

VOLUME 12, CHAPTER 24: “BURDENSARING AND OVERSEAS RELOCATION CONTRIBUTIONS BY FOREIGN ALLIES”

SUMMARY OF MAJOR CHANGES

All changes are denoted by [blue font](#).

Substantive revisions are denoted by a * preceding the section, paragraph, table, or figure that includes the revision.

Unless otherwise noted, chapters referenced are contained in this volume.

Hyperlinks are denoted by [***bold, italic, blue and underlined font***](#).

The previous version dated October 2012 is archived.

PARAGRAPH	EXPLANATION OF CHANGE/REVISION	PURPOSE
240401.A.	Pursuant to Treasury FAST Book, additional Treasury account established for United Kingdom burdensharing contributions.	Add

Table of Contents

VOLUME 12, CHAPTER 24: “BURDENSARING AND OVERSEAS RELOCATION CONTRIBUTIONS BY FOREIGN ALLIES”	1
2401 INTRODUCTION	3
240101. Purpose	3
2402 RESPONSIBILITIES.....	3
240201. Under Secretary of Defense for (Policy) (USD(P)).....	3
240202. Under Secretary of Defense (Comptroller) (USD(C))	3
240203. Director of Defense Finance and Accounting Service (DFAS)	3
240204. Commanders of the Combatant Commands (CINCs).....	3
240205. Assistant Secretaries of the Military Departments (Financial Management and Comptroller) (FM&C).....	6
2403 MONETARY CONTRIBUTIONS	6
240301. Notifications	6
240302. Contributions	7
2404 ACCOUNTING	9
240401. Burdensharing.....	9
240402. Overseas Relocation	9
2405 AVAILABILITY OF CONTRIBUTIONS	10
240501. Burdensharing Contributions.....	10
240502. Relocation Contributions.....	11
2406 REPORTING REQUIREMENTS.....	12
240601. Amount and Purpose for Expended Contributions.....	12
240602. Report for Defense Congressional Oversight Committees.....	12

CHAPTER 24

**BURDENSARING AND OVERSEAS RELOCATION CONTRIBUTIONS
BY FOREIGN ALLIES**

2401 INTRODUCTION

240101. Purpose

This chapter prescribes the overall policy and assigns responsibilities for the acceptance, receipt, use, and reporting of burdensharing and relocation monetary contributions to the Department of Defense (DoD) under Title 10, United States Code (U.S.C.), [section 2350j](#) and [section 2350k](#).

2402 RESPONSIBILITIES

240201. Under Secretary of Defense for (Policy) (USD(P))

The USD(P) has policy and management responsibility for burdensharing agreements or arrangements. In addition, the USD(P) will work with the Defense Finance and Accounting Service – Trust Funds Accounting and Reporting Division (TFAR) (DFAS-IN/JJAEAB) on burdensharing program requirements that impact DFAS responsibilities, as appropriate.

240202. Under Secretary of Defense (Comptroller) (USD(C))

A. The USD(C) serves as the single departmental point of contact with the Departments of State and Treasury for all matters involving the acceptance, receipt, administration and distribution of contributions of funds from foreign countries and organizations for burdensharing and relocation contributions.

B. The USD(C) is responsible for coordination and approval of military construction projects that are subject to Title 10 U.S.C., section 2350j. In addition, the USD(C) is responsible for reviewing and submitting to the Congress those reports required by Title 10 U.S.C., section 2350j and Title 10 U.S.C., section 2350k.

240203. Director of Defense Finance and Accounting Service (DFAS)

The DFAS Director is responsible for recording and reporting the collection of receipts for burdensharing and relocation contributions and for the distribution of receipts, as prescribed by the USD(C), in support of burdensharing and overseas relocation programs.

240204. Commanders of the Combatant Commands (CINCs)

The cognizant CINC is responsible for, but may delegate to subordinate commanders, the following responsibilities.

