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MEMORANDUM FOR DISTRIBUTION
MAJCOMs/FOA/DRUs

FROM: HQ USAF/SG
1780 Air Force Pentagon
Washington, DC 20330-1780

SUBJECT: Guidance Memorandum to AFMAN 41-120, *Medical Resource Management Operations*

This Guidance Memorandum immediately implements changes to AFMAN 41-120, *Medical Resource Management Operations* clarifying requirements for the Financial Improvement Audit Readiness (FIAR) assessments. This AFGM applies to individuals at all levels who manage, approve, expense, or distribute Defense Health Program appropriations. It does not apply to the Air Reserve Component (ARC). Compliance with this memorandum is mandatory. To the extent its directions are inconsistent with other Air Force publications, the information herein prevails, in accordance with AFI 33-360, *Publications and Forms Management*.

2.5.3.1. (Add) May delegate the authority to review/sign the quarterly FIAR self-assessment communicator to the MDSS/CC or SGA.

16.20.4. (Replace) Cardholders and Approving Officials must verify that purchases reflected on bank statements are supported by a receipt. **(T-0). Note:** Cardholders must file receipts together with the bank statement.

17.4.4. (Replace) Toward that end and to compel the AFMS' audit readiness posture, the audit elements explained in paragraph 17.5 (Focus Areas) will be available within the Manager's Internal Control Tool (MICT) in the form of a self-assessment communicator. The MICT self-assessment communicator replaces the Medical Commander's Checklist for Audit Readiness Part B, dated December 2012. RMO will upload assessment documents into MICT, or have the documents available for MTF/CC or designee review on a share drive or in hardcopy form, prior to MTF/CC or designee validating/signing the assessment.

17.4.4.1. (Replace) FIAR self-assessments using this MICT self-assessment communicator will be conducted quarterly. The MTF/CC, or designee, will review/sign the quarterly MICT self-assessment communicator by either "validating" the assessment in MICT or

signing a hardcopy of the MICT self-assessment communicator. If the assessment is validated in MICT, then the Resource Management Office (RMO) will take a screen shot of the MTF/CC or designee validation screen in MICT to include in the FIAR self-assessment communicator file. Self-assessments must be completed and signed (hardcopy or validated in MICT) by the MTF Commander or designee NLT the end of the following quarter. **(T-1)** This requirement may only be waived by AF/SG1/8Y.

17.4.4.6. (Replace) The completed & signed MICT self-assessment communicators (with the corresponding financial reports containing the highlighted transactions that were reviewed) should be maintained in RMO and be available for review by external reviewers upon request. Retain the documents for two (2) Fiscal Years. Documents may be retained electronically or in hardcopy form.

17.5.6.1.4. (Replace) Cardholders and Approving Officials must verify that purchases reflected on bank statements are supported by a receipt. **Note:** Cardholders must file receipts together with bank statements.

2.5.3.1. (Add) May delegate the authority to review/sign the quarterly FIAR self-assessment communicator to the MDSS/CC or SGA.

This Memorandum becomes void after one-year has elapsed from the date of this Memorandum, or upon publication of an Interim Change or rewrite of the affected publication, whichever is earlier.

MARK A. EDIGER
Lieutenant General, USAF, MC, CFS
Surgeon General

**BY ORDER OF THE
SECRETARY OF THE AIR FORCE**

AIR FORCE MANUAL 41-120

6 NOVEMBER 2014



Health Services

**MEDICAL RESOURCE MANAGEMENT
OPERATIONS**

COMPLIANCE WITH THIS PUBLICATION IS MANDATORY

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This publication implements Air Force Policy Directive (AFPD) 41-1, *Health Care Programs and Resources*. It provides general guidance and procedures for Air Force planning, programming, budgeting, and execution of the Defense Health Program (DHP) appropriation. It applies to individuals at all levels who manage, approve, expense, or distribute Defense Health Program appropriations. It does not apply to the Air National Guard (ANG). This AFMAN may be supplemented at any level, but all supplements must be routed to AF/SGY for coordination prior to certification and approval. Refer recommended changes and questions about this publication to the Office of Primary Responsibility (OPR) using the AF Form 847, *Recommendation for Change of Publication*; route AF Forms 847 from the field through the appropriate functional chain of command. The authorities to waive wing/unit level requirements in this publication are identified with a Tier (“T-0, T-1, T-2, T-3”) number following the compliance statement. See AFI 33-360, *Publications and Forms Management*, Table 1.1 for a description of the authorities associated with the Tier numbers. Submit requests for waivers through the chain of command to the appropriate Tier waiver approval authority, or alternately, to the Publication OPR for non-tiered compliance items. Ensure that all records created as a result of processes prescribed in this publication are maintained in accordance with (IAW) Air Force Manual (AFMAN) 33-363, *Management of Records*, and disposed of IAW Air Force Records Information Management System (AFRIMS) Records Disposition Schedule (RDS). The use of the name or mark of any specific manufacturer, commercial product, commodity, or service in this publication does not imply endorsement by the Air Force.

SUMMARY OF CHANGES

This document has been completely revised and must be reviewed in its entirety. Major changes include converting from an Air Force Instruction to an AF Manual; tiering requirements IAW

AFI 33-360; updating roles and responsibilities; explaining the history of the Defense Health Program appropriation; identifying commodities that are not funded with the DHP; expounding on appropriations law principles, financial data elements, patient travel, medical programming, and medical civilian pay; funding for medical readiness; funding for civilian employee Occupational Health examinations; funding for medical contracts; funding for continuing health education; medical reimbursements; Triannual Reviews; and Financial Improvement and Audit Readiness requirements.

Chapter 1—PROGRAM OVERVIEW	9
1.1. Overview.	9
1.2. DoD Medical Mission.	9
1.3. DHP History.	9
1.4. Military Service Re-organizations.	9
1.5. Funding Distinctions.	9
1.6. DHP Appropriation Legislation.	10
1.7. Beneficiaries of the DHP Appropriation.	10
1.8. TRICARE Contracts.	10
1.9. Veterinary Services.	10
1.10. Other DHP Purposes.	10
1.11. DHP Budget Authority.	11
1.12. Other DHP authorities:	11
1.13. Medicare Eligible Retiree Health Care Fund (MERHCF).	11
Chapter 2—ROLES AND RESPONSIBILITIES.	13
2.1. Air Force Surgeon General (AF/SG).	13
2.2. AF/SG Medical Planning and Programming Directorate (AF/SG8).	13
2.3. AFMS Chief Financial Officer (CFO) (AF/SGY).	13
2.4. Air Force Medical Operations Agency, Financial Management Division (AFMOA/SGAR).	14
2.5. MTF Commander (CC).	14
2.6. Resource Management Office (RMO) Responsibilities.	14
Chapter 3—COMMODITIES NOT FUNDED WITH THE DHP APPROPRIATION	17

3.1.	Commodities Not Funded with the AF DHP Appropriation Allocation.	17
Chapter 4—MEDICAL PLANNING AND PROGRAMMING		20
4.1.	Overview.	20
4.2.	The AFMS POM.	20
4.3.	The Medical Planning and Programming Guidance (MPPG).	20
4.4.	General Roles and Responsibilities within the AFMS POM Construct.	20
4.5.	POM Build Process.	22
4.6.	Financial Plans (FinPlan).	22
Chapter 5—MEDICAL CIVILIAN EMPLOYEES AND PAY		23
5.1.	Overview.	23
5.2.	Manpower Responsibilities.	23
5.3.	Civilian Pay Responsibilities.	23
5.4.	Civilian Pay Monitoring Tools.	24
5.5.	Civilian Personnel Leave Policy.	24
5.6.	Civilian Vacancies.	24
5.7.	Civilian Overhires.	24
5.8.	New Hires.	25
5.9.	Non-DHP Civilians.	25
5.10.	Incentives & Bonuses.	25
Chapter 6—WORKLOAD REPORTING AND DATA QUALITY		26
6.1.	Data Quality (DQ).	26
6.2.	MEPRS.	28
6.3.	Executive Management and Functional Manager Information.	29
Chapter 7—FUNDAMENTALS OF FEDERAL FINANCIAL MANAGEMENT		30
7.1.	Overview.	30
7.2.	Responsibility of Air Force Members and Employees.	30
7.3.	Lifecycle of Appropriations.	31
7.4.	New Obligations.	31
Table 7.1.	Appropriation Lifecycles.	31
7.5.	Appropriation Status.	32
Table 7.2.	Appropriation Classification Status.	32
7.6.	The Concept of Availability to Incur New Obligations.	32

