds will be used for and highlighting the most significant features of the request. For the Furnishings program only, provide additional information in the format of Exhibit FH-3, "Furnishings Summary".

b. Reconciliation of Increases and Decreases. A reconciliation of increases and decreases, at the worldwide level, between the amounts requested in the President's Budget for the current year and budget years. The format of this reconciliation is to be identical to the Exhibit OP-5 shown in Section 0605 of this manual. For each program increase or decrease, quantitative and qualitative information relative to the proposed change must be provided. Increases and decreases should address specific adjustments in the program, particularly changes in the number of family housing units being supported, changes in the FH-2 and FH-3 exhibits, etc.

11. Utilities. For the Utilities program, separate from Operations, provide the following:

a. A short narrative describing what the funds will be used for and highlighting the most significant features of the request. This should contain a section dealing with energy consumption reductions accomplished and progress made towards meeting Congressional and Defense energy conservation goals.

b. A breakout of KWH of electricity, tons of coal, cubic feet of gas, barrels of oil and other energy usage which supports the request for utilities.

c. Reconciliation of Increases and Decreases. A reconciliation of increases and decreases, at the worldwide level, between the amounts requested in the President's Budget for the current year and budget years. The format of this reconciliation is to be identical to the Exhibit OP-5 shown in Section 0605 of this manual. For each program increase or decrease, quantitative and qualitative information relative to the proposed change must be provided. Increases and decreases should address specific adjustments in the program, particularly changes in the number of family housing units being supported, changes in the FH-2 exhibit, etc.

12. Maintenance

a. Provide a short narrative describing what the funds will be used for and highlighting the most significant features of the request.

b. Reconciliation of Increases and Decreases. A reconciliation of increases and decreases, at the worldwide level, between the amounts requested in the President's Budget for the current year and budget years. The format of this reconciliation is to be identical to the Exhibit OP-5 shown in Section 0605 of this manual. For each program increase or decrease, quantitative and qualitative information relative to the proposed change must be provided. Increases and decreases should address specific adjustments in the program, particularly changes in the number of family housing units being supported, changes in the FH-2 exhibit, etc.

c. Provide a summary on the backlog of deferred maintenance. Describe the plans for reducing the backlog to a manageable level. Provide an analysis of types of projects, type and accuracy of reporting and special efforts to reduce the backlog. Provide a table showing, for BY-3 through BY2, (1) backlog at beginning of year, (2) recurring maintenance arising during the year, (3) maintenance funds approved or planned, (4) backlog at end of year, and (5) backlog reduction (-) or growth (+) during the fiscal year.

13. Maintenance and Repair Over \$20,000 Per Unit

a. Using DD Forms 1391 and 1391C, provide data on maintenance and repair projects for which the per-unit cost exceeds \$20,000. As a minimum, the 1391C should provide, for each project: (1) location, (2) number of units, (3) age of units, (4) per unit cost, (5) total square footage of unit and square footage of project, (6) total cost, and (7) short narrative description and justification of the work, including results of economic analysis and savings-to-investment ratio. Additionally, describe the total Post-Acquisition Construction and non-routine maintenance accomplished on the unit or set of units over the past five years. Projects should be listed alphabetically by state and country, as displayed for the Post Acquisition Construction projects.

b. Projects which appear as concurrent maintenance and repair on the 1391's for Post-Acquisition Construction (see Section 060302 B.7 above) will be shown here if they exceed the \$20,000 per unit threshold, with a notation stating that the project is also shown in the post acquisition construction section.

14. G&FOQ O&M Costs Over \$25,000 Per Unit

a. Provide a summary statement detailing your efforts to control and reduce expenditures for these "high-cost" units.

b. Provide a listing of all General and Flag Officer Quarters (G&FOQ) for which total Operation and Maintenance cost exceeds \$25,000 for the Budget Year. Listing should include, for each: (1) location, (2) quarters identification, (3) size of unit, (4) age of unit, (5) operations total, (6) utilities total, (7) maintenance total, (8) total O&M, and (9) short narrative description and justification of the work, including results of economic analysis and savings-to-investment ratio. Additionally, note the total Post-Acquisition Construction and maintenance costs for the unit or set of units over the past five years.

c. This listing will include all G&FOQ projects for which total Operation and Maintenance exceeds \$25,000, including those listed in other sections of the submission.

d. Provide a similar listing for the Prior Year and Current Year units with O&M over \$25,000 and which were not included in the previous budget request.

e. *In addition, to satisfy the annual reporting requirement of section 128 of the FY2000 Military Construction Act, a separate listing (off-line from BES and President's Budget) of all GFOQs is required by December 1 each year. The listing must reflect actual operation and maintenance expenditures for each GFOQ for the prior fiscal year, and shall be in the format of Exhibit FH-5 General and Flag Officers Quarters.*

15. Reimbursable Program. Provide a detailed justification for the Reimbursable Authority requested. Include information on what precisely is funded through the reimbursable program and details on the sources of receipts for the prior year, current year and budget year.

16. Leasing

a. Provide a brief summary statement describing the program and highlighting major initiatives for which funds are being requested.

b. For domestic and foreign leases, provide a summary justification statement. Also provide data on the leasing program in the format of Exhibit FH-4, "Analysis of Leased Units." Information should be provided at the installation or community level, whichever is most applicable. For each new project requested, also

include a full justification and description, in the same format as for a New Construction project (see Section 060302 B.6 above).

c. Reconciliation of Increases and Decreases. A reconciliation of increases and decreases, at the worldwide level, between the amounts requested in the President's Budget for the current year and budget years. The format of this reconciliation is to be identical to the Exhibit OP-5 shown in Section 0605 of this manual. 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, particularly changes in the number of family housing units being supported.

d. For each new Section 801 lease project requested, include a full justification and description, in the same format as for a New Construction project (see Section 060302 B.6 above) , including the results of the economic analysis.

e. Under Section 2828 of 10 U.S.C., the Components are allowed not more than 10,000 domestic (United States, Puerto Rico, or Guam) leased units. The cost of domestic leases may not exceed \$12,000 (including the cost of utilities, maintenance, and operation) per unit per year. Section 2828 permits an exception for 500 of these domestic leased units that may exceed \$12,000 per unit per year but can not exceed \$14,000 per unit per year. Beginning in FY 1994, these maximum lease amounts are adjusted each year by the percentage (if any) by which the Consumer Price Index (CPI) for All Urban Consumers, published by the Bureau of Labor Statistics, during the preceding fiscal year exceeds the CPI for the fiscal year before the preceding fiscal year. For example, the FY 1994 cap of \$12,000 is adjusted by the following formula: $\$12,000 * [\text{FY 1993 average annual CPI} / \text{FY 1992 average annual CPI}] = \text{new cap}$. The average annual CPI is calculated by adding the CPI for each month in a fiscal year and dividing by 12. Beginning in FY 1998, the Army has authority to lease 8 units in Miami, Florida. The lease cost of these units may not exceed \$280,000 per year, and no lease on any individual housing unit may exceed \$60,000 per year. These limits will be adjusted for increases in the CPI, using the above formula, beginning in FY 1999.

f. Also Under Section 2828 of 10 U.S.C., the Components are allowed not more than 53,000 foreign leased units. Foreign leases may not exceed \$20,000 per unit per year (including the cost of utilities, maintenance, and operation). Section 2828 permits exceptions for 450 leased units that may exceed \$20,000 but that can not exceed \$25,000 per unit per year and for 350 leases that may exceed \$25,000 per unit per year. The Navy also has authority to lease an additional 2,000 units in Italy that may not exceed \$25,000 per unit per year. These dollar limits are adjusted for the annual percentage change in the CPI as described in section 060302 B.16.e. above and for foreign currency fluctuations from October 1, 1987. To determine the impact of foreign currency fluctuation on the rental rate, these high cost "cap" rental rates must be computed for each foreign country, each year to adjust for the impact of foreign currency fluctuation. After the caps of \$20,000 and \$25,000 U.S. dollars are adjusted by country, the adjusted rates becomes the new cap for determining whether a lease must be counted against the exception limits for a given budget year. Then, if a rental exceeds the adjusted maximum costs, it counts against the high cost ceiling limitations of 450 and 350, units, respectively, DoD-wide. For each nation the formula that is to be applied is: $\$20,000 \text{ adjusted for CPI changes or } \$25,000 \text{ adjusted for CPI changes} * [\text{FY 1988 exchange rate} / \text{current budget exchange rate}] = \text{new cap limit}$.