A. For burdensharing contributions for other than military construction projects, the cognizant CINC shall:

1. Notify the responsible DoD Component of anticipated contributions from foreign governments.
2. Identify a proposed distribution of funds to the approving authority.
3. Deposit funds received with the DFAS Field Activity located within the immediate overseas operating area or the Financial Services Office (FSO) if no DFAS Field Activity is located within the immediate overseas operating areas.
4. Prepare the necessary disbursing documentation for forwarding to the DFAS Field Activity located within the immediate overseas operating area, or the FSO if no DFAS Field Activity is located within the immediate overseas operating area.

5. Submit reporting and control of funds information to:

DFAS Indianapolis Site
Trust Funds Accounting and Reporting Division (DFAS-IN/JJAEAB)
Room 315AA-1
8899 East 56th Street
Indianapolis, IN 46249-2801

Submit this information via the DFAS Field Activity located within the immediate overseas operating area, or the FSO if no DFAS Field Activity is located within the immediate overseas operating area.

6. Submit information on the amount and purpose of each contribution to:

Office of the OUSD(C)
Office of the Deputy Comptroller (Program/Budget) ODC(P/B)
Operations Directorate, Room 3C710, 1100 Defense Pentagon
Washington, DC 20301-1100

B. For military construction projects funded with burdensharing contributions, the cognizant CINC shall:

1. Initiate the military construction project proposals utilizing Defense Department (DD) Form 1391 (Justification of Military Construction Projects).

2. Submit for approval the justification material to:

OUSD(C), ODC (P/B)
Military Personnel and Construction Directorate
Room 3C654, 1100 Defense Pentagon
Washington, DC 20301-1100

3. Deposit contributions with the DFAS Field Activity located within the immediate overseas operating area, or the FSO if no DFAS Field Activity is located within the immediate overseas operating area.

4. Ensure that ODC(P/B) Military Personnel and Construction Directorate approval has been received prior to disbursement of funds (see subparagraph 240204.B.2) via the DFAS Field Activity located within the immediate overseas operating area, or the FSO if no DFAS Field Activity is located within the immediate overseas operating area.

5. Prepare necessary disbursing documentation for forwarding to the DFAS Field Activity located within the immediate overseas operating area, or the FSO if no DFAS Field Activity is located within the immediate overseas operating area.

6. Submit information to the DFAS-IN/JJAEAB (see subparagraph 240204.A.5) for reporting and control of funds purposes, via the DFAS Field Activity located within the immediate overseas operating area, or the FSO if no DFAS Field Activity is located within the immediate overseas operating area.

C. For all overseas relocation contributions, the cognizant CINC shall:

1. Notify the DFAS Trust Fund Accounting and Reporting [Division](#) (DFAS-IN/JJAEAB) that a contribution is expected.

2. Submit information on the amount and purpose of the contribution to the OUSD(C), ODC (P/B), Operations Directorate (see subparagraph 240205.A.6). Courtesy copies shall be provided to the Military Personnel and Construction Directorate when contributions are made for construction projects.

3. Deposit the funds with the DFAS Field Activity located within the immediate overseas operating area, or the FSO if no DFAS Field Activity is located within the immediate overseas operating area.

4. Notify DFAS-IN/JJAEAB, via the DFAS Field Activity located within the immediate overseas operating area, or the FSO if no DFAS Field Activity is located within the immediate overseas operating area, at least 1 business day in advance of disbursements so securities can be sold to finance the payment.

5. Prepare the necessary disbursing documentation, for forwarding to the DFAS Field Activity located within the immediate overseas operating area, or the FSO if no DFAS Field Activity is located within the immediate overseas operating area.

6. Submit information to the DFAS-IN/JJAEAB, for reporting and control of funds purposes, via the DFAS Field Activity located within the immediate overseas operating area, or the FSO if no DFAS Field Activity is located within the immediate overseas operating area.

240205. Assistant Secretaries of the Military Departments (Financial Management and Comptroller) (FM&C)

A. The cognizant Assistant Secretary (FM&C) has responsibility to review and approve the distribution of funds received from foreign countries and regional organizations for the purposes outlined in this Regulation. These responsibilities may be delegated below the Assistant Secretary level.