7.7.	Necessary Expense Rule.	33
7.8.	Bona Fide Need Rule.	34
7.9.	Budget Authority, Obligations, and Outlays (payments).	34
7.10.	Authorization Act versus Appropriations Act.	34
7.11.	DHP Funds Transferred Among Air Force, Army, and Navy Medical Services. ..	35
7.12.	Direct Care Workload Shifts to the Private Sector.	35
7.13.	Veterans Affairs (VA)/DoD Joint Incentive Fund (JIF) Program and DoD/VA Resource Sharing Agreements.	35
7.14.	Operations Under a Continuing Resolution Authority (CRA).	35
7.15.	Availability of Appropriations to Pay Obligations.	37
7.16.	Use of Expired Accounts for Replacement Contracts.	37
7.17.	Laws which Govern the Federal Budget Execution Process.	37
7.18.	Key Federal Agencies in the Federal Budget Process.	39
Chapter 8—FINANCIAL DATA ELEMENTS AND CODES		41
8.1.	Overview.	41
8.2.	Relevant Financial Definitions.	41
8.3.	Fiscal Code Architecture.	43
8.4.	AF Accounting Systems.	44
8.5.	Fiscal Code Support.	44
Table 8.1.	DHP BAGs and PEs.	44
Table 8.2.	GAFS LoA.	46
Table 8.3.	DEAMS/SFIS Line of Accounting.	47
Table 8.4.	AFMS Commonly Used EEICs.	47
8.6.	Stages of Accounting.	50
Table 8.5.	Disbursement Codes.	51
Table 8.6.	Reimbursement BIDs.	52
Table 8.7.	Post Codes.	52
Chapter 9—FUNDING FOR MEDICAL READINESS PROGRAMS		54
9.1.	Overview.	54
9.2.	Identifying Contingency-related Costs.	54
9.3.	Approval to Use DHP Funds for Medical Readiness Training/Exercises.	54
9.4.	Funding for LAF/Combatant Command (CCMD) Directed Exercises.	54
9.5.	Special Categories.	54

9.6.	Medical Readiness DHP Unfunded Requirements (UFRs).	57
Chapter 10—MEDICAL RELATED TRAVEL		58
10.1.	Patients.	58
Table 10.1.	Patient Travel RC/CCs.	58
10.2.	Medical Referrals within the Local Permanent Duty Station (PDS) Area.	59
10.3.	Medical Referral Travel at the Member’s Expense.	60
10.4.	Medical Referral Travel Outside the PDS.	60
10.5.	Medical Referral Travel for Government Employees Overseas and Their Family Members.	60
10.6.	Travel to Specialty Care Over 100 Miles.	60
10.7.	Non-Medical Attendant (NMA) Travel.	61
10.8.	NMAs for Medical Referrals within the Local PDS Area.	61
10.9.	NMAs for Medical Referrals Outside the Local PDS Area.	61
10.10.	Non-Concurrent NMA Travel.	61
10.11.	Civilian Family Member of a Seriously Ill or Injured Uniformed Service Member.	61
10.12.	Retirees with a Combat-related Disability who are not Enrolled in TRICARE Prime.	61
10.13.	Convalescent Leave Transportation for Illness/Injury.	62
10.14.	Emergency Family Member Travel (EFMT) Program.	63
Figure 10.1.	Request for Initial EFMT Format.	65
Chapter 11—MEDICAL ACCOUNTS RECEIVABLE PROGRAMS		66
11.1.	Medical Reimbursements Overview.	66
11.2.	Accounts Receivable (A/R).	66
11.3.	A/R Requirement.	66
11.4.	MSA Program.	67
Table 11.1.	Calculating Surcharge Percentages.	68
11.5.	TPC Program.	72
11.6.	MAC Program.	74
11.7.	Over-the-Counter Network (OTCnet) Deposit Requirement.	75
11.8.	Mandatory Actions when Depositing Collections.	75
11.9.	Deposits Stemming from DCMO Out-of-Service Debt Collections.	77
11.10.	Overseas Pay Patients.	77

11.11. Sales Codes. 78

11.12. Establishing Payment Installment Plans. 78

Table 11.2. Monthly Audit of Deposits & Refunds. 78

Table 11.3. Chart of Authorized Sales Codes for MTFs. 80

**Chapter 12—CONTINUING MEDICAL EDUCATION, FORMAL TRAINING,
PROFESSIONAL CERTIFICATIONS AND LICENSURES 83**

12.1. General. 83

12.2. CME Programs. 83

12.3. EEIC to Charge. 85

Table 12.1. Education & Training EEICs. 85

12.4. Civilian Employees. 86

12.5. Air Reserve Component (ARC). 87

12.6. Active Duty Military Personnel. 87

12.7. Accounting for Student Travel - RCCC. 87

12.8. Reimbursement for Professional Board and National Certification Examinations.
..... 87

12.9. Reimbursement Prior to Course Completion. 87

12.10. Professional Licenses (Military and Civilian): 87

Chapter 13—MEDICAL FACILITIES AND MEDICAL EQUIPMENT 89

13.1. Overview. 89

13.2. Sustainment, Restoration & Modernization (SRM). 89

13.3. Accounting for SRM Expenditures. 89

13.4. Medical Equipment. 90

13.5. Defense Medical Logistics Standard Support (DMLSS) System. 90

13.6. Deobligations. 91

13.7. Delivery of Materials Beyond the Fiscal Year. 92

Chapter 14—DHP CONTRACTS 93

14.1. Overview. 93

14.2. MTF Responsibilities. 93

14.3. Contract Funding: 93

14.4. Acquisition of Services. 94

14.5. Deobligating Contract Funding. 94

14.6. Authorization for Personal Services Contracts. 95

14.7.	Economy Act Orders.	95
14.8.	Non-Economy Act Orders.	96
14.9.	Support Agreements.	97
14.10.	Recording Obligations Pertaining to Contracts.	98
14.11.	Timely Invoicing and Vendor Payments.	99
14.12.	Supporting Documents Required to Process Payments.	99
14.13.	Intragovernmental Payments.	102
14.14.	Proactive Contract Modifications.	102
14.15.	Severable and Non-severable Service Contracts.	103
14.16.	Protests.	103
14.17.	Contingent Liabilities Remaining under Outstanding Contracts.	103
14.18.	Termination of Contracts and Agreements.	104
14.19.	Replacement Contracts due to Contractor Default.	104
14.20.	Unauthorized Contractual Commitments.	104
Chapter 15—DHP TRIANNUAL REVIEWS		106
15.1.	Triannual Reviews (TAR) of Commitments, Obligations, Accounts Payable and Accounts Receivable.	106
15.2.	TAR Periods Covered.	106
Table 15.1.	MTF TAR Confirmation Statement.	107
Table 15.2.	AFMOA/SGAR TAR Confirmation Statement.	109
15.3.	Acceptable and Unacceptable TAR Remarks on Line Items.	112
15.4.	Deobligations.	112
15.5.	Dormant Obligations Resulting from DMLSS Transactions.	112
Chapter 16—BUDGETING AND FUNDING GUIDANCE FOR VARIOUS PROGRAMS		113
16.1.	Information Management/Information Technology.	113
16.2.	Wireless Internet for Patients within the Medical Group.	113
16.3.	Professional Membership Fees (Military and Civilian).	113
16.4.	Funding for Community Action Information Board and Integrated Delivery System (CAIB/IDS) Activities.	113
16.5.	Funding for Hypobaric and Hyperbaric Chambers.	113
Figure 16.1.	Memorandum from OUSD(MC&FP).	115
16.6.	Use of DHP Supplemental Health Care Program Funds for Foreign Cadets Attending the Air Force Academy.	116

16.7.	Funding for Clothing Destroyed During Medical Care.	116
16.8.	Leased Housing for Military Graduate Medical Education (GME) Residents.	116
16.9.	Publication of GME Research Articles in Professional Journals.	116
16.10.	Health Promotion Incentive Items.	116
16.11.	Non-prescription items.	116
16.12.	Do not charge Transportation of Human Remains to the DHP.	116
16.13.	Serving Materials for MTFs (plates, utensils, cups, etc.	116
16.14.	Funding for Reserve Officer Training Corps (ROTC) Injuries/Illness Incurred in Line of Duty (LOD).	116
16.15.	Checks Received from Pharmaceutical Companies.	117
16.16.	AFMS Procurement (OP) Process.	117
16.17.	Air Force Medical Research, Development and Evaluation (RDT&E) Requirements Process.	117
16.18.	Payment for Occupational Health Exams of Civil Service Employees.	118
16.19.	Retired Pay, Physical or Mental Incapacitation while Inpatient.	119
Figure 16.2.	Memorandum, Request for Commander’s Authorization of Payment for Civilian Medical Exam.	121
Figure 16.2.	Memorandum, Instructions to the Unit Resource Advisor.	121
16.20.	Government Purchase Card (GPC) Program.	122
Chapter 17—FINANCIAL IMPROVEMENT AND AUDIT READINESS		123
17.1.	Financial Improvement and Audit Readiness (FIAR).	123
17.2.	FIAR Framework.	123
17.3.	Audit Documentation to Support AFMS Financial Statements.	123
17.4.	A-123 Testing.	124
17.5.	Focus Areas.	125
Attachment 1—GLOSSARY OF REFERENCES AND SUPPORTING INFORMATION		131

Chapter 1

PROGRAM OVERVIEW

1.1. Overview. This instruction establishes general guidance and procedures for Air Force planning, programming, budgeting, and execution of the Defense Health Program (DHP) appropriation. Resource management includes the process of determining requirements, obtaining resources, and effectively and efficiently applying those resources to meet the Air Force's direct mission and support responsibilities. Resource management also includes evaluation of internal controls, procedures, and protection of government assets.