(1) Where the "FY 1988 exchange rate" is the exchange rate that was published by the USD(C) for use in preparing the FY 1988 budget estimates, stated in units of foreign currency for one (1) U.S. dollar:

<u>Country</u>	<u>Monetary Unit</u>	<u>FY 1988 Exchange Rate</u>
Belgium	Franc	42.77
Canada	Dollar	1.39
Denmark	Krone	7.75
Germany	Mark	2.06
France	Franc	6.72
Greece	Drachma	139.90
Italy	Lira	1,423.00
Japan	Yen	163.10
Netherlands	Guilder	2.33
Norway	Krone	7.52
Portugal	Escudo	150.5
Spain	Peseta	137.60
Turkey	Lira	743.50
United Kingdom	Pound	0.70

For countries not listed, use the October 1, 1987 exchange rate.

(2) Where the “current budget exchange rate“ is the rate published by the USD(C) for use in preparing the fiscal year budget estimates for which the lease funds are being requested, stated in units of foreign currency for one (1) U.S. dollar.

(3) The new cap limit is the maximum amount in dollars that a lease may cost per unit per annum for each nation, before that unit must count against the worldwide 350 and 450 unit limits on exceptions for high cost leases for the fiscal year for which the budget resources are being requested.

(4) Provide a summary table showing application of the above formula for each nation where high cost leases exist or are proposed, and the total number of such leases.

17. Debt Payments

- a. Provide a brief justification statement describing the requested program.
- b. Provide a table identifying separately the total of the principal payments, and interest charges, and the totals for the Servicemen’s Mortgage Insurance Premium program for the prior, current, and budget years.
- c. For the Servicemen’s Mortgage Insurance Premium program provide a listing showing, for each fiscal year: the number of terminations, the number of mortgages on which payments are to be made, the average payment per mortgage, and the estimated payments for the year. This table should start with the prior year, and end with BY+1.

18. Foreign Currency Exchange Data All Family Housing Operation and Maintenance appropriations that participate in the Foreign Currency Fluctuations, Construction, Defense appropriation are required to prepare and submit a PB-18 Exhibit using the approved foreign currency exchange rates. The format for the PB-18 Exhibit is in section 191204 of Chapter 19 of Volume 2 of the DoD Financial Management Regulation (DoD 7000.14-R).

060303 Homeowners' Assistance Fund, Defense**A. Purpose**

1. This Section provides guidance for the preparation and submission of Homeowners' Assistance Fund, Defense budget estimates under the Department of the Army allocation account.

2. Budget estimates will be submitted only by the Department of the Army since that Department has been assigned the overall responsibility for the administration and management of the Department of Defense Homeowners' Assistance program by DoD Directive 4165.50.

3. Each Component is responsible for including sufficient resources in their budget estimate to fund Homeowners Assistance Program (HAP) costs related to their Component's actions associated with base closures, realignments, and force reductions. The level of resources required to fund HAP costs shall be developed in consultation with the Army, as the HAP executive agent. Budget estimates for HAP shall be separately identified and submitted in Component BRAC submissions for HAP costs associated with realignments and closures and in the O&M submission for non-BRAC related HAP costs.

B. Submission Requirements

1. Submit a narrative explanation and description for current and budget years, setting forth estimated cases of assistance by type and location, including a summary of management and disposal actions by the Federal Housing Administration relating to acquired property.

2. The following exhibits, provided in Section 0605, will be submitted:

HA-1	Workload and Obligation Data
HA-2	Status of Accounts
HA-3	Work Unit Data
HA-4	Program and Financing

In addition, the Army will address Homeowners' Assistance Fund estimates in the Exhibit C-1 Construction Annex input prescribed in Section 010504.

3. Required copies of the above material are identified in Section 010302.

4. For the biennial budget, separate sections or volumes will be provided for Biennial Year 1 (BY1) and Biennial Year 2 (BY2). For the Biennial Year 2 (BY2) section, BY1 will be considered as the prior year and BY2 as the budget year.

C. Preparation of Material. All material will be provided on 8-1/2 inch by 11 inch size paper, and bound on the long side. All narrative data will be typed across the short dimension of the paper, while Exhibits HA-1, 2, 3 and 4 will be typed across the long dimension.

060304 North Atlantic Treaty Organization (NATO) Security Investment Program**A. Purpose**

1. This section provides guidance for preparation and submission of the NATO Security Investment Program budget estimates.

2. Budget estimates will be submitted by the OUSD(AT&L) since that office has been assigned the overall responsibility for the oversight and management of the NATO Security Investment Program by DoDD 2010.5.

B. Submission Requirements. Submit a *detailed exhibit, NSIP-1*, listing requirements at the project level for both construction and procurement requirements. The listing should be sufficiently detailed to identify discrete projects and initiatives. Aggregations at the capability package level i.e., Defense of the Mediterranean, are not sufficiently detailed and should be broken down further to show the individual projects/initiatives comprising the capability packages. A narrative explanation and description of each of the requirements for the current and budget years should be provided. *The NSIP-1 exhibit is attached for the NATO Security Investment Program to identify the following information: Location, Installation, Project Title, Description of Project, Budget Scheme (how many NATO Nations participating in the funding of the project), Project Cost, U.S. Cost Share, Other Nations Cost Share. This will be provided for both the current year and budget year.*

C. Preparation of Material. All material will be provided on 8-1/2 inch by 11 inch size paper, and bound on the long side. All narrative data will be typed across the short dimension of the paper.

060305 North Atlantic Treaty Organization (NATO) Security Investment Program Expansion Costs

A. Expansion Costs. Submit a list of all requirements, construction and procurement, associated with NATO expansion. The listing should be sufficiently detailed to identify discrete projects and initiatives. Aggregations at the capability package level i.e., Defense of the Southern Region, are not sufficiently detailed and should be broken down further to show the individual projects/initiatives comprising the capability packages. *The NSIP-1 exhibit is attached for the NATO Security Investment Program to identify the following information of projects associated with NATO Expansion: Location, Installation, Project Title, Description of Project, Budget Scheme (how many NATO Nations participating in the funding of the project), Total Project Cost, U.S. Cost Share, Other Nations Cost Share. This will be provided for both the current year and budget year.* A narrative explanation and description of each of the requirements for the budget years should be provided. The budget estimate for NATO Expansion Costs should be identified in Budget Activity (BA) 02 as presented in Chapter 1.

060306 Family Housing Improvement Fund

A. Purpose

1. This section prescribes instructions for the preparation and submission of budget estimates for the Family Housing Improvement Fund (FHIF).

2. *The Competitive Sourcing and Privatization Directorate (CS&PD), ODUSD(Installations), shall provide an overview of the Military Housing Privatization Initiative (MHPI). The overview should contain a status of the Department's initiative, a description of the initiative's goals, and plans to achieve those goals. Further, any required appropriations to the FHIF for CS&P administrative costs shall be identified and justified in the CS&P overview submission.*

B. Submission Requirements

1. *The Services shall provide a schedule for their privatization projects using the exhibit at FH-6, Family Housing Privatization. Also, the New Construction summary, DD Forms 1391, and Improvement projects should indicate which family housing construction projects are intended as a source of funding for privatization initiatives. A lump sum DD Form 1391 may also be used to identify family housing construction funds for transfer to the FHIF. Each Service shall also provide a narrative summary of their MHPI programs.*

2. *Direct Loans and Guaranteed Loans: OMB credit data requirements and MAX schedules for inclusion in the President's Budget are contained in section 33 of OMB circular A-11. The Services must ensure that the required data will be available by December 1 of each year for their loan programs. The information will be requested under separate cover.*

0604 CONGRESSIONAL JUSTIFICATION/PRESENTATION

060401 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 0605.

060402 Organization of Justification Books

A. Justification material will be organized into one volume entitled:

Supporting Data for Fiscal Year
20BY1/20BY2 Budget Estimates
Descriptive Summaries

B. This volume will be divided into two sections, organized as shown on the following pages.

A. Organization**Table of Contents and Summary Data**

The summary data will include a state list of all major, minor and family housing construction projects.

Section 1 Special Program Considerations

This section will include the following topics with a short narrative or summary table, and other special interest items as applicable.