B. The Assistant Secretary of the Army (FM&C) is responsible for Korea and Kuwait.

C. The Assistant Secretary of the Air Force (FM&C) is responsible for Japan, except for the Realignment of Forces from Okinawa to Guam, wherein the Assistant Secretary of the Navy (FM&C) is responsible.

D. Distribution of contributions received from other countries, not specified above, shall be the responsibility of the Assistant Secretary (FM&C) whose Service will use the greater portion of the contribution.

2403 MONETARY CONTRIBUTIONS

240301. Notifications

A. The DoD Components shall notify the DFAS-IN/JJAEAB of all potential monetary contributions prior to acceptance of such contributions. All notifications shall indicate the applicable statute (i.e., Title 10 U.S.C., section 2350j for burdensharing contributions or Title 10 U.S.C., section 2350k for overseas relocation). Copies of all notifications shall be sent to the DFAS-IN/JAFB (see subparagraph 240204.A.5 for full address) via the DFAS Field Activity located within the immediate overseas operating area, or the FSO if no DFAS Field Activity is located within the immediate overseas operating area.

B. Within 5 working days after notification of anticipated receipt of funds from a country without a designated account, the DFAS Field Activity located within the immediate overseas operating area, or the FSO if no DFAS Field Activity is located within the immediate overseas operating area, shall submit a request for a new Treasury account for that country to the address in subparagraph 240204.A.5.

C. TFAR will submit the necessary documents to the Department of the Treasury to establish the new account and shall send a copy of the information to the DFAS-IN/JJAEAB and the DFAS Field Activity located within the immediate overseas operating area, or the FSO if no DFAS Field Activity is located within the immediate overseas operating area.

240302. Contributions

A. General

1. Monetary contributions shall be accepted for specific purposes as identified in section 2405 of this chapter.

2. If none of the accounts identified in section 2405 of this chapter apply, then contributions shall be credited to a DoD disbursing officer's suspense account using a DD Form 1131 (Cash Collection Voucher) for cash and check contributions. The DoD Component and/or DFAS Field Activity disbursing officer may request further guidance from the DFAS-IN/JAFB.

B. Contributions in Cash

1. The receiving DoD Component and/or DFAS Field Activity located within the immediate overseas operating area shall credit all cash contributions to one or more of the applicable DoD accounts as identified in section 2405 of this chapter.

2. Documentation associated with cash contributions, including copies of the DD Form 1131 and the original of any correspondence from contributors, shall be forwarded by the receiving DFAS Field Activity located within the immediate overseas operating area (or DoD Component activity if no DFAS Field Activity is located within the immediate overseas operating area) within 24 hours of deposit to the DFAS-IN/JJAEAB.

C. Contributions by Check

1. Checks received by DoD officials shall be made payable as described in accordance with Volume 5, Chapter 10. The reference line on the check shall identify the applicable burdensharing agreement or arrangement, or a copy of the agreement shall be attached.

2. Checks received by DoD officials shall be forwarded to the nearest DFAS Field Activity located within the immediate overseas operating area, or other DoD disbursing office if no DFAS Field Activity is located within the immediate overseas operating area, for processing within 24 hours of receipt. Such checks shall be credited to one or more of the applicable DoD accounts identified in section 2405 of this chapter.

3. Documentation associated with check contributions--including copies of checks, DD Forms 1131, deposit tickets and the original of any correspondence from

contributors--shall be forwarded by the receiving DFAS Field Activity located within the immediate overseas operating area, or other DoD Component activity if no DFAS Field Activity is located within the immediate overseas operating area, within 24 hours of deposit to the DFAS-IN/JJAEAB.

D. Contributions by Wire Transfer

1. Contributions by wire transfer are preferred since they eliminate delays in receiving deposits and should provide the most efficient preliminary accounting information for receipt distribution purposes. Wire transfers shall be credited to one or more of the applicable DoD accounts identified in section 2405 of this chapter.

2. Contributors may make contributions to the Department via electronic funds transfer from commercial banks to the Federal Reserve Bank of New York (as Fiscal Agent of the United States). The Federal Reserve Bank of New York shall credit the Department. Any exceptions shall be documented within the international agreements and coordinated with the USD(C), or designee.