1.2. DoD Medical Mission. The medical mission of the Department of Defense (DoD) is to enhance DoD and our Nation's security by providing health support for the full range of military operations and sustaining the health of the 9.7 million DoD health care beneficiary population.

1.3. DHP History. Prior to FY 1993, each of the Military Departments funded their respective healthcare operations from within their own appropriations. Across the nation, and within DoD, healthcare costs were escalating rapidly. Healthcare costs were consuming greater portions of the DoD budget. In an effort to control the ever-increasing healthcare costs of the DoD, and to lend greater visibility into healthcare expenditures, Congress directed the establishment of a unified DoD medical appropriation.

1.3.1. On December 14, 1991, the Deputy Secretary of Defense signed Program Budget Decision (PBD) 742 to consolidate all medical resources under the control of the Assistant Secretary of Defense for Health Affairs, ASD (HA), and to make other required adjustments to the medical program. The three military departments were directed to (1) parse out what they historically spent on medical care/ resources, and (2) transfer those amounts from their respective Operations and Maintenance (O&M), Research, Development, Test, and Evaluation (RDT&E), and Procurement appropriations into the new DHP appropriation.

1.3.2. The only exceptions to the merger were Military Personnel Appropriations (MPA) resources in support of combat operations, field/numbered medical units, hospital ships, and ship-board medical operations; and Military Construction (MILCON) funding for medical facilities. MILCON continues to be reflected in the Service MILCON account, but is administered by ASD(HA). Combat medical support continues to be funded via Line funds/or funds appropriated for that purpose (i.e. Other Contingency Operations (OCO) appropriation).

1.4. Military Service Re-organizations. Each Service was given some leeway in determining how much to transfer to the DHP and how it would restructure itself (organizationally) to manage their respective DHP allocations. The Army and Navy established Medical Commands (MEDCOM and BUMED, respectively). For the Air Force, the newly established DHP appropriation did not drive structural organizational changes; AF Military Treatment Facilities (MTFs) would continue to be a unit on the base, not unlike other units (CE, Comm, etc.), it would simply be funded with the DHP appropriation.

1.5. Funding Distinctions. In establishing MEDCOM and BUMED, the Army and Navy parsed out and transferred substantial amounts of funding to the DHP for Base Support. The transfer of Base Support enabled MEDCOM and BUMED to be self-supporting (not unlike other Major Commands). The transfer of Army and Navy Base Support to the DHP included

resources for Base Support functions, such as Contracting and Legal Services. Alternatively, the Air Force did not transfer Base Support to the DHP at all. The Air Force maintained that Base Support would continue to be provided to its MTFs on a non-reimbursable basis as it had been prior to the establishment of the DHP. The Air Force decided it would only transfer to the DHP the funds needed to operate the MTFs proper (e.g., within the walls of the MTF).

1.5.1. The AFMS receives funds to pay for commodities consumed within the walls of Air Force MTFs, such as medical supplies, office supplies, medical equipment, basic utilities (gas, water, electricity, long-distance telephone), minor construction/repair the MTF, etc. The Line of the Air Force (LAF) renders non-reimbursable common base support functions to the AFMS (e.g. Security, Fire, MPF, Legal, Vehicles, etc.). This has not changed since the inception of the DHP. In short, the Air Force transferred funds, not functions.

1.5.2. The AFMS executes the DHP through direct allotment to performing installations/activities for all DHP costs, except those retained by LAF when the DHP appropriation was initially established in FY93. AF military medical personnel costs are paid centrally from the AF Military Personnel Appropriation, not the DHP.

1.6. DHP Appropriation Legislation. The DHP appropriation account was established via Title 10 United States Code Section 1100 (10 USC §1100) for the purpose of carrying out the functions of the Secretary of Defense with respect to medical and health care programs of the DoD. The Secretary of Defense may obligate or expend funds from the account for purposes of conducting programs and activities under 10 USC Chapter 55, *Medical And Dental Care*, including contracts entered into under section 10 USC §1079, §1086, §1092, or §1097, to the extent amounts are available in the account.

1.7. Beneficiaries of the DHP Appropriation. The purpose of 10 USC Chapter 55, *Medical and Dental Care*, is established in 10 USC §1071, which states:

“The purpose of this chapter is to create and maintain high morale in the uniformed services by providing an improved and uniform program of medical and dental care for members and certain former members of those services, and for their dependents.”

1.8. TRICARE Contracts. TRICARE contracts for medical care for spouses and children are authorized under 10 USC §1079; contracts for health benefits for certain members, former members, and their dependents are authorized under 10 USC §1086; contracts for medical care for retirees, dependents, and survivors (alternative delivery of health care) are authorized under 10 USC §1097. Studies and demonstration projects relating to delivery of health and medical care are authorized under 10 USC §1092. TRICARE contracts are executed and administered by ASD(HA).

1.9. Veterinary Services. In addition to providing for worldwide medical and dental services to active forces and other eligible beneficiaries, the DHP appropriation is available for veterinary services for government-owned animals (support for pets is reimbursed by Non-Appropriated Funds).

1.10. Other DHP Purposes. The DHP appropriation is available to fund medical command headquarters (except for HQ AF authorizations), specialized medical training of medical personnel, and occupational and public health services.

1.11. DHP Budget Authority. Appropriations represent legal authority granted by Congress to incur obligations and to make disbursements (payments/outlays) for the purposes, during the time periods, and up to the amounts specified in the appropriation act. The purpose of the DHP appropriation is stated in 10 USC §1071, which provides the framework for obligations and expenditures of DHP funding. The applicable Treasury Account Fund Symbol for the DHP is 97*0130. The DHP appropriation contains budget authority for:

1.11.1. Operations and Maintenance (O&M). DHP O&M funding (Fund Code (FC): 2X) is divided into seven major areas known as Budget Activity Groups (BAGs). Funds distribution in the Program Budget Allocation System (PBAS) and execution of the DHP O&M appropriation is recorded in BAG level detail. Realignment of funds between BAGs is generally not permitted, although AF/SGY may generally provide certain exceptions. Organizations/MTFs must maintain BAG funding integrity unless authorized otherwise by AF/SGY. **(T-1).**

1.11.2. Research, Development, Test and Evaluation (RDT&E). DHP RDT&E (FC: AC) funds medical Information Management/Information Technology (IM/IT), medical laboratory research, and the Armed Forces Radiobiological Research Institute (AFRRI).

1.11.3. Procurement. DHP Procurement (FC: 2F) funds the acquisition of capital medical equipment and equipment for initial outfitting of newly constructed, expanded, or modernized health care facilities; equipment for modernization and replacement of worn-out, obsolete, or uneconomically repairable items; equipment supporting programs such as pollution control, clinical investigation, and occupational/ environmental health; and Military Health System-specific information processing requirements. Equipment purchased with Procurement funds exceeds \$250,000.

1.12. Other DHP authorities: Generally, the DHP contains budget authority for the aforementioned O&M, RDT&E and Procurement appropriations; however, occasionally budget authority for special programs or Congressional Interest programs is also allocated and typically assigned a unique Fund Code.

1.13. Medicare Eligible Retiree Health Care Fund (MERHCF). Reference Department of Defense Instruction (DoDI) 6070.2, *Department of Defense Medicare Eligible Retiree Health Care Fund Operations*. The DoD MERHCF is an accrual fund established to pay for DoD's share of health care costs for Medicare-eligible retirees, retiree family members and survivors. The DoD Office of the Actuary (OOA) provides annual estimates of the total required annual actuarial normal cost contributions as well as the monthly per-capita normal rates for full-time and part-time personnel to the DoD Comptroller, the Military Departments, DFAS, and the Defense Health Agency (DHA). The MERHCF funds:

1.13.1. Health Care Purchased from Non-DoD Providers. TRICARE For Life (TFL-Non-Prescription (Rx)) claims; TRICARE Senior Pharmacy (TSRx); TRICARE Mail Order Pharmacy (TMOP); and the Uniformed Services Family Health Plan.

1.13.2. Health Care Provided in MTFs. The DHA issues payments from the MERHCF to the AFMS for healthcare services rendered within MTFs. Those payments are included in the MTF's O&M and are deemed prospective reimbursements.