Facilities Funded Through Other Than Military Construction
Pollution Abatement Program
Energy Conservation Program
Drug Interdiction Program

Section 2 Budget Appendix Extract

Legislative Language

**Section 3 Installation and Project Justification Data
DD Forms 1390 and 1391****Section 4 Architectural and Engineering Services and Construction
Design****Section 5 Unspecified Minor Construction****Section 6 Defense Access Roads****Section 7 Family Housing****Section 8 Homeowners' Assistance (Army Only)****Section 9 Long-Term Facilities Contracts****Section 10 Working Capital Fund Capital Construction**

B. Biennial Budget Submission. For the biennial budget, separate sections or volumes will be provided for Biennial Year 1 (BY1) and Biennial Year 2 (BY2). For the Biennial Year 2 (BY2) section, BY1 will be considered as the prior year and BY2 as the budget year.

C. The volume will be organized by state/country and location. Projects should be shown in precisely the same order as they appear in the State List portion of the Construction Annex (C-1).

D. All construction line items included in the funding program in support of the total obligational authority for the Military Construction appropriations in the President's Budget will be summarized on Installation and Project Justification Data, DD Forms 1390 and 1391/1391C. In addition to data provided on DD Forms 1390 and 1391, justification books submitted to the House and Senate Appropriations, the House National Security Committee, and the Senate Armed Services Committees in support of Military Construction Program requests will contain supplemental data prepared in the formats prescribed below on the reverse of DD Form 1391. The Guard and Reserve Forces will use a DD Form 1390S continuation page in lieu of DD Form 1390. All forms required for a project will be grouped and combined in the same book arranged in category code order within state and station.

E. Section 5 will include an exhibit entitled "Long-Term Facilities Contracts", separately listing projects proposed under 10 U. S. C. Sections 2809 and 2812 authorities, arranged in the same order as they would

appear in the State list portion of the Construction Annex (C-1). This exhibit will be followed by the DD Forms 1390 and 1391 for each new project proposed. The section will also include a special financing table reflecting both prior approved long-term facility contracts and new requests, as specified in Section 060301 B.7.

F. Section 060502 contains detailed instructions for preparation of DD Forms 1390 and 1391/1391C. Detailed instructions for preparation of the supplementary justification material are given in Section 060405. The following additional instructions apply:

1. In addition to other data requirements, components are required to indicate on the DD Form 1391C for each individual project a statement indicating whether or not an economic analysis has been utilized in evaluating the project. In those instances where an economic analysis has not been prepared, a statement is required indicating why such analysis is not applicable or pertinent.

2. Lump-sum requests for a number of construction projects at a single location or for related projects at several locations will not be considered.

3. Projects associated with intelligence or intelligence-related operations will be so identified. Block 5, Program Element, DD Form 1391, will include the annotation "NFIP", "JMIP", or "TIARA" as appropriate.

4. Consistent with Executive Order 12770 of July 25, 1991, Military Construction and Family Housing budget submissions, including DD Forms 1390 and 1391, should be prepared using metric units of measure. *In accordance with congressional report language, DD Forms 1390 and 1391 must also include parenthetically the English measurement.*

5. All DD Forms 1391 should include a name and phone number of the civil engineer at the installation responsible for the requested project. This information should be displayed in the bottom left hand corner on the last page of the 1391.

6. *The budget submission should include the real property maintenance backlog at all installations for which there is a requested construction project. This information is to be provided as subsection c. in block 9 of the DD Form 1390 under the heading, "RPM Backlog". In addition, for all unaccompanied housing project requests, the DD Form 1391 is to show all unaccompanied housing real property maintenance conducted in the past 2 years (FY 2000 and FY 2001) and all future RPM requirements (defined as RPM funding for unaccompanied housing included in the FYPD years) for unaccompanied housing at that installation. This information should appear as the last data in the DD Form 1391 under the heading "FY 2000 Unaccompanied Housing RPM Conducted;," "FY 2001 Unaccompanied Housing RPM Conducted;," and "Future Unaccompanied Housing RPM Requirements;."*

G. Justification Book Covers and Binding of Data

1. Justification materials will be provided on 8-1/2" x 11" white paper, typed across the short dimension of the paper (portrait) with 3 holes punched on the left margin and bound with Acco fasteners. Material is to be printed on both sides of the page using 1" margins. The DD Form 1390 should be printed on white paper, not on yellow paper as previously required.

2. Justification book covers will be 220 index stock using the following colors: Army - green; Navy - buff; Air Force - blue; Defense-Wide - white. Covers will bear the appropriate security classification (should any volume require such classification), title of the appropriation and fiscal year, and the phrase "Justification data submitted to Congress." The designation "For Official Use Only" will not be used.

3. Separate justification books will be prepared for those projects which require classified information on the DD Forms 1390 and 1391/1391C.

4. The individual Defense Agencies will submit either originals of DD Forms 1390 and 1391/1391C, or copies of a quality suitable for printing. These are to be used for preparation of consolidated

justification books for submission to Congress. These submissions are not to be punched or bound. Pages are not to be numbered. Covers are not required. One complete set of each is to be delivered to: the OUSD(C) Program/Budget, Directorate for Construction; and the ODUSD(Industrial Affairs and Installations).

5. Each justification book (and each submission of the Defense Agencies described in Paragraph 4, above) is to include an index of installations and projects by state and country, arranged alphabetically, in precisely the same order as the projects appear in the State List portion of the Construction Annex (C-1).

060403 Submission of Military Construction Justification Books

A. Review by OSD. Before the justification material can be released by the Military Departments to the Congress, it must be reviewed by USD (Comptroller) to assure that policies and decisions made by the President and Secretary of Defense are fully reflected. Justification material prepared by the individual Defense Agencies will be submitted to USD(C) as requested for preparation of consolidated justification books for submission to the Committees on Appropriations.

B. Security Clearances. Each Military Department will be responsible for the clearance of its justification books through OSD Security Review. OUSD(C) will be responsible for the clearance of the Defense Agencies justification books through OSD Security Review.

C. Number of Copies. Three advance sets of justification books will be forwarded for review to the Directorate for Construction, OUSD(C), Room 3D841, Pentagon. See Chapter 1 for the detailed instructions on number of copies and distribution of printed material.

D. Instructions for Preparation of Supplemental Justification Data in Support of Annual Military Construction Programs. Each data requirement shall be filled in as appropriate including negative responses to indicate that the item has been addressed.

1. Instructions for Preparation of Summary Lists Each Military Service and Defense Agency shall prepare a State List and an Installation List. These lists shall include every project for which funds have been requested.

2. Instructions for Preparation of DD Form 1390 Supplemental Installation Data. The following data shall be provided in an appropriate place on DD Form 1390:

a. Outstanding Pollution and Safety (OSHA) Deficiencies

(1) Air Pollution. Enter cost of all air pollution abatement projects for the out years. Do not include cost of budget year projects.

(2) Water Pollution. Follow instructions for Air Pollution, a.1., above.

(3) Safety and Occupational Health Deficiencies. Follow instructions for a.1 above and use definitions cited in Section 060403 above for this data.

3. Instructions for Preparation of DD Form 1391 Supplemental (Facility) Data. The following data shall be provided for each facility in the program using the back of standard DD Form 1391.

a. Design Data (Estimates)

(1) Status

(a) Enter date design was started (i.e., date when all appropriate design contracting procedures have been completed and the designer directed to proceed with design).

(b) Enter the percent of design completed as of January 1, of the year in which the budget is submitted to the Congress (e.g., January 2, 2000, for FY 2001 projects).

(c) Enter date design expected to be 35% completed.

(d) Enter date design will be completed (i.e., date when all reviews will be completed and construction contract ready for advertising).

(e) Include the annotation “parametric estimates have been used to develop project cost“ if the cost estimate is based on parametric estimates in lieu of the traditional 35% design.

(f) *Enter the type of design contract (design-bid, design-bid-build, or other, if other, provide a brief description of the design contract.*

(g) Indicate whether an energy study and a life-cycle analysis was performed in support of the design of the proposed facility.

(2) Basis.

(a) Indicate whether or not design is based on a standard or definitive design.

(b) If answer to (a) is affirmative, indicate where design was previously used.

(3) Total Design Cost. Indicate total federal cost (all costs to be charged to planning and design accounts) as follows:

(a) Cost of the production of plans and specifications (those costs included within the 6 percent statutory cost limitations).

(b) All other costs of design

(c) Total Cost (a + b or d + e).

(d) Amount of cost estimated to be spent on contracts.

(e) Amount of cost to be spent in-house (total cost if design is all within house; overhead and administration costs if design is contracted out, or other breakout).

