



OFFICE OF THE UNDER SECRETARY OF DEFENSE

1100 DEFENSE PENTAGON
WASHINGTON, DC 20301-1100

MAR - 6 2020

COMPTROLLER

MEMORANDUM FOR ASSISTANT SECRETARIES OF THE MILITARY DEPARTMENTS
(FINANCIAL MANAGEMENT and COMPTROLLER)

SUBJECT: Treasury Account Fund Symbols for Agricultural and Grazing Leases Activities
(FPM 20-02)

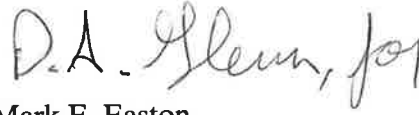
- References:
- (a) The Department of Defense Office of Inspector General audit report number DODIG-2016-103, "Improvements Needed in Managing Army Suspense Accounts," June 27, 2016
 - (b) The Department of Defense Office of Inspector General audit report number DODIG-2016-104, "Improvements Needed in Managing Navy Suspense Accounts," June 30, 2016
 - (c) The Department of Defense Office of Inspector General audit report number DODIG-2017-019, "Improvements Needed in Managing Air Force Suspense Accounts," November 10, 2016

This memorandum directs the Military Departments to utilize the Treasury accounts identified in the attachment to ensure appropriate accounting and reporting of proceeds from agricultural and grazing leases. The Military Departments must begin to factor these collections into their annual budget process and request the Office of Management and Budget to apportion them prior to use. 10 United States Code 2667 provides complete guidance for collections and disbursements related to agricultural and grazing leases. Currently, the Department of Defense uses suspense account F3875 to record these collections. The Department of Defense Office of Inspector General audit reports referenced above addresses the Department's inappropriate use of the suspense accounts for these collections.

When recording the direct offsetting collections in general fund accounts (e.g., an Operation and Maintenance account for agricultural and grazing lease proceeds), the Military Departments must use United States Standard General Ledger account 426600, which provides direct spending authority on line 1800 of the Standard Form (SF) 132, "Apportionment," and the SF 133, "Report on Budget Execution and Budgetary Resources." The Military Departments should obligate and disburse directly from the Treasury Appropriation Fund Symbols in the attachment only for purposes specifically authorized in the 10 U.S. code 2667.

Effective July 1, 2020, the Military Departments shall no longer use suspense account F3875 to record and report these proceeds. They should work with the Defense Finance and Accounting Service to confirm all future collections and disbursements for this program are collected and executed according to the attached document. Available proceeds from prior fiscal years must be transferred out of the suspense account F3875 by June 30, 2020.

My action officer for this matter is Ms. Alice Rice. Reach her at 703-693-3618 or alice.r.rice2.civ@mail.mil.



Mark E. Easton
Deputy Chief Financial Officer

Attachment:
As stated

cc:
Assistant Secretary of Defense for Energy, Installations, and Environment
Assistant Secretary of the Army (Installations, Energy, and Environment)
Assistant Secretary of the Navy (Energy, Installations, and Environment)
Assistant Secretary of the Air Force (Energy, Installations, and Environment)
Director, Defense Finance and Accounting Service
Deputy Inspector General for Auditing, DoD OIG

Treasury Account Symbols for Agricultural & Grazing Leases Activities

March 2020

Based on the below U.S. Code, the Office of the Under Secretary of Defense (Comptroller), in coordination with Department of Defense Office of the General Counsel, has identified the following accounts to use for recording the proceeds and related activities for agricultural and grazing leases in accordance with applicable provisions.

Agricultural & Grazing Leases

Relevant Provision from U.S. Code:

10 USC 2667

(3) Money rentals received by the United States directly from a lease under this section for agricultural or grazing purposes of lands under the control of the Secretary concerned (other than lands acquired by the United States for flood control or navigation purposes or any related purpose, including the development of hydroelectric power) may be retained and spent by the Secretary concerned in such amounts as the Secretary considers necessary to cover the administrative expenses of leasing for such purposes and to cover the financing of multiple-land use management programs at any installation under the jurisdiction of the Secretary.

Designated Treasury Accounts:

X-Year Operation and Maintenance Accounts. A no-year procurement account could be established to record required equipment above Operation & Maintenance (O&M) ceiling. If the source of the revenue is a working capital fund account collections should be credited to that account. O&M is shown below as an example.

Component	Account No.	Account Name
Army	21X2020	Operation & Maintenance, Army
Navy	17X1804	Operation & Maintenance, Navy
Air Force	57X3400	Operation & Maintenance, Air Force
Marine Corps	17X1106	Operation & Maintenance, Marine Corps

Attachment