1.13.2.1. Prospective payment amounts are based on costs reported by the MTF's Medical Expense and Performance Reporting System (MEPRS) and patient encounter

data for the most recent fiscal year for which data is complete at the time the calculations are prepared. The data is inflated to the year of execution using standard OMB inflation rates applicable to those years.

1.13.2.2. MTF-specific rates are the average dollar cost per workload unit based on the most recent year for which data is available and inflated to the execution year. The prospective payment amount for inpatient care for eligible beneficiaries is the product of the estimated Relative Weighted Product (RWP) units for that MTF multiplied by the MTF-specific rate per RWP for the year of execution. The prospective payment amount for outpatient care is the product of the estimated Ambulatory Procedure Group (APG) weight for that MTF multiplied by the MTF-specific APG weight for the year of execution.

1.13.2.3. MTF Outpatient Pharmacy. Prospective payments are calculated based on two separate cost components: (1) **“Ingredient costs”** are prices for pharmacy ingredients purchased from vendors. The most recent completed year of data from the Pharmacy Data Transaction Service (PDTS) is used in the calculation. (2) **“Non-ingredient costs”** are all other costs associated with MTF Outpatient Pharmacy operations (civilian labor, supplies, etc.). These rates are based on MEPRS costs per prescription for the most recent fiscal year for which data is complete at the time the calculations are prepared, inflated to the year of execution. Prospective payment amounts are the product of the MTF-specific non-ingredient rates multiplied by the estimated number of prescriptions to be filled for that year.

Chapter 2

ROLES AND RESPONSIBILITIES.

2.1. Air Force Surgeon General (AF/SG). The AF/SG is the Funds Manager for the Air Force's allocation of the DHP appropriation and oversees all resource management activities relating to the programs and operations of the Air Force Medical Service (AFMS). DHP funds are received as a direct allotment from the Defense Health Agency (DHA), with oversight from the Assistant Secretary of Defense, Health Affairs (ASD(HA)). The AF/SG has the authority to direct and establish resource management policies for the DHP in compliance with applicable laws, regulations, policies, standards and principles and in collaboration with the Assistant Secretary of Air Force, Financial Management (SAF/FM).

2.2. AF/SG Medical Planning and Programming Directorate (AF/SG8). Serves as the focal point for the AFMS Program Objectives Memorandum (POM) development and is the AFMS Corporate Structure (CS) process manager. AF/SG8 links planning and programming to the AF/SG strategic vision.

2.2.1. Publishes the Medical Planning and Programming Guidance (MPPG). The MPPG provides the guidance for the development of the AFMS POM. Most critically, the MPPG links the AFMS Strategic Plan to AFMS resources, with the overarching goal to constantly improve AFMS performance.

2.2.2. Develops, manages and provides guidance pertaining to the Medical Planning and Programming Tool (MPPT).

2.2.3. Oversees and guides the execution of AFMS long-range strategic plans and manages the AFMS Base Realignment and Closure Commission (BRAC) business plans and execution. Advises the AF/SG on strategy management, including oversight and coordination of AFMS inputs to AF, DoD and the Military Health Service's strategic planning, roadmaps, measures and metrics, and future operating concepts.

2.3. AFMS Chief Financial Officer (CFO) (AF/SGY). The CFO provides financial direction, policy and procedures for the effective, auditable execution of the Air Force DHP appropriation allocation. SGY collaborates with SG8 during the POM and budget build to ensure a seamless transition from programming to execution, and advises the AFMS Corporate Structure on fact-of-life changes to ensure an executable program.

2.3.1. Receives a DHP appropriation allocation via Funding Authorization Documents (FADs) transmitted within the Program Budget Accounting System (PBAS) by the DHA and redistributes budget authority in support of the AFMS POM.

2.3.2. Provides DHP execution direction, maintains oversight of financial management activities, directs and collaborates on Financial Improvement and Audit Readiness (FIAR) activities to ensure complete, reliable, consistent, timely and accurate financial information. Establishes, reviews and enforces internal control policies, standards and compliance guidelines involving financial management.

2.3.3. Complies with laws, policies, and procedures established for proper execution and control of the DHP appropriation. Emphasizes the requirement for strict controls to preclude violations of law and policy.

2.3.4. Provides DHP fiscal policy/guidance.

2.3.5. Collaborates with the Defense Finance and Accounting Service (DFAS) for the preparation of AFMS financial statements and to resolve execution matters.

2.3.6. Prepares and submits the annual Statement of Assurance governing Internal Controls over Financial Reporting (ICOFR) on behalf of AF/SG.

2.3.7. Reviews, implements and establishes policy relevant to medical reimbursement programs.

2.3.8. Reviews, implements and establishes policy relevant to the Medical Expense Performance Reporting System and Data Quality.

2.4. Air Force Medical Operations Agency, Financial Management Division (AFMOA/SGAR).

2.4.1. Receives DHP FADs from AF/SGY and redistributes budget authority in support of executing the AFMS POM.

2.4.2. Manages budget execution in accordance with all administrative and statutory restrictions, and policy/guidance received from AF/SGY.

2.4.3. Ensures that sufficient budgetary resources are available for execution and intervenes to mitigate shortfalls.

2.4.4. Issues DHP suballocations to MTFs/DHP resource managers via PBAS and maintains official file copies of all FADs received and issued.

2.4.5. Initiates requests for additional funding, as needed.

2.4.6. Validates POM requirements via rigorous financial analyses.

2.5. MTF Commander (CC).

2.5.1. Ensures the medical program is executed in support of the AFMS strategic direction and AFMS POM and is the DHP Funds Holder at the local installation level. **(T-0).**

2.5.2. Ensures cost containment and resource protection activities are established to safeguard federal monies and assets. **(T-0).**

2.5.3. Ensures compliance with financial direction and maintains oversight of financial management activities and operations including FIAR activities to ensure complete, reliable, consistent, timely and accurate financial information. **(T-0).**

2.5.4. Ensures Data Quality Commanders Statement is accurate and submitted monthly. **(T-0).**

2.6. Resource Management Office (RMO) Responsibilities.

2.6.1. The RMO Flight Commander is a full time position responsible to the CC for planning, executing, accounting, managing, and analyzing all MTF financial resources throughout their lifecycle. **(T-3).**

2.6.2. The RMO Flight Commander and/or Budget Analyst is a key advisor to all Squadron/CCs and participates in MTF Executive Committee meetings to brief or discuss

resource management issues. The RMO Flight Commander and/or Budget Analyst must also be a member of the base financial working group. **(T-1)**.

2.6.3. The RMO and/or Budget Analyst is responsible for managing the MTF Cost Center Manager (CCM) program as part of the Resource Management System (RMS) as outlined in AFI 65-601 V2, *Budget Management for Operations*. These responsibilities include oversight, initial and ongoing training and administering processes to involve CCMs in the resourcing process (ex. building execution plans and monitoring resources with provided reports by RMO). **(T-1)**.

2.6.4. RMOs ensure the integrity and accuracy of the obligation information. RMOs will not accept, process, or maintain obligation documentation that fails to satisfy applicable statutory and regulatory guidance. **(T-0)**.

2.6.5. Ensures the accounting classification cited on funding document is appropriate for the stated purpose of the obligation. **(T-0)**.

2.6.6. Ensures the amount obligated meets statutory and regulatory provisions and is recorded timely and accurately. **(T-0)**.

2.6.7. Will not accept voluntary service for the United States or employ personal service in excess of that authorized by law. **(T-0)**.

2.6.8. Conducts Tri-annual Reviews (TARs) in accordance with SAF/FM and AF/SGY guidance and collaborates with the supporting base finance office to resolve discrepancies. **(T-1)**.

2.6.9. Conducts self-inspections in accordance with AF/SGY guidance. **(T-1)**.

2.6.10. Serves as the focal point for the management of manpower resources in the MTF. Provides assistance to the executive staff on near and long-term strategic planning efforts in concert with the MPPG and strategic direction. **(T-1)**.

2.6.11. Briefs the Executive Committee and functional managers on proposed service mix changes based on business case analysis, recapture, primary care optimization, satellite networking, and associated manpower needs. Any service closure efforts that provide savings in manpower must be submitted in accordance with the MPPG. **(T-1)**.

2.6.12. Manages medical reimbursement programs via the Uniform Business Office (UBO) in accordance with DoD 6010.15-M, *Military Treatment Facility Uniform Business Office (UBO) Manual*, guidance issued by AF/SGY, and other relevant guidance such as the DoD Financial Management Regulation (DoDFMR). Promotes reimbursement programs to patients and staff. Educates staff on requirements of the medical reimbursement programs. Serves as the UBO Compliance Officer and develops the UBO Compliance Program per the UBO Manual, paragraph C2.2. and C2.4., and this AF Manual. **(T-0)**.