(4) *Construction Contract Award Date. Indicate month and year the contract is planned to be awarded to the construction firm.*

(5) Construction Start Date. Indicate month and year construction is planned to start.

(6) Construction Completion Date. Indicate month and year construction is planned to be completed.

b. Equipment Associated with This Project Which Will be Provided From Other Appropriations List only those items which support the cost shown in Block 9 of the DD Form 1391, for Equipment Provided from Other Appropriations. Enter the equipment nomenclature, procuring appropriation, fiscal year in which the equipment was appropriated or is to be requested and the cost in thousands of dollars.

c. Working Capital Fund Projects. DD 1391s submitted in support of Working Capital Fund Capital Budget requirements will be labeled as such in Block 4, above the project title.

E. FYDP Project Listing. An updated Military Construction/Family Housing Outyear Project Data exhibit in the format specified in section 060502 shall be provided separately to the OUSD(C) Military Construction Directorate for all Active Force and Defense Agency military construction and family housing programs at the time justification materials are submitted for OSD review. The outyear project data exhibits for the Active Forces and Defense Agencies will not be included in the justification books provided to Congress. However, the justification book for each component of the National Guard and Reserve will contain a listing of all projects that are funded in the Future Years Defense Program (FYDP). The listing should be compiled by year and show the location, type of facility, and cost. The listing should contain only the projects/programs (*including family housing O&M accounts -- operation, leasing, maintenance, and Debt*) that are funded in the President's budget FYDP. The Military Construction/Family Housing Outyear Project Data Exhibit to be used is contained in section 060502.

060404 Submission of Family Housing Justification Books

A. Family Housing Justification, Military Departments. The format for the Congressional justification books for Family Housing will be identical to that detailed in Section 060302 for the budget estimates, with the following exceptions:

1. Submission Requirements. Family Housing Congressional justification material will be submitted with the Military Construction justification books for each military department. The Family Housing material should follow that provided for Military Construction. (See Section 060302B.2.b)
2. Military Construction Program -- DD Form 1390. Form will be prepared in accordance with section 060502. One form is required for each location. Personnel data should be based on latest approved totals for the installation or area. Inventory data should include only Family Housing assets. The form should be printed on white paper, and should precede the DD 1391.
3. Tri-Service Family Housing Cost Model. This form is not required. (See Section 060302B.5.b.(3)).
4. Civilian Personnel Costs -- Exhibit OP-8. This form is not required. (See Section 060302B.9.b.(2)).
5. Furnishings Summary -- Exhibit FH-3. This form is not required. (See Section 060302B.10.a)
6. Submission by Department of the Army Only. Since the Department of the Army has been designated as the executive agent to execute the Homeowners' Assistance Program for the Department of Defense, only the Department of the Army will submit justification material as described in Section 060303.

B. Family Housing Justification, Defense Agencies

1. Component Responsibilities. Separate justification material, in the format described in Section 060302 and similar to that specified above for the Military Departments, will be provided by the individual Defense Agencies. The submissions will provide separate Construction, Operation and Maintenance, and Leasing exhibits, as appropriate, for Defense Intelligence Agency, Defense Logistics Agency, and National Security Agency.
2. Consolidation and Review by OSD. Original pages of justification material prepared by the individual Defense Agencies will be submitted to the Directorate for Construction, OUSD(C) Program/Budget, Room 3D841, as requested by the call letter for the preparation of consolidated justification books for submission to the Congress. One copy of the justification material should be submitted concurrently to the ODUSD(Industrial Affairs and Installations).
3. Justification Material Format. Justification material submitted by the Defense Agencies will be unbound. Covers are not required. Pages will not be numbered. All data will be provided on 8-1/2 inch by 11 inch paper, typed across the short dimension of the paper with 1 inch margins, except for the FH-2, and FH-4 exhibits, which will be typed across the long dimension.
4. Classification. All justification material will be unclassified.

060405 Submission of Justification Books for the Homeowners' Assistance Fund, Defense Appropriation

A. Organization of Justification Books. Justification data will include items detailed in Section 060303 for the budget estimates. Material will be incorporated as the final section of the Army's military construction/family housing justification book.

B. Submission by Department of the Army Only. Since the Department of the Army has been designated as the executive agent to execute the Homeowners' Assistance Program for the Department of Defense, only the Department of the Army will submit justification data.

C. Review by OSD. Before the justification material can be released to the Congress, it must be reviewed by the USD(C) to assure that policies and decisions made by the President and Secretary of Defense are fully reflected.

D. Security Clearances. The Department of the Army will be responsible for clearance of the justification book through OSD Security Review.

E. Number of Copies. See Section 010401 for instructions on the number of copies required and the distribution.

0605 MILITARY CONSTRUCTION/FAMILY HOUSING APPROPRIATION SUBMISSION FORMATS

060501 Purpose

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

060502 Exhibits in Support of Section 060301 - Budget Estimates Submission/Military Construction

DD 1390 Military Construction Program..... 37
DD1390S/1 Guard and Reserve Military Construction 41
DD 1391/1391C Military Construction Project Data..... 45
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Military Construction/Family Housing Outyear Project Data 52
Exhibit FH-1 Tri-Service Family Housing Cost Model 53
FH-2 Family Housing Operation and Maintenance 54
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FH-4 Analysis of Leased Units 57
FH-5 General and Flag Officers' Quarters 58
FH-6 Family Housing Privatization 59
OP-5 (Part 2) Attachment 1: Reconciliation of Increases and Decreases..... 60

060504 Exhibits in Support of Section 060303 - Budget Estimates Submission/Homeowners Assistance

HA-1 Homeowners Assistance - Workload and Obligation Data 62
HA-2 Homeowners Assistance Status of Accounts 63
HA-3 Homeowners Assistance Work Unit Data 64
HA-4 Homeowners Assistance Program and Financing..... 65

060505 Exhibits in Support of Section 060304 - Budget Estimates Submission/NATO Security Investment Program

NSIP -1 NSIP Project Data..... 66

1. COMPONENT	FY 19___ MILITARY CONSTRUCTION PROGRAM	2. DATE 22 Apr 96			
3. INSTALLATION AND LOCATION		4. COMMAND			
5. AREA CONSTRUCTION COST INDEX					
6. PERSONNEL a. AS OF b. END FY 19	PERMANENT	STUDENTS	SUPPORTED	TOTAL	
	OFFICER ENLISTED CIVILIAN	OFFICER ENLISTED CIVILIAN	OFFICER ENLISTED CIVILIAN		
7. INVENTORY DATA (\$000)					
a. TOTAL ACREAGE..... b. INVENTORY TOTAL AS OF..... c. AUTHORIZATION NOT YET IN INVENTORY..... d. AUTHORIZATION REQUESTED IN THIS PROGRAM..... e. AUTHORIZATION INCLUDED IN THE FOLLOWING PROGRAM..... f. PLANNED IN NEXT THREE PROGRAM YEARS..... g. REMAINING DEFICIENCY..... h. GRAND TOTAL.....					
8. PROJECTS REQUESTED IN THIS PROGRAM:					
<small>CATEGORY</small>		<small>COST</small>	<small>DESIGN STATUS</small>		
<small>CODE</small>	<small>PROJECT TITLE</small>	<small>SCOPE</small>	<small>(\$000)</small>	<small>START</small>	<small>COMPLETE</small>
9. FUTURE PROJECTS:					
10. MISSION OR MAJOR FUNCTIONS:					
11. OUTSTANDING POLLUTION AND SAFETY DEFICIENCIES:					

INSTRUCTIONS FOR PREPARATION OF
DD FORM 1390, "FY_ MILITARY CONSTRUCTION PROGRAM"

The DD Form 1390 will be used by the active services to list the projects proposed for inclusion in the Military Construction Program, including requests for (1) new authorization; (2) funding of new authorization; and (3) funding of prior years' authorization. The Guard and Reserve Forces will use a DD Form 1390s instead of the DD Form 1390.

Instructions for preparation of DD Form 1390 follow:

Items 1 and 2 - Component and Date: Self explanatory. Date prepared or the date the budget estimate submission is due to OSD.

Item 3 - Installation and Location: Enter the official name of the installation. 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 facilities, enter the city and state if the facility is not to be constructed on a military installation. Use "classified location" only when necessary to meet security classification guidelines.

Item 4 - Command: Enter the name of the host major command responsible for management control of the installation.