3. Documentation associated with wire transfer contributions, including the original of any correspondence from contributors, shall be forwarded within 24 hours of the deposit to the DFAS-IN/JAFB.

E. Contributions in Foreign Currencies (Cash or Check).

When a DoD Component becomes aware of a planned, large contribution (\$1 million or more) to be made in a foreign currency, the cognizant DFAS Field Activity or DoD Component official shall:

1. Request that the contributor give as much advance notification as possible regarding the amount of the contribution and the estimated date that the contribution will be made.

2. Advise the DFAS-IN/JJAEAB of any planned contributions and continue to keep that office advised of the status until the contribution is received.

3. Except as described in subparagraph 240402.E.6, the contributor should transfer the foreign currency credit to the Federal Reserve Bank of New York via the contributor's central bank. If the Federal Reserve Bank does not maintain a relationship with a particular central bank, the DoD Component or DFAS Field Activity located within the immediate overseas operating area shall seek guidance from the DFAS-IN/JJAEAB for appropriate alternative arrangements, including the use of limited depository accounts.

4. Cash and checks received by DoD officials in countries not served by DoD disbursing officers shall be delivered to the nearest U.S. Embassy within 24 hours of receipt for credit in one or more of the applicable DoD accounts identified in section 2405 of this chapter. If none of the accounts identified in section 2405 of this chapter applies, then all cash

and checks shall be credited to an Embassy disbursing officer's suspense account. The Embassy disbursing officer or representative shall request further guidance from the DFAS-IN/JJAEAB. Documentation associated with the contribution, including copies of deposit tickets and appropriate collection voucher, shall be forwarded within 24 hours to the DFAS-IN/JJAEAB.

5. Except as described in subparagraph 240302.E.6, all contributions received in foreign currencies shall be converted to U.S. dollars at the prevailing rate of exchange at the time that the deposit is made.

6. Where international arrangements require the retention of the currency in limited depository accounts for local disbursement in that currency, the deposits shall be calculated and recorded (not converted) in terms of equivalent dollar value based on the prevailing rate of exchange. (See Volume 5, Chapter 13, for additional information.)

2404 ACCOUNTING

240401. Burdensharing

Burdensharing contributions shall be credited to one or more of the special fund accounts listed below which have been established in the U.S. Treasury for monetary contributions accepted by the Secretary of Defense or designee under Title 10 U.S.C., section 2350j.

A. Special Fund Receipt Accounts

- 97_5441.001 Burdensharing Contribution, Defense, Kuwait
- 97_5441.003 Burdensharing Contribution, Defense, Japan
- 97_5441.004 Burdensharing Contribution, Defense, South Korea
- 97_5441.005 Burdensharing Contribution, Defense, Qatar
- 97_5441.006 [Burdensharing Contribution, Defense, United Kingdom](#)

B. Special Fund Expenditure Account

- 97X5441 Expenditures (Only)

240402. Overseas Relocation

Relocation contributions shall be credited to one or more of the following trust fund accounts which have been established in the U.S. Treasury for monetary contributions accepted by the Secretary of Defense or designee under Title 10 U.S.C., section 2350k.

A. Trust Fund Receipt Accounts

- 97_8337.001 Contributions from Kuwait, Host Nation Support for U.S. Relocation Activities
- 97_8337.003 Contributions from Japan, Host Nation Support for

- U.S. Relocation Activities
- 97_8337.004 Contributions from South Korea, Host Nation Support for U.S. Relocation Activities
- 97_8337.005 Contributions from Qatar, Host Nation Support for U.S. Relocation Activities

B. Trust Fund Expenditure Account

- 97X8337 Expenditures (Only)

C. The DFAS disbursing office or FSO shall transmit copies of deposit tickets for these investments to the DFAS-IN/JJAEAB. For tracking and computation of interest, contributions shall be tracked along with the earnings on each investment by country.