2.6.13. Ensures complete, reliable, audit-ready financial records pertaining to the DHP appropriation. **(T-0)**.

2.6.14. Implements the MTF's Data Quality Management Control Program (DQMCP) on behalf of the commander to ensure data accuracy, completeness, and timeliness for uniformity and standardization of information across the AFMS. Conducts monthly program

assessments and reports identified data quality performance through the Executive Committee, AFMOA/SGAR and AF/SGY. **(T-1)**.

2.6.15. Oversees the Medical Expense and Performance Reporting System (MEPRS) to ensure accurate, timely workload reporting. **(T-0)**.

Chapter 3

COMMODITIES NOT FUNDED WITH THE DHP APPROPRIATION

3.1. Commodities Not Funded with the AF DHP Appropriation Allocation. An expenditure that may be reasonably related to the AF's allocation of the DHP may not be paid out of that appropriation where the expenditure falls specifically within the scope of another appropriation. For example, when the DHP appropriation was established, the Line of the Air Force (LAF) parsed out from its existing appropriations, and programmatically transferred to the DHP, those monies that were deemed necessary to provide healthcare services. However, some items that would appear to be medically-related were retained in LAF or other Department of Defense appropriations because the costs were so embedded into overall operations as to make the discernment of those costs immaterial or impractical to parse out and transfer to the DHP. Here are some examples (not all inclusive) of commodities not funded with the AF allocation of the DHP appropriation.

3.1.1. Government Vehicles. LAF appropriations fund ambulances and all other AF-owned/leased government vehicles used by medical personnel. **(T-0).**

3.1.2. Veterinary Clinics. The Army provides the Air Force with the manpower to staff the Vet Clinics (i.e., Army Veterinarian, Army Veterinary Technicians). In return, the Air Force provides the Vet Clinic with space, common base services, logistical support services, and maintenance, on a non-reimbursable basis. In support of the Vet Clinic, the local AF MTF (DHP appropriation) provides medical supplies/pharmaceuticals, medical equipment and medical equipment maintenance, Sustainment, Restoration and Maintenance (SRM), and utilities for the Vet Clinic. Non-appropriated Funds (NAF) reimburse the supporting MTF for pharmaceuticals and medical supplies used for pets. **(T-0).**

3.1.2.1. Custodial Support for Veterinary Clinics. Air Force Joint Instruction (AFJI) 48-131, *Veterinary Health Services*, Chapter 6-1, states "Veterinary Health Program costs for all operating budget requirements in support of DoD-owned animals, to include unit mascots, will be included in the DHP operating budget. These requirements include costs for items such as equipment, operational temporary duty, vehicle maintenance, fuel costs, facilities, and communications necessary to provide the appropriate medical care." The term "facilities" in this paragraph does not just refer to Sustainment, Restoration and Modernization, but is intended to include utilities and custodial services (in support of DoD-owned animals). Further, as stated in DoDI 6400.04E paragraph 3(c), it is DoD policy to "integrate installation veterinary public and animal health services with installation medical services, including support from the installation commander (ex. Wg/CC) and senior medical commander (ex. MDG/CC) for common services, supply, logistics, facilities and communication." Each base will need to assess individually what level of custodial service is required for support to DoD-owned animals (ex. working dogs). In most cases, the majority of patients treated at Vet Clinics are non-DoD animals (pets). At those veterinary clinics where both working animals and pets are treated the cost of custodial services should be proportionately shared with LAF, based upon any incremental custodial requirements beyond those required for support by the DoD-owned animals. **(T-1).**

3.1.3. Base Support. In parsing out the funds to transfer to the DHP, the AF did not transfer funds for certain Base Support activities, opting instead to retain funds and continue providing these services to the AFMS on a non-reimbursable basis. Base Support includes manpower authorizations, support equipment, necessary facilities and the associated costs of installation: Comptroller services; Automated Data Processing services; Information Activities; Legal Activities; Civilian Personnel Administration; Military Personnel Administration; Printing and Reproduction; Safety; Management Analysis/Management Engineering; Retail Supply Operations; Supply Activities; Procurement Operations; Storage Activities; Maintenance of Vehicles; Transportation Activities; Training (excludes troop training and tactical exercises); Physical Security and Police Activities; Laundry and Dry Cleaning (for troop support and other appropriated fund activities); Bachelor Housing Operations and Furnishings (management, housing assignment, care of quarters, provisions, care, preservation and maintenance of furnishing, etc.); Food Service; Social Actions; Community Services; Chaplains; Family Housing; Retail and Troop issue; Commissary Operations; Morale, Welfare and Recreation; and Real Property services. **(T-0)**.

3.1.4. Drug Demand Reduction (DDR). The DDR program is funded by appropriations specifically for DoD counternarcotic programs (non-DHP). The appropriation is managed by the Deputy Assistant Secretary of Defense for Counternarcotics (DASD/CN). Funds are issued by the DoD Comptroller to LAF via a central transfer account. Funds are executed in PE 88789F. Refer to AFI 44-120, *Military Drug Demand Reduction Program*, and AFI 44-107, *Air Force Civilian Drug Demand Reduction Program*, for more information. **(T-0)**.

3.1.5. Alcohol and Drug Abuse Prevention and Treatment (ADAPT) Program. Ensures ADAPT Program receives adequate funding to support counseling, treatment, prevention and outreach efforts. Non-clinical prevention, education and aftercare are not funded with DHP, rather resources are provided via Program Element (PE) 88723 funds (i.e., —line funding) to support these programs. Refer to AFI 44-121, *Alcohol and Drug Abuse Prevention and Treatment (ADAPT) Program*. **(T-0)**.

3.1.6. Family Advocacy Program (FAP). The AF FAP provides a continuum of services designed to build community health and resiliency. AF FAP uses specific Defense-wide O&M (non-DHP) allocated for family maltreatment prevention and intervention to provide civilian staffing for FAP. The staff may be hired through the civil service or contract, dependent upon available authorizations and funding. Funds for the FAP are issued by the DoD Comptroller to the LAF for distribution to installations. FAP funding is executed in PE 88718F. Refer to AFI 40-301, *Family Advocacy*, for more information. **(T-0)**.

3.1.7. Sexual Assault Response Coordinator (SARC). Funds (non-DHP) for the SARC are provided by LAF. **(T-0)**.

3.1.8. Medical War Reserve Materiel (WRM). Maintenance, repair and sustainment support for WRM assets are funded through a centrally-funded Line of the Air Force program (PE 28038F). DHP funding may not be used to support the AFMS WRM program. The Air Force Working Capital Fund/Medical Dental Division (AFWCF/MDD) funds WRM materiel. Guidance on management of Working Capital funds and assets is outlined in AFI 41-209, *Medical Logistics Support*, and DOD FMR 7000.14R Vol. 11B and Vol.4. **(T-0)**.

3.1.8.1. WRM Programming and Execution. The AFMS WRM program resources are centrally programmed by the AF/SG3X Program Element Monitor (PEM). Execution of

the program is decentralized and is coordinated through the AFMS WRM Integrated Process Team made up of members from AFMOA/SGALX as the lead with voting members from the Manpower & Equipment Force Packaging (MEFPAK) responsible agencies, AF/SG3XP and the AF/SG3X PEM. The WRM IPT will convene annually in July of the fiscal year preceding the execution year to develop the execution year Spend/Production Plan. Adjustments to Future Year modernization and execution plans adjustments will be identified for input into the Annual WRM Portfolio Management Workgroup meeting for development of the AF/SG Prioritized POM Position (PPP).

3.1.8.2. Unfunded Requirements. During the execution year, if an MRA requires additional funding as a result of new or changing requirements, the issue will be brought up at the quarterly WRM In-Process Reviews (IPRs). These IPRs will be held in December, March, and June and as required. The purpose of the IPR is to provide an update on the progress of execution of the approved Spend/Production Plan and provide the MRAs an opportunity to request execution year deviations.

3.1.9. Medical Counter-Chemical, Biological, Radiological and Nuclear (MC-CBRN) Program. The MC-CBRN program is a centrally-funded line program using Program Element 28036F (PE 58036F for ANG). The MC-CBRN Program resources are centrally programmed by AF/SG3X Program Element Monitor (PEM) but executed by the MAJCOMs. The Medical Readiness Panel addresses overall program funding status and execution update. **(T-1)**.

3.1.9.1. The PEM has overall financial management of program. **(T-1)**.

3.1.9.2. MAJCOM SGX's have overall responsibility for managing the budget execution of PE 28036F funds for the installations within their respective command. HQ ACC/SGX is the MC-CBRN Lead. **(T-1)**.

3.1.9.3. The MTF RMO provides financial management analysis support to the Medical Readiness Officer to include but not limited to liaison support between Base Level/FM and MAJCOM/FM. **(T-1)**.