Item 5 - Area Construction Cost Index: Enter the construction cost index used in estimating the cost of the project(s). Consult the latest guidance published by DUSD(I).

Item 6 - Personnel Strength: Enter personnel strengths for permanent, student, and support activities. Include transient personnel where applicable.

- a. As of: Enter September 30 of the year of submittal to OSD.
- b. End FY 20__: Enter end of the budget year, plus 5 years.

Item 7 - Inventory Data (\$000):

a. Total Acreage: Enter the number of acres owned and/or leased by the Government, under accountability of the Military Department concerned, as shown in the latest Inventory of Military Real Property.

b. Inventory Total As Of September 30 __: Enter the date and the current real property inventory total (except land rent). These totals should include inventory amounts for family housing.

c. Authorization Not Yet In Inventory: Enter the amount of funded and unfunded authorization for the construction of facilities or acquisition of land which have not been included in the September 30 Inventory of Real Property. This amount will include only such authorization as is related to either the Military Construction Program or the Family Housing Program as the case may be.

d. Authorization Requested In This Program: Enter the total cost for construction and land acquisition being requested for authorization in the budget year.

e. Authorization Included in Following Program: Enter the total estimated cost of construction and land acquisition required for authorization for the program year following the budget year.

(page 2 of 4)

f. Planned in Next Three Program Years: Enter the total estimated cost of construction and land acquisition required for the three years beyond the budget year and following year programs (i.e., second, third, and fourth years beyond the budget year). This amount should agree with the data used in the preparation of the military construction or family housing estimates contained in the Future Years Defense Program.

g. Remaining Deficiency: Enter the total estimated cost of construction and land acquisition required for existing facilities deficiencies remaining beyond the three program years covered in 7.f., above.

h. Grand Total: Enter the total of items 7.b. through 7.g..

Item 8 - Projects Requested In This Program: Installation or activity projects for the budget year shall be listed individually with attendant information provided in the appropriate column. Both major and minor construction projects are to be included as shown on the sample form.

a. Column 1 - Category Code: Enter the applicable category code consistent with the category code shown in Item 6 of the DD Form 1391 for the project.

b. Column 2 - Projects Title: Enter the project title consistent with the title shown in Item 4 of the DD Form 1391.

c. Column 3 - Scope: Enter the same quantity shown in Item 9 of the DD Form 1391, "Cost Estimates," and include the unit of measure (e.g., SM, SY, LF, PR, EA, CY, etc.). *Immediately following or directly beneath the metric quantity and unit of measure, parenthetically include the English quantity and measurement.* In those instances where a specific quantity cannot be satisfactorily identified, enter LS for lump sum.

d. Column 4 - Cost (\$000): Enter the project cost consistent with the cost shown in Item 8 of the DD Form 1391. If two or more projects are listed, enter the total in this column, and use this figure in Item 7.d., above.

e. Column 5 - Design Status: Enter the most accurate possible dates for the start and completion of design using numerals (e.g., 6/94, 11/95).

Item 9 - Future Projects:

a. Included in Following Program (FY_): List all installation projects regardless of the number and include columnar data comparable to that provided in Item 8, but leave design status blank.

b. Planned Next Three Years: List projects planned for next three years in 9.b. and include columnar data comparable to that provided in Item 8., but leave design status blank. The total costs of the projects listed under Items 9.a. and 9.b. should be identical to the entries under Items 7.e. and 7.f., respectively. If additional space is required to list all projects under Items 9.a. and 9.b., a separate sheet of paper should be utilized.

Item 10 - Mission or Major Functions: Enter the principal types of peacetime units and/or functions assigned or scheduled for assignment to the installation that require facilities or substantially contribute to the base population. Also enter the current mission stating precisely what the activity will do and list the major functions performed. All entries should address the time period shown in Items 6.a. and 6.b..

Item 11 - Outstanding Pollution and Safety Deficiencies (\$000): List all projects included in the budget request and planned for the next three years that are programmed for outstanding pollution and safety deficiencies. Use the format in Item 8.

Notes:

1. Space requirements for Items 8, 9, 10, and 11 may vary. Therefore, remaining space on the DD Form 1390 may be utilized as necessary for the specific entries and continued on a separate sheet of paper. A solid black line should be used to set Items 8, 9, 10, and 11 apart and individual item titles and subheadings should be added.

2. Projects that were authorized (but not appropriated) in prior years will be listed in the same manner as projects for which new authorization is requested. The fiscal year in which the project was authorized will be shown after the project title in Item 8.

1. COMPONENT	FY 20__ GUARD AND RESERVE MILITARY CONSTRUCTION			2. DATE
3. INSTALLATION AND LOCATION				4. AREA CONSTR COST INDEX
5. FREQUENCY AND TYPE OF UTILIZATION				
6. OTHER ACTIVE/GUARD/RESERVE INSTALLATIONS WITHIN 15 MILES RADIUS				
7. PROJECTS REQUESTED IN THIS PROGRAM:				
CATEGORY			COST	<u>DESIGN STATUS</u>
<u>CODE</u>	<u>PROJECT TITLE</u>	<u>SCOPE</u>	<u>\$(000)</u>	<u>START</u> <u>CMPL</u>
8. STATE RESERVE FORCES FACILITIES BOARD RECOMMENDATION				
				(Date)
9. LAND ACQUISITION REQUIRED				<u>(Number of Acres)</u>
10. PROJECTS PLANNED IN NEXT FOUR YEARS				
CATEGORY			COST	
<u>CODE</u>	<u>PROJECT TITLE</u>	<u>SCOPE</u>	<u>\$(000)</u>	

1. COMPONENT	FY 20__ GUARD AND RESERVE MILITARY CONSTRUCTION	2. DATE
3. INSTALLATION AND LOCATION		
11. PERSONNEL STRENGTH AS OF		
AUTHORIZED ACTUAL	<u>PERMANENT</u> <u>TOTAL OFFICER ENLISTED CIVILIAN</u>	<u>GUARD/RESERVE</u> <u>TOTAL OFFICER ENLISTED</u>
	12. RESERVE UNIT DATA	
<u>UNIT DESIGNATION</u>	<u>STRENGTH</u> <u>AUTHORIZED ACTUAL</u>	
13. MAJOR EQUIPMENT AND AIRCRAFT		
<u>TYPE</u>	<u>AUTHORIZED</u>	<u>ACTUAL</u>
14. OUTSTANDING POLLUTION AND SAFETY DEFICIENCIES		
(\$000)		

INSTRUCTIONS FOR PREPARATION OF
DD FORM 1390s, "FY_ GUARD AND RESERVE FORCES MILITARY CONSTRUCTION"

The DD Form 1390 will be used by the Guard and Reserve Forces to supplement the data entered in the DD Form 1391, FY 19_ Military Construction Program..

Instructions for preparation of DD Form 1390s follow:

Item 1 - Component: Enter the specific Guard or Reserve Forces component of the active services. Recognized abbreviations such as ARNG (Army National Guard); ANG (Air National Guard); etc., are acceptable.

Item 2 - Date: Date prepared or the date the budget estimate submission is due to OSD.

Item 3 - Installation and Location: For facilities not located at DoD installations or commercial airfields, enter the name of the city and State in which the projects are located. For other facilities, enter the name of the DoD installation and its geographical location to the extent that it is not included in the installation name.

Item 4 - Area Construction Cost Index: Enter the construction cost index used in estimating the cost of the project(s). Consult the latest guidance published by DUSD(IA&I).

Item 5 - Frequency And Type Of Utilization: Enter the type of utilization (e.g., weekend drill, weeknight drill, unit training activities, annual active duty for training, etc.) and indicate number of days the installation is used per month/year, as appropriate.

Item 6 - Other Active/Guard/Reserve Installations Within 15 Mile Radius: List the nearest six existing Active and existing or programmed (within the next five years) Reserve component facilities and their distances, within a fifteen mile radius of the proposed construction site. If no facilities exist within the fifteen mile radius, identify the three closest installations. Indicate the year the facilities were constructed and the size of the facility.