2405 AVAILABILITY OF CONTRIBUTIONS

240501. Burdensharing Contributions

A. Burdensharing contributions shall be available only for the payment of the following costs:

1. Compensation for the Department's local national employees,
2. Supplies and services required by the Department, and
3. DoD military construction projects.

a. USD(C) or designee written approval is required for the use of such contributions to carry out a military construction project that is consistent with the purposes for which the contributions were made and not otherwise authorized.

b. Such approval is also conditional upon a 21-day notice to the Congress as described in subparagraphs 240601.D and 240601.E.

B. Burdensharing contributions normally shall be available only for the payment of costs in the country making the contribution. Local disbursement of burdensharing funds is authorized. In accordance with [Title 10 U.S.C. 2350k](#), "out-of-country" expenditures shall be made only with the agreement of the contributing country and only for costs that are directly related to U.S. military activities in the contributing country.

C. If burdensharing contributions are to be used for personnel costs or supplies and services, prior approval of the cognizant Assistant Secretary (FM&C) or designee (such as the U.S. Forces Korea) is necessary before the expenditure of funds.

1. The organization receiving the funds shall submit the proposed distribution of the funds to the cognizant Assistant Secretary (FM&C) for approval.

2. The cognizant Assistant Secretary (FM&C) shall review the proposed distribution and, if approved, transmit the approved distribution to the DFAS-IN/JAFB, as well as to the submitting field component.

3. The field component shall prepare the necessary documentation to effect the disbursement of funds.

D. If the Department decides to use burdensharing contributions for a military construction project, the cognizant CINC shall forward a coordinated project proposal for approval to OUSD(C), ODC(P/B), Military Personnel and Construction (See subparagraph 240204.B.2.) Once the necessary coordination and approval process has been completed, the Military Personnel and Construction Directorate shall submit a report to the congressional defense oversight committees. The following information shall be included in the proposal:

1. An explanation of the need for the project,
2. The estimated cost of the project, and
3. A justification for carrying out the project.

E. The Department may not commence a military construction project until the end of a 21-day period that begins on the date that the OUSD(C) submits the required report to the appropriate congressional defense oversight committees.

240502. Relocation Contributions

A. Relocation contributions are available only for costs incurred in connection with the relocation for which the contribution was made. Costs include:

1. Design and construction services;
2. Transportation, packing, unpacking, handling and storage;
3. Communications services;
4. Supply and administration;
5. Personnel costs (including TDY expenses and excluding salaries of permanently assigned military personnel); and,
6. Other expenses that are related directly to the relocation.

B. The organization receiving the relocation contribution shall submit information on the amount and the purpose of the contribution to the OUSD(C), ODC (P/B), Operations Directorate (see subparagraph 240204.A.6.) Courtesy copies shall be provided to the

Military Personnel and Construction Directorate (see subparagraph 240204.B.2.) when contributions are made for construction projects.

C. The organization receiving the contribution is responsible for preparing the necessary documentation for the disbursing transaction. The DFAS-IN/JJAEAB, however, shall be notified at least 1 business day in advance of disbursement so securities can be sold to finance the payments. The date of each payment and the specific country's funds being utilized must be identified.

2406 REPORTING REQUIREMENTS

240601 Amount and Purpose for Expended Contributions

No later than 10 days after the end of each fiscal year, the DoD Components shall report, to the DFAS-IN/JAFB, the amount of and the purpose for expended contributions.

240602 Report for Defense Congressional Oversight Committees

No later than 20 days after the end of each fiscal year, the DFAS-IN/JJAEAB shall prepare and forward to the OUSD(C), ODC (P/B), Operations Directorate, a report for submission to the applicable defense congressional oversight committees. Those committees are: the Committees on Armed Services of the House of Representatives and the Senate, and the Committees on Appropriations of the House of Representatives and the Senate. The report shall include the following information for each country and regional organization from which contributions were accepted:

A. The amount of the contribution accepted during the preceding fiscal year under Title 10 U.S.C., sections 2350j and 2350k, and the purposes for which the contributions were made, and

B. The amount of the contributions expended during the preceding fiscal year under Title 10 U.S.C., sections 2350j and 2350k, and the purposes for which the contributions were expended.