3.1.9.4. Unfunded Requirements. If an installation requires additional funding, the MAJCOM will first determine if funds can be reprogrammed within the command. If the MAJCOM is unable to fund the requirement out of existing funds, the MAJCOM/SGX will coordinate with ACC/SGXH as the program execution lead. After ACC/SGXH has determined that a disconnect exists, they will coordinate with AF/SG3X to find a funding solution. However, unfunded requirements will not be considered if the MAJCOM is not meeting its execution rate target.

3.1.10. Air Shows. The cost for both medical supplies and non-medical supplies needed for the aid stations is an Air Show expense (not a DHP expense). Some requested supplies are medical (i.e., bandages, gauze, etc.), but others such as sunscreen and lip balm aren't. Medical supplies can be procured by medical logistics (establish a PFMR to charge Services for the items needed). Any excess materials remaining after the Air Show should be turned over to Services. **(T-0)**.

Chapter 4

MEDICAL PLANNING AND PROGRAMMING

4.1. Overview. The Planning, Programming, Budgeting and Execution (PPBE) system is the DoD resource management process with four interrelated functions consistent with national security objectives, policies and strategies. This system identifies capability requirements (Planning), matches them with resource requirements (Programming), translates them into budget proposals (Budgeting) and evaluates spending (Execution) to determine how well the desired capabilities are achieved.

4.2. The AFMS POM. The purpose of the AFMS POM is to resource medical requirements in support of the warfighter across the domains of air, space and cyberspace while meeting DoD, Chief of Staff of the AF (CSAF), and AF/SG priorities.

4.3. The Medical Planning and Programming Guidance (MPPG). The MPPG produces an optimum long-range plan within viable resources and provides guidance for development of the POM. The MPPG provides guidance to support the production of detailed planning products by MAJCOMs, AFMOA and key functional organizations.

4.3.1. The MPPG is constructed to be flexible and adapt to the inevitable program changes and requirements that occur during a POM cycle. The MPPG document serves as formal guidance for the AFMS POM. The MPPG can be adjusted throughout the POM cycle as more definitive guidance from the LAF or ASD(HA) is received.

4.3.2. The MPPG can be downloaded from the AFMS Knowledge Exchange website, or contact AFMOA/SGAR for assistance.

4.4. General Roles and Responsibilities within the AFMS POM Construct.

4.4.1. The MTFs identify emerging issues within their facility, based on mission, into capability requirements. The MTF leadership works directly with their MAJCOM functional and AFMOA analysts.

4.4.2. The MAJCOMs translate emerging issues in their area of responsibility, based on mission, into capability requirements. The MAJCOMs vet and review issues from their MTFs prior to forwarding them to AFMOA. The MAJCOM works closely with AFMOA, Consultants/Career Field Managers, Panels and AF/SG Staff to integrate priorities and requirements in the POM. MAJCOMS also serve as advisors to the AFMS Group on issues unique to their MAJCOM.

4.4.3. AFMOA serves as the first level of entry for Program Change Transactions (PCT) into the corporate process. AFMOA provides subject matter expertise in consolidating, synchronizing, and integrating MAJCOM requirements with AF/SG guidance. AFMOA conducts enterprise-wide analysis of requirements in order to shape MAJCOM positions. AFMOA provides the AFMS-wide view on operations to the AFMS Corporate Structure.

4.4.4. AF/SGY provides input during the POM build to ensure seamless program execution, advise the AFMS Corporate Structure on fact-of-life changes, and ensure an executable program.

4.4.5. AF/SG8P serves as the focal point for AFMS POM integration and is the AFMS Corporate Structure process manager. They link planning, programming and execution to the AF/SG strategic vision. AF/SG8P also develops a resource roadmap and advises the AFMS Corporate Structure on the development of the program.

4.4.6. AF/SG8E (the Cost Analysis and Program Evaluation Division) performs unbiased analysis to help the AF/SG solve complex issues related to peacetime healthcare and readiness operations. They provide evidence-based courses of action to support AF/SG strategic imperatives in the planning, programming and execution processes. AF/SG8E also seeks to eliminate variance across the AFMS and institute standardized analysis methodologies and protocols.

4.4.7. AFMSA/SG8F (Health Facilities Office) provides input during the POM build for Initial Outfitting and Transition (IO&T) requirements which are driven by the MILCON program as well as a portion of the Restoration & Modernization (RM) program. SG8F also validates the financial requirements for Sustainment which are generated by the DoD Facility Sustainment Model (FSM), as well as financial requirements driven by a facility recapitalization model and other factors including Facility Condition Index scores (AKA: Q-Ratings), operational mission changes, and other identified needs.

4.4.8. The AFMS Panels are the AFMS centers of expertise for their program areas. Each panel is chaired by an AF, AFMOA, or AFMSA Colonel or GS equivalent. Membership is recommended by the chairperson and approved by the AFMS Group. Membership generally includes applicable Air Staff functional representatives, consultants, career field managers, program Offices of Primary Responsibility, and others as required. They are the initial point of entry to the corporate structure for issues that require corporate review. The AFMS Panels provide the first level of corporate vetting of new initiatives, disconnects, and offsets, and they support the AF and SG vision and resource allocation processes. They review and develop options for presentation to the AFMS Group. The AFMS Panels support the entire spectrum of PPBE activities and draft AFMS recommendations for USAF-funded requirements for AFMS Corporate Structure review.

4.4.9. The AFMS Group is the first level of the AFMS Corporate Structure that integrates the AFMS mission and capabilities into a balanced program. The Deputy AF/SGY or AF/SG8 chairs the Group, SG Deputy Directors are voting members, and non-voting members include MAJCOM SG representatives, senior enlisted representative, corps directors, AF/SG3 (Medical Operations Directorate) subdivisions, panel chairs, and Program Element Managers (PEMs). They provide corporate oversight and direction to the AFMS Panels consistent with AF/SG strategic direction and provide recommendations to the AFMS Council. The AFMS Group deconflicts AFMOA/MAJCOM/Panel positions, integrates policy, allocates resources, executes key AFMS initiatives and programs, and applies fiscal restraint across the Corporate Structure. It provides a fiscally balanced, prioritized program, plus top unfunded initiatives and potential trade-space to the AFMS Council for their review and referral to the AF/SG for approval.

4.4.10. The AFMS Council provides cross-functional, senior level review of resource allocation and strategic AFMS issues with ultimate responsibility to make recommendations to the SG. The Deputy SG chairs the Council, SG Directors are voting members, and non-voting advisors include the MAJCOM SGs, Chief Medical Enlisted Force, AFMS Group

voting members, corps chiefs, and the senior civilian representative. The AFMS Council reviews AFMS Group proposals and forwards recommendations to the AF/SG for final approval.

4.4.11. The AF/SG is the final approval authority of AFMS POM issues to include planning and programming guidance and instruction, and the allocation of programmed manpower and total obligation authority.

4.5. POM Build Process.

4.5.1. The MPPT is a web-based application that serves as the official database for AFMS manpower and DHP O&M resources. It automates and standardizes the processes involving the identification, revision, review, approval, and formal submission of medical resources as part of developing the POM and President's Budget (PB).

4.5.2. The MPPT also provides the ability for organizations to review, modify, and confirm changes to the baseline programs. These changes go down to Functional Account Codes (FAC) or Cost Center (CC) level for Manpower and Finance, respectively.

4.6. Financial Plans (FinPlan).

4.6.1. The starting point for the financial planning process is the current fiscal year MPPT closing file prepared by AF/SG8P. The MPPT is turned over to AF/SGY for use in preparing the AFMS Execution Year Financial Plan. Each MAJCOM Financial Plan (FinPlan) file includes all known Program Budget Decisions (PBDs) or Resource Management Decision (RMD) adjustments, AFMS Corporate Bills, and MAJCOM identified adjustments.

4.6.2. FinPlans are prepared by all activities administering DHP funds.

Chapter 5

MEDICAL CIVILIAN EMPLOYEES AND PAY

5.1. Overview. RMOs perform analyses for Medical Planning and Programming Guidance (MPPG), collect personnel utilization data, prepare requests for changes to manpower requirements and authorizations, and participate in the review and validation of manpower requirements.

5.2. Manpower Responsibilities.

5.2.1. RMOs ensure personnel are assigned to work centers and position authorization numbers based on the Unit Manpower Document (UMD). Changes to manpower authorizations are processed via an Authorization Change Request (ACR).

5.2.2. RMOs must coordinate with the Personnel and Administration Flight to ensure personnel assigned to the MTF are placed against correct position numbers and Organization Structure Codes (OSC) on the Unit Personnel Management Roster (UPMR). **(T-1)**.

5.3. Civilian Pay Responsibilities. RMO monitor civilian manpower authorizations and personnel actions to determine the financial impact of expected gains and losses.

5.3.1. Civilian pay funding is a fenced program and funding cannot support other requirements without expressed permission from AF/SGY.

5.3.2. RMO should take immediate action to correct any civilian personnel AFSC discrepancies. Generally, MTF employees funded with DHP appropriations bear medical AFSCs.