Item 7 - Projects Requested In This Program: Installation or activity projects for the budget year shall be listed individually with attendant information provided in the appropriate column. Both major and minor construction projects are to be included.

a. Column 1 - Category Code: Enter the applicable category code consistent with the category code shown in Item 6 of the DD Form 1391.

b. Column 2 - Project Title: Enter the project title consistent with the title shown in Item 4 of the DD Form 1391.

c. Column 3 - Scope: Enter the same quantity shown in Item 9 of the DD Form 1391, Cost Estimates, and include the unit of measure (e.g., SM, SY, LF, PR, EA, CY, etc.). *Immediately following or directly beneath the metric quantity and unit of measure, parenthetically include the English quantity and measurement.* In those instances where a specific quantity cannot be satisfactorily identified, enter LS for lump sum.

d. Column 4 - Cost (\$000): Enter the project cost consistent with the cost shown in Item 8 of the DD Form 1391. If two or more projects are listed, enter the total in this column. In the case of Army National Guard projects where part of the financing is from other than Federal sources, enter only the Federal share.

e. Column 5 - Design Status: Enter the most accurate possible dates for the start and completion of design using numerals (e.g., 6/94, 11/95).

Item 8 - State Guard/Reserve Forces Facilities Board Recommendations (Date): Enter the following statement “facilities identified in Item 6 have been examined by the State Reserve Forces Facilities Board for possible joint use/expansion. The Board recommendations are ____.” (Note: Project folders will contain justification data to support the recommendation.)

Item 9 - Land Acquisition Required (Number of Acres): Enter the acreage required for the project and the method of acquisition (e.g., fee, title, donation, lease, etc.). For all projects involving land acquisition, a site survey must be conducted in accordance with DoD Directive 1225.5 and the following statement must be entered, either in Item 9 or Item 10: “Site survey has been completed and site is suitable for constructing the proposed project at the estimated cost indicated.”

Item 10 - Projects Planned In Next Four Years: Enter the Project Title and Estimated Cost for projects planned at the installation identified in Item 3 for the next four years beyond this program year. A maximum of five projects should be identified. For armory-type projects, list those facilities which are programmed for replacement within the next four years within a fifteen mile radius of the proposed project as well as the year the facilities were constructed. If none are planned, so indicate. Items shall contain columnar data comparable to that provided in Item 7 with the exception of design status which should be left blank.

Item 11 - Personnel Strength As Of _____: In the appropriate columns, enter the number of authorized and actual personnel at this facility as of six months prior to project submission.

Item 12 - Reserve Unit Data: List the designated units assigned and/or scheduled to be trained in the requested facilities. Enter the corresponding authorized and actual strengths of each unit, indicating actual strength as of the date listed in Item 11.

Item 13 - Major Equipment and Aircraft: List the vehicular and/or other large equipment and aircraft which are to be accommodated at the installation and which have a bearing on the type and/or scope of the facility requirement. When vehicle maintenance shops are being requested, the Weighted Equipment Density (WED) for the vehicles to be maintained will be included in this item.

1.COMONENT	FY 20__ 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.COMONENT	FY 20__ 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. 2805.
- b. Operation and maintenance type projects required to be submitted to OSD in accordance with the provisions of DoD Directives 4270.36, 1225.7 and 4165.6.
- c. Nonappropriated fund construction projects requiring OSD concurrence or approval.
- 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," "conversion," "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 "Future Years 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. *After each "Item" entry where the metric measurement (square meters) is used in the Unit of Measure column, include in parenthesis the size of the facility in the English measurement (Square Feet).*

(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," "GFE," 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.

(e) Antiterrorism Force Protection/physical security measures: the entry under primary facility will show physical security improvements (e.g. special structural improvements, ballistic glass, etc.). Where land acquisition serves a specific purpose such as stand-off distance for force protection, the acquisition shall be listed as an antiterrorism force protection subordinate component to the primary facility.

(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) antiterrorism force protection/physical security measures such as physical security site improvements (e.g. fencing, perimeter/area lighting, blast mitigation barriers, berms and landscaping, etc); 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. *The appropriate contingency rate will be addressed in the guidance memorandum for the FY 2002/2003 Defense Budget Review.*

(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> <u>(\$000)</u>
< 1,000	Nearest \$ 10K
1,000 to 5,000	Nearest \$ 50K
5,000 to 10,000	Nearest \$ 100K
10,000 to 15,000	Nearest \$ 200K
15,000 to 20,000	Nearest \$ 500K
> 20,000	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) List specific antiterrorism force protection measures and antiterrorism force protection considerations that this project provides.

(3) 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."

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

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

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

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

(8) 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 seven elements which are to be set forth in the following format:

(1) Immediately after the item title "Requirement" indicate, in appropriate units of measure, the total facility requirement (e.g., 5,500 SM), 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., vulnerability to terrorist threats (reference threat/vulnerability assessment); 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.

(7) JOINT USE CERTIFICATION. Include the following certification: *"The (enter the title of the certifying official) certifies that this project has been considered for joint use potential. Joint use construction is recommended." Or "The (enter the title of the certifying official) certifies that this project has been considered for joint use potential. Unilateral construction is recommended. The reasons for this recommendation are..."*

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.

Military Construction/Family Housing Outyear Project Data

Component	Fiscal Year	Appropriation	Installation	Location	Project Title	Facility Category	Program Element	Budgeted Amount	Change from Previous Submission	<i>Brief Explanation of Change</i>

Instructions:

1. This exhibit will be executed at the project level for each of the program years included in the Future Years Defense Program (FYDP) for which the Component has programmed funding (do not include projects for which funding is not programmed except as noted in instruction number 11 below) in MilCon (Major Construction & Supporting Activities and Family Housing Construction accounts) No project level detail is required for Minor Construction, Planning and Design, Family Housing Improvement or BRAC. List the totals for these as line items.
2. Data should be submitted in hard copy and on a disk in a Microsoft Access format or in Microsoft Excel format.
3. Text data should be in title case.
4. Component should be the specific Service Active, Guard or Reserve Force component or Defense Agency. Recognized abbreviations such as ARNG (Army National Guard), etc. are acceptable.
5. Fiscal year should be a four-digit number.
6. Appropriation should be a four digit number (treasury code).
7. Location is the two digit state or country code.
8. Facility category should be the three-digit code from the list in DoDI 4165.3.
9. Program element should be the appropriate number as it relates to the FYDP except when inclusion of this number would require classification of an otherwise unclassified form.
10. Budgeted amount is in thousands.
11. The change from previous submission column should show any changes from the budgeted amount in the previous *President's* budget submission. If a project from the previous submission is deleted, list the project and show zero in the budgeted amount column and the amount previously programmed in the change column.
12. *Brief explanation of the reason for the change from previous budget submission.*
13. For the hard copy, the data should be sorted by location and then by installation. The hard copy should also include a total for each fiscal year.

Military Construction/Family Housing Outyear Project Data

TRI-SERVICE FAMILY HOUSING COST MODEL

SERVICE _____ LOCATION _____

BASELINE:

$$\left(\quad \right) \left(\quad \right) \left(\quad \right) = \$ \underline{\hspace{2cm}}$$

(# of units) (Avg Net SM) (\$/NSM) = 5' Line Cost

PROJECT FACTORS:

$$\left(\quad \right) \left(\quad \right) \left(\quad \right) = \underline{\hspace{2cm}}$$

(ACF) (Proj Size Factor) (Unit Size Factor) = Project Factor

HOUSING COST:

$$\left(\quad \right) \left(\quad \right) = \$ \underline{\hspace{2cm}}$$

(5' Line Cost) (Project Factor) = Housing Cost

$$\left(\quad \right) \left(\quad \right) \left(\quad \right) = \$ \underline{\hspace{2cm}}$$

(Solar Unit Cost) (ACF) (# of units) = Solar Cost

$$\left(\quad \right) + \left(\quad \right) \left(\quad \right) = \$ \underline{\hspace{2cm}}$$

(Housing Cost) + (Solar Cost) / (# of units) = Average Unit Cost

SUPPORTING COSTS:

Site Preparation	_____
Roads and Paving	_____
Utilities	_____
Recreation	_____
Landscaping	_____
Special Construction Features	_____
Other (Specify)	_____
<u>Support Cost</u>	_____

SUMMARY:

$$\left(\quad \right) + \left(\quad \right) + \left(\quad \right) = \$ \underline{\hspace{2cm}}$$

(Housing Cost) + (Solar Cost) + (Support Cost) = Subtotal

$$\left(\quad \right) \left(\quad \right) \left(\quad \right) = \$ \underline{\hspace{2cm}} \quad \$ \underline{\hspace{2cm}}$$

(Subtotal) (Contingency) (SIOH) = Project Cost (Round)

$$\left(\quad \right) + \left(\quad \right) \left(\quad \right) \left(\quad \right) = \$ \underline{\hspace{2cm}}$$

(Project Cost) + (# of units) (ANSM) (ACF) = Project Cost/SM

The Unit Cost Per Square Meter, Project Size Factors, Unit Size Factors, and Area Cost Factors will be provided under separate cover by the ODUSD(I) each year.

Family Housing, _____
Operation and Maintenance Summary
(Excludes Leased Units and Costs)
FY _____

	<u>FY(PY)</u>		<u>FY(CY)</u>		<u>FY(BY)</u>
A. <u>Inventory Data</u>					
Units in Beginning of Year					
Units at End of Year					
Average Inventory for Year					
a. <i>Historic Units 1/</i>					
Units Requiring O&M Funding:					
a. Conterminous U.S.					
b. U.S. Overseas					
c. Foreign					
d. Worldwide					
	<u>Unit</u>		<u>Unit</u>		<u>Unit</u>
	<u>Cost 2/</u>	<u>Total</u>	<u>Cost 2/</u>	<u>Total</u>	<u>Cost 2/</u>
					<u>Total</u>
B. <u>Funding Requirement</u>					
1. <u>Operations</u>					
a. Management					
b. Services					
c. Furnishings					
d. Miscellaneous					
Subtotal-- Direct Obligations					
Anticipated Reimbursements					
Gross Obligations--Operations					
2. <u>Utilities - Direct Obligations</u>					
Anticipated Reimbursements					
Gross Obligations--Utilities					
3. <u>Maintenance</u>					
a. M&R, Dwellings					
b. M&R, Exterior Utilities					
c. M&R, Other Real Property					
d. Alterations & Additions					
Subtotal--Direct Obligations					
Anticipated Reimbursements					
Gross Obligations--Maintenance					
Grand Total, O&M - Direct Obligations					
Grand Total, Anticipated Reimbursements					
Grand Total, O&M - Gross Obligations					

1/ Show, as a subset of "Average Inventory for Year," the total number of units classified as historic (units that DoD must manage in accordance with the National Historic Act of 1966).

2/ Based on number of units requiring O&M funding

Family Housing, _____
Furnishings Summary
(Dollars in Thousands)
FY _____

	<u>Furnishings less Household Equipment</u>					<u>Household Equipment</u>					<u>Total Furnishings</u>				
	<u>Movg/ Hdling</u>	<u>Maint/ Repair</u>	<u>Replace ment</u>	<u>Initial Issue</u>	<u>Total</u>	<u>Movg/ Hdling</u>	<u>Maint/ Repair</u>	<u>Replace ment</u>	<u>Initial Issue</u>	<u>Total</u>	<u>Movg/ Hdling</u>	<u>Maint/ Repair</u>	<u>Replace ment</u>	<u>Initial Issue</u>	<u>Total</u>
(PY)															
CONUS															
US O/S															
Foreign															
Public															
Private															
Total															
(CY)															
CONUS															
US O/S															
Foreign															
Public															
Private															
Total															
(BY)															
CONUS															
US O/S															
Foreign															
Public															
Private															
Total															

INSTRUCTIONS FOR PREPARATION OF
FAMILY HOUSING FURNISHINGS SUMMARY
EXHIBIT FH-3

General. Furnishings to be included in Exhibit FH-3 are defined in Enclosure 6 to DoD Instruction 4165.43. For Unaccompanied Personnel Housing furnishings, see Exhibit OP-21, Chapter 232, this Manual.

Prior Year Data. For the prior year, enter estimated end year obligations.

Current, and Budget Year Data. Estimates should be based on requirements determined to be in accordance with Section XI of DoD Instruction 4165.43 and applicable experience data. Provide an explanation for differences of more than \$1 million or 10%, whichever is less, between the total amount shown for furnishings in the current year and the budget year.

Moving and Handling. All identifiable transportation, handling and storage costs should be included here.

Initial Issue. Certain initial issue movable equipment, such as stoves and refrigerators, is usually procured as part of a construction project with construction funds, instead of operation funds. Likewise, in some circumstances leasing funds are utilized for furnishings in leased quarters. The FH-3 should reflect all family housing resources applied to furnishings, with memo entries to indicate the amounts funded from accounts other than the Furnishings portion of Operations and Maintenance.

Family Housing, _____
Analysis of Leased Units
FY 19__

<u>Location</u>	<u>FY(PY)</u>			<u>FY(CY)</u>			<u>FY(BY)</u>		
	<u>Unit</u> <u>Auth</u>	<u>Lease</u> <u>Months</u>	<u>Cost</u> <u>(\$000)</u>	<u>Unit</u> <u>Auth</u>	<u>Lease</u> <u>Months</u>	<u>Cost</u> <u>(\$000)</u>	<u>Unit</u> <u>Auth</u>	<u>Lease</u> <u>Months</u>	<u>Cost</u> <u>(\$000)</u>

Domestic Leases

(list each location and month in which the annual award is exercised)

Total Domestic Leases

Foreign Leases

(list each location and month in which the annual award is exercised)

Total Foreign Leases

Grand Total

Exhibit FH-4 Analysis of Leased Units

Department of the 1/
 General and Flag Officers' Quarters
 Operations and Maintenance Expenditures for Fiscal Year 2/
 (Dollars in Thousands)

<u>State/ Country</u>	<u>Installation</u>	<u>Quarters Address</u>	<u>Year Built</u>	<u>Size NSF</u>	<u>Opns Cost*</u>	<u>Utilities Cost*</u>	<u>Maint Cost*</u>	<u>Leasing Cost*</u>	<u>Total FH O&M Cost*</u>
<u>3/</u>	<u>4/</u>	<u>5/</u>	<u>6/</u>	<u>7/</u>	<u>8/</u>	<u>9/</u>	<u>10/</u>	<u>11/</u>	<u>12/</u>

Instructions:

1. Service name.
2. Prior fiscal year.
3. State name or foreign country.
4. Installation name.
5. Specific quarters address or unit identification.
6. Calendar year in which the dwelling unit or building (in case of multiple units) was built. Identify with an asterisk (*) next to the year built those units that are on the national, state and/or local historic registry.
7. Total net square footage of the dwelling unit.
8. Total operations expenditure for the fiscal year.
9. Total utilities expenditure for the fiscal year.
10. Total maintenance expenditure for the fiscal year.
11. If applicable, total lease cost for the dwelling unit
12. Total family housing operations and maintenance expenditure for the dwelling unit for the fiscal year. Include in parenthesis beside the total family housing O&M figure any non-family housing O&M expenditures and a short description of these expenditures as a footnote.

* Show these cost figures in thousands of dollars, carried out to no more than one decimal place.

Exhibit FH-5 General and Flag Officers' Quarters

_____ 1/ _____ **Family Housing Privatization**

<u>Year of Notification</u>	<u>Installation/ State</u>	<u># of Units</u>	<u>Notify Congress (Solicitation)</u>	<u>Notify Congress (Selection)</u>	<u>Deal Closing/ Contract Award</u>	<u>Funding</u>	<u>Authorities</u>
2/	3/	4/	5/	6/	7/	8/	9/

Instructions:

1. *Service name.*
2. *Fiscal year in which Congress is first notified of project. List all fiscal years and projects sequentially, for instance, first list all projects Congress was notified of in FY 1998, then all FY 1999 notifications, etc.*
3. *Installation name and state.*
4. *Number of units in the privatization initiative.*
5. *Month and calendar year Congress notified of intent to solicit privatization project.*
6. *Month and calendar year Congress notified of intent to award a project.*
7. *Month and calendar year privatization contract awarded.*
8. *Identify the amount, source and fiscal year of funds to be used for the Government's cost for instance \$18.5 million of FY 1995 Family Housing Construction or \$9 million of FY 2000 FHIF, or any combination thereof.*
9. *Indicate which authorities provided in subchapter IV of Chapter 169 in title 10 U.S.C. will be used for each project (e.g., Sec 2873, Sec 2875, etc).*

Note: This is basically the same information included in the quarterly report to Congress and should be consistent with that report, except that in this exhibit the projects requested in this budget that are intended as funding sources for privatization will also be reflected. Funding source for new privatization projects should be identified as BY Family Housing Construction.

Reconciliation of Increases and Decreases

(Dollars in Thousands)

1. FY 19CY President's Budget Request
2. Congressional Adjustments:
 - a.
 - b.
 - c.
 - etc.
3. FY 19CY Appropriated Amount
4. Supplemental Appropriation (if applicable):
 - a. Civilian Pay Raise
 - 1) General Schedule
 - 2) Wage Board
 - b. Program Supplemental
 - 1)
 - 2)
 - etc.