5.3.3. Leave and Overtime. Ensure compliance with AFI 36-815, *Absence and Leave*, and AFI 36-802, *Pay Setting* (governs overtime).

5.3.3.1. Per AFI 36-815, paragraph 1.2.2., the organization commander must establish appropriate internal administrative procedures for requesting and receiving approval of leave, and specify those supervisory levels authorized to approve leave. **(T-1)**.

5.3.3.1.1. Supervisors or Team Leaders Authorized to Approve Leave: Ensure that all employees under their supervision are informed of the procedure they must follow in requesting and using leave.

5.3.3.1.2. Use the Automated Time Attendance and Production System (ATAAPS) to document time and attendance (T&A), including absences, leave, and overtime work requests. ATAAPS provides an automated, single-source input for reporting and collecting T&A and labor data and for passing that information to interfacing payroll and accounting systems.

5.3.3.1.3. RMO must maintain official copies of the commander's leave policy, and copies of the DD Form 577, *Appointment/Termination Record – Authorized Signature*, for all supervisors/team leaders authorized to approve leave. **(T-1)**.

5.3.3.2. In the absence of ATAAPS or other AF-approved electronic T&A system, T&A must be recorded on appropriate Office of Personnel Management (OPM) forms, such as the OPM 71, *Request for Leave or Approved Absence*, or for overtime—the AF Form

428, *Request for Overtime, Holiday Premium Pay, and Compensatory Time*). **Note:** Employees must obtain approval from their overtime authorizing official before ordering overtime (EXCEPTION: In an emergency, the supervisor may order overtime without authorization but must document the overtime no later than the following workday). (T-1).

5.4. Civilian Pay Monitoring Tools. The RMO must continuously monitor civilian pay transactions to ascertain that the MTF is not paying for employees that are no longer assigned to the organization, while simultaneously verifying that the MTF is properly paying for those employees that are assigned to DHP-funded authorizations. At a minimum, on a quarterly basis, the RMO will select a sample of civpay transactions from the previous quarter, and ensure that all transactions are properly reflected in the Commander's Resource Integration System (CRIS) Civilian Pay module. (T-1).

5.4.1. Tools to monitor civilian pay transactions include the Civilian Manpower and Funding Report (AR 1092 report), the MTF's MPPT file, UMD, and CRIS Civ Pay Module. Verification of civilian pay transactions via the CRIS Civilian Pay Module includes thorough review of transactions to ensure:

5.4.1.1. All civilian personnel are paid from the correct Responsibility Center/Cost Center (RCCC), and Program Element Code (PEC), per the UMD.

5.4.1.2. No payments were made to civilian employees not assigned to the organization during the pay period being reviewed.

5.4.1.3. The PECPIF and PECPERS match exactly.

5.5. Civilian Personnel Leave Policy. All leave must be documented per AFI 36-815. AFMS organizations must:

5.5.1. Verify civilian leave requests are approved by an authorized person (timekeepers and approving officials are appointed in writing). (T-0)

5.5.2. Verify the civilian's supervisor reviews and certifies timesheets. (T-0)

5.5.3. Verify hours on timesheets match hours recorded in the CRIS civpay module. (T-0)

5.5.4. Verify Overtime hours are approved by an authorized official before the overtime hours are worked. (T-1)

5.5.5. Verify that the PEC of the position to which the employee is assigned is the same PEC from which the person is paid. (T-0)

5.5.6. Verify that gross pay correct by comparing the PCR SF50s to the R60 Report. (T-0)

5.5.7. Verify that the unit has a process to ensure the Line of Accounting on the AF 3821 for newly assigned employees is completed by RMO. (T-0)

5.6. Civilian Vacancies. Organizations/MTFs shall endeavor to fill all civilian UMD authorizations before hiring other types of positions.

5.7. Civilian Overhires. Overhires must be sourced within the organization's budget and should only be hired into term/temp positions. (T-1).

5.8. New Hires. Complete an AF Form 3821 for all newly assigned civil service employees. RMO completes Section C of the form and submits it to the servicing Civilian Personnel Office. RMO validates the UMD position number, line of accounting, and ensures the organization's Civilian Pay monitor receives a copy of the completed AF Form 3821. **(T-1).**

5.9. Non-DHP Civilians. DHP is not used to fund Base Support functions such as chaplains, contracting officers, attorneys, Security Police, Military Personnel Flight, and other base support functions. Those functions are provided to medical organizations on a non-reimbursable basis. Funding for those operations were not included in the AF transfer of appropriations to the DHP when the DHP was established. The AFMS does not have authority to fund LAF functions with DHP.

5.9.1. Medical Law Consultants (MLC) are not funded with DHP funds. MLCs are Active Duty personnel, therefore, they are funded with the MPA, not with DHP funds.

5.9.2. All legal support, including paralegal support, is managed by The Judge Advocate General (AF/JA). Base-level legal support to the MTF is part of Base Support and provided on a non-reimbursable basis. Manpower for legal support is funded with either MPA (for military), AF O&M (for most civilians), or DHP (for select MLC civilian paralegals). If an MLC requires additional paralegal support due to workload demands, a request for the authorization should be submitted to AF/JA. If the requirement is validated, AF/JA and AF/SG will coordinate to determine the correct funding source.

5.9.3. Chaplain support falls within the umbrella of Base Support and is managed by the AF Chaplain. Manpower is funded with either MPA (for military) or AF O&M (civ pay).

5.9.4. Contracting Officers (CO) fall within the umbrella of Base Support and are managed by SAF/AQ. Manpower is funded with either MPA (for military) or AF O&M (civ pay). MTFs often have civilian Medical Equipment Management Officers (typically within the Medical Logistics Flight) whose primary job role/responsibilities including the oversight of the MTF's contracts. These positions may be classified within the 110X-series (Contracting), but hold medical logistics AFSCs.

5.10. Incentives & Bonuses. Unless special authority exists to the contrary, funding of all incentives and bonuses for DHP-funded civilian authorizations come from the existing medical civilian pay budget.

Chapter 6

WORKLOAD REPORTING AND DATA QUALITY

6.1. Data Quality (DQ). Per DoD Instruction 6040.40, *Military Health System Data Quality Management Control Procedures*, the quality of MHS data is critical to the effectiveness of MHS-wide optimization programs, performance-based management, TRICARE contracts, resource allocation, decision-making at all levels, and many other operations and management activities across the system. Each MTF shall submit complete, accurate, and timely data in compliance with DoD and MHS data collection and reporting requirements. **(T-1).**

6.1.1. Data Quality Manager (DQM). The DQM is the focal point for all DQ-related issues at the MTF. The MTF Commander must appoint a primary and alternate DQM. **(T-1).** The DQM advocates for senior leadership support, adequate resources, and trains MTF personnel. The DQM works closely with the Data Quality Assurance Team (DQAT) and Executive Committee to ensure compliance with DQ objectives and requirements. DQM duties include:

6.1.1.1. As prescribed by DoDI 6040.40, the DQM at the MTF shares responsibility with colleagues from resource and information management and patient administration to complete the monthly Data Quality Management Control (DQMC) Review List (DoDI 6040.40, Enclosure 1). Once the list is completed, the DQM briefs the results to the MTF's Executive Committee.

6.1.1.2. The DQM prepares the Monthly Data Quality Commander's Statement (DoDI 6040.40, Enclosure 2), obtains the commander's approval and signature, and forwards the signed statement to the Air Force Medical Operations Agency (AFMOA) DQ Office by the last duty day of each month.

6.1.1.2.1. A DQ statement is mandated for all fixed military MTFs. Complete, accurate, and timely data is critical to AFMS leadership decision making at all levels. It affects program effectiveness and efficiency, performance-based management, contracts, resource allocation, facility sizing and many other operations and management activities.

6.1.1.2.2. Limited Scope MTFs (LSMTFs) and AF Aid Stations are not required to perform a monthly DQMC Review List or DQ Statement.

6.1.1.3. Coordinates with the DQAT to complete the DQMC Review List.

6.1.1.4. Ensures data reconciliation processes are accomplished prior to MEPRS data transmission each month and track in the DQAT meeting.

6.1.1.5. Conducts monthly DQAT meetings to discuss the DQMC Review List, facilitate action plans to improve the data output, and troubleshoot areas of concern.

6.1.1.6. Maintains "Resource Management Master Roster Updates" on the AFMS DQ Knowledge Exchange website.

6.1.1.7. Attends AFMOA DQ Teleconferences.

6.1.2. DQAT and DQMC Program. The MTF Commander appoints DQAT members or other designated structure to oversee the DQMC Program. The DQM maintains close contact with appointed team members through monthly DQAT meetings.