5. Price Growth:

(Categorize and explain significant price growth.)

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)

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 these changes, 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 inventory, management initiatives, transfers, statutory requirements, etc.)
 - a.
 - b.
 - c.
 - etc.
- 8. Program Decreases: (For each program decrease or increase, provide quantitative and qualitative information relative to these changes, 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 inventory, management initiatives, transfers, statutory requirements, etc.)
 - 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.

**HOMEOWNERS' ASSISTANCE FUND, DEFENSE
WORKLOAD AND OBLIGATION DATA
FY 19 _____**

	Actual			Estimated			Estimated		
	FY (PY)			FY (CY)			FY (BY)		
	Dollars	Average		Dollars	Average		Dollars	Average	
<u>Units</u>	<u>(000)</u>	<u>(\$)</u>	<u>Units</u>	<u>(000)</u>	<u>(\$)</u>	<u>Units</u>	<u>(000)</u>	<u>(\$)</u>	
1. Investment									
a. Equity Payments									
b. Liquidation of Second Mortgages									
c. Total Payments									
d. Mortgages Assumed									
e. Total Investment									
2. Expense - Corps of Engineers									
a. Payments - Private Sales									
b. Payments - Foreclosures									
c. Subtotal - Reimbursements to Homeowners									
d. Appraisals									
e. Administrative Expense									
f. Total Expense - CoE									
3. Expense - FHA									
a. Management & Maintenance of Homes									
b. Sales Expense									
c. Administrative Expense									
d. Total Expense - FHA									
4. Total Expense									
5. Total Program - Investment and Expense									

Exhibit HA-1 Homeowners Assistance - Workload and Obligation Data

**HOMEOWNERS' ASSISTANCE FUND, DEFENSE
STATUS OF ACCOUNTS
FY 19__**

ITEM	Cash	Authority to	Total
	(\$000)	Spend Agency	(\$000)
		Debt Receipts	(\$000)
		(\$000)	(\$000)
1. EXPENDITURE ACCOUNT - RESOURCES AND APPLICATIONS (OBLIGATION BASIS)			
a. Resources			
(1) Unobligated balance, start of year			
(2) Appropriations			
(3) New authorization to spend Agency debt receipts			
(4) Revenue			
(a) Sales (Cash)			
(b) Other Revenue			
(5) Principal payments on mortgages (retirement of debt)			
(6) Total			
b. Applications			
(1) Payments on acquisition of properties			
(2) Value of mortgages payable assumed			
(3) Expenses			
(4) Transfer to miscellaneous receipts			
(5) Total			
c. Unobligated balance, end of period (line 1a(6) minus 1b(5))			
2. PROPERTY ACCOUNT			
a. On hand, start of year			
b. Payments for equity and second mortgages on acquisition of properties			
c. Value of mortgages payable assumed			
d. Less acquisition price of properties sold or disposed of otherwise (line 5b(1) below)			
e. On hand; end of period			
3. BORROWING ACCOUNT (MORTGAGES PAYABLE)			
a. Balance payable, start of year			
b. Value of mortgages payable assumed			
c. Less payments on principal			
d. Less value of mortgages liquidated			
e. Subtotal - Principal payments (retirement of debt)			
f. Balance payable, end of period			
4. NET EQUITY IN PROPERTY (line 2e minus line 3f)			
		Total	
		(\$000)	Average (\$)
5. RECAPITULATION FOR PROPERTIES SOLD			
a. Sales price			
b. Less:			
(1) Acquisition Price			
(2) FHA or ACE Administrative Expenses			
c. Net gain or (loss)			

* Excludes Corps of Engineers Expense and FHA Expense

Exhibit HA-2 Homeowners Assistance Status of Accounts

**HOMEOWNERS' ASSISTANCE FUND, DEFENSE
WORK UNIT DATA
FY 19_____**

<u>ITEM</u>	<u>MILITARY</u>	<u>CIVILIAN</u>	<u>TOTAL</u>
1. APPLICATIONS FOR ASSISTANCE			
a. On hand - start of	_____	_____	_____
b. Received	_____	_____	_____
c. Less Actions Completed			
(1) Homes Acquired - For Outstanding Mortgage Balances	_____	_____	_____
(2) Homes Acquired - At 75%	_____	_____	_____
(3) Homes Acquired - No Mortgage	_____	_____	_____
(4) Reimbursements for Losses on Private Sales	_____	_____	_____
(5) Payments in Foreclosure Cases	_____	_____	_____
(6) Settlements - No Payment Due	_____	_____	_____
(7) Other (Not Eligible)	_____	_____	_____
d. On hand - end of period	_____	_____	_____
2. ACQUIRED HOMES			
a. On hand - start of year			_____
b. Acquired			_____
c. Disposed of			_____
d. On hand - end of period			_____
3. MORTGAGES PAYABLE			
a. On hand - start of year			_____
b. Assumed			_____
c. Less Liquidations			_____
d. On hand - end of period			_____
4. OTHER DATA			
a. Second Mortgages Liquidated			_____
b. Appraisals Made			_____
c. Appeals processed			_____
(Approved)			_____
(Disapproved)			_____

Exhibit HA-3 Homeowners Assistance Work Unit Data

**Homeowners' Assistance Fund, Defense
Program and Financing
FY____**

	<u>FY 19PY</u>		<u>FY 19CY</u>		<u>FY 19BY</u>
	<u>Actual</u>		<u>Estimate</u>		<u>Estimate</u>
	<u>Obligations</u>		<u>Obligations</u>		<u>Obligations</u>
	<u>Units</u>	<u>(\$000)</u>	<u>Units</u>	<u>(\$000)</u>	<u>Units</u>
		<u>(\$000)</u>		<u>(\$000)</u>	
Payments to homeowners <u>1/</u>					
Other operating costs <u>2/</u>					
Acquisition of properties <u>3/</u>					
Mortgages assumed <u>4/</u>					
 Total program					
 Available from prior year					
Estimated revenue <u>5/</u>					
Available for other years					
Budget Authority					
Authorization to spend agency					
debt receipts					
Appropriation					

- NOTES: 1/ Reimbursements to homeowners for losses; private sales or foreclosures. Work unit, "number of payments."
2/ DoD and FHA expenses. Work unit, "total number of applications processed, including rejections."
3/ Payments to homeowners for equity in properties acquired by the Government. Work unit, "number of properties."
4/ Value of mortgage balances assumed by the Government on properties acquired. Work unit "number of mortgages assumed."
5/ Recovery of Government's investment by the sale of properties. Work unit, "number of properties sold."

Exhibit HA-4 Homeowners Assistance Program and Financing

NATO Security Investment Program (NSIP) Project Data

<i>Location</i>	<i>Installation</i>	<i>Project Title</i>	<i>Project Description</i>	<i>Budget Scheme</i>	<i>Project Cost</i>	<i>U. S. Cost Share</i>	<i>Other Nation Cost Share</i>

Instructions:

1. This exhibit will identify the NSIP requirements, both military construction and procurement, at the project level detail. The exhibit should be completed for both the normal NSIP requirements and NATO Expansion requirements. The listing should be sufficiently detailed to identify discrete projects and initiative; aggregation at the capability package level i.e., Defense of the Mediterranean, is NOT sufficiently detailed.
2. Data should be submitted in hard copy and on a disk in a Microsoft Access format or in Microsoft Excel format.
3. Location: State or country where the project will be executed, i.e. Alaska, Turkey, or Italy.
4. Installation: Base where the project will be executed, i.e. Aviano AB.
5. Project Title.
6. Project Description: Explanation and description of each project.
7. Budgeted Scheme: Identify the number of NATO nations sharing in the cost of the project.
8. Project Cost: The total cost for the NSIP project. The projects cost should be displayed in thousands.
9. U.S. Cost Share: Identify the estimated U.S. share of the project cost. The U.S. share should be displayed in thousands.
10. Other NATO Cost Share: Identify the estimated share of the other NATO nations. The cost should be displayed in thousands.
11. This exhibit should be completed for the current year and budget year, i.e., current year FY 2001; budget Year FY 2002.
12. The hard copy and electronic submission should include a total that reflects the cost of normal NSIP requirements and NSIP Expansion requirements by fiscal year.

Exhibit NSIP -1 NSIP Project Data