6.1.2.1. DQAT required members consists of, but not limited to, the DQM, MEPRS Manager, RMO Flight Commander, Budget Analyst, Medical Chief Information Officer, Composite Health Care System (CHCS) Administrator, Group Practice Manager/clinical representative, Patient Administration, Defense Medical Human Resources System Internet (DMHRSi) Manager, UBO Manager, and a Coder(s)/Coding Auditor(s)/Quality Assurance Personnel or Contracting Officer's Representative. Non-required, but key members for success may include DMHRSi personnel (contract, civilian, or volunteer liaisons) Command Support Staff (CSS) personnel and ancillary services representative.

6.1.2.2. Responsible for monitoring financial and clinical workload, DQ management controls, and developing improvement action plans for performance areas that do not meet standards. The DQMC is a chartered committee of DQAT members and others as deemed necessary. Maintain meeting minutes for 2 years.

6.1.2.3. Provide oversight of the provider file correction and maintenance, DHA coding audit, MEPRS Account Subset Definitions (ASD) reconciliation and use, DMHRSi program, DD Form 2569, *Third Party Collection Program/Medical Services Account/Other Health Insurance* collection process, and any other key DQ processes. Develop DQ initiatives for identification and correction of MTF deficiencies.

6.1.2.4. Reconcile centrally pulled to locally pulled data and resolves/corrects discrepancies.

6.1.2.5. Ensure all identified discrepancies are corrected and data retransmitted as necessary.

6.1.3. CHCS Provider File. Proper management of the CHCS Provider file is paramount to data integrity. Errors in the CHCS Provider file can result in lost revenue, inaccurate capture of workload, lack of data integrity, and patient safety issues. The DQAT assigns responsibility for maintenance of the CHCS Provider file.

6.1.3.1. Comprehensive training materials are available on the AFMOA DQ Knowledge Exchange website, <https://kx2.afms.mil/kj/kx2/DataQuality/Pages/home.aspx>.

6.1.3.2. Following these general CHCS Provider file instructions will reduce errors:

6.1.3.2.1. Provider Name is a required field in the CHCS Provider file and must be entered in the following manner: (LASTNAME,FIRSTNAME MI).

6.1.3.2.2. No spaces between last and first name, just a comma as in example above.

6.1.3.2.3. No apostrophes.

6.1.3.2.4. No periods.

6.1.3.2.5. No professional titles in name (MD, DO, etc.).

6.1.3.2.6. Must be in all capital letters.

6.1.3.2.7. Hyphenated last names are acceptable.

6.1.3.3. The National Provider Identifier (NPI) is a 10-digit numeric code that is unique to each provider and is required for all CHCS flagged providers.

6.1.3.4. The Provider Class and corresponding Signature Class fields are required for every provider in the CHCS Provider file. These fields work in tandem and are a direct link for clinical and ancillary order entry.

6.1.3.5. The Provider Specialty Code (PSC) is used to record specialties associated with a provider. The PSC field is a 3-digit identifier that maps to Provider Taxonomy and CMAC Provider Class.

6.1.3.6. The Taxonomy code is a 9-digit identifier that classifies health care providers by area of specialization and is directly related to PSC.

6.1.3.7. The Primary Hospital Location designates the requesting location for orders entered either by, or on behalf of, the provider. The location for a provider should be the clinic where he/she normally works and must have a valid MEPRS code associated with the location.

6.1.3.8. The Drug Enforcement Agency (DEA) number is a unique identifier that is assigned to a health care provider allowing them to write prescriptions. If the DEA is unavailable, the License number must be completed. If neither is available, the provider SSN should be used.

6.1.4. Recommendations for Out-Processing Internal Providers. When providers depart, the MTF can lose workload and be placed at risk for insufficient medical information and documentation if the following minimum actions are not completed prior to departure.

6.1.4.1. Providers must sign all outstanding orders and complete/sign all AHLTA/CHCS/ERSA/Inpatient Encounters.

6.1.4.2. Group Practice Managers work with the Managed Care Support Contractor to reassign empanelment from departing Primary Care Managers.

6.1.4.3. Providers must be inactivated from CHCS PPRO clinics and deleted from MCP Groups.

6.1.4.4. CHCS provider files must have correct Order Entry inactivation date and be terminated.

6.1.4.5. Provider CHCS and AHLTA user accounts must be terminated.

6.2. MEPRS. This system is mandated for all fixed military MTFs, per DoD Manual, 6010.13M, *Medical Expense and Performance Reporting System for Fixed Military Medical and Dental Treatment Facilities*, and AFI 41-102, *Medical Expense and Performance Reporting System (MEPRS) for Fixed Military Medical and Dental Treatment Facilities*. RMO will:

6.2.1. Implement MEPRS requirements. **(T-0)**.

6.2.2. Ensure the MEPRS manager trains medical personnel on MEPRS and DMHRSi procedures and requirements. **(T-0)**.

6.2.3. Manage data collection, reporting, and analysis requirements of MEPRS, the biometrics program, and other health care statistical data. **(T-0)**.

6.2.4. Manage the operation of EAS to include annual and periodic file and table updates. **(T-0).**

6.2.5. Certify accuracy of expenses and obligations prior to interface with the Expense Assignment System (EAS)/MEPRS. Coordinate with Base Financial Office and Defense Finance and Accounting Services (DFAS) to minimize edit requirements prior to interface. Administer and account for expenses under MEPRS. **(T-0).**

6.2.6. Review EAS output products and validate data accuracy. **(T-0).**

6.2.7. Provide data/cost analysis by product line to the MTF Executive Committee. **(T-1).**

6.2.8. **Workload Collection, Auditing, and Reporting.** RMO will ensure workload is collected and reported accurately and timely. Workload reporting is accomplished using the Worldwide Workload Report and Workload Assignment Module (WAM) of the Composite Health Care System (CHCS), MEPRS and DMHRSi. **(T-0).**

6.3. Executive Management and Functional Manager Information. On a quarterly basis, RMO provides, in partnership with the GPM and TOPA Flight Commander, a summary of MTF performance and cost effectiveness, population (enrolled and other) served, private sector care referrals and associated costs, workload, status of funds to include, annual budget, obligations and expenditures, staffing levels, and MEPRS/DMHRSi. **(T-1).**

Chapter 7

FUNDAMENTALS OF FEDERAL FINANCIAL MANAGEMENT

7.1. Overview. The RMO ensures that funds are used only for authorized purposes; funds are economically and efficiently used; and obligations and expenditures do not exceed the amounts authorized. Funds control and compliance with Title 31 United States Code (USC) and other statutory and regulatory (OMB, DoD, and Air Force) requirements which govern the use of appropriated funds or other funds is imperative for financial improvement and audit readiness.

7.2. Responsibility of Air Force Members and Employees. The actual obligation of government funds must be authorized or made by government employees or military members with the specific authority to do so. Contracting out the responsibility for the control or obligation of government funds is prohibited since, under the law, a contractor or its employees cannot be held responsible for violations of Subsections 1341(a) or 1517(a) or Section 1342 of Title 31 USC, only military members and employees of the government can be held responsible for such violations and answerable to the administrative and criminal sanctions of the Antideficiency Act (ADA). **(T-0).**

7.2.1. Standards of Ethical Conduct for Employees of the Executive Branch. AFMS personnel must embody the principles set forth in Title 5 of the Code of Federal Regulations (CFR) Part 2635.101, and the DoD 5500.7-R, *Joint Ethics Regulation*. **(T-0).** Each employee has a responsibility to the United States Government and its citizens to place loyalty to the Constitution, laws and ethical principles above private gain. To ensure that every citizen can have complete confidence in the integrity of the Federal Government, each employee shall respect and adhere to the principles of ethical conduct set forth in 5 CFR 2635.101, as well as the implementing standards contained in that part and in pertinent supplemental agency regulations. Principles: **(T-0).**

7.2.1.1. Public service is a public trust, requiring employees to place loyalty to the Constitution, the laws and ethical principles above private gain.

7.2.1.2. Employees shall not hold financial interests that conflict with the conscientious performance of duty.

7.2.1.3. Employees shall not engage in financial transactions using nonpublic Government information or allow the improper use of such information to further any private interest.

7.2.1.4. An employee shall not, except as permitted by subpart B of 5 CFR §2635, solicit or accept any gift or other item of monetary value from any person or entity seeking official action from, doing business with, or conducting activities regulated by the employee's agency, or whose interests may be substantially affected by the performance or nonperformance of the employee's duties.

7.2.1.5. Employees shall put forth honest effort in the performance of their duties.

7.2.1.6. Employees shall not knowingly make unauthorized commitments or promises of any kind purporting to bind the Government.

7.2.1.7. Employees shall not use public office for private gain.

7.2.1.8. Employees shall act impartially and not give preferential treatment to any private organization or individual.

7.2.1.9. Employees shall protect and conserve Federal property and shall not use it for other than authorized activities.

7.2.1.10. Employees shall not engage in outside employment or activities, including seeking or negotiating for employment, that conflict with official Government duties and responsibilities.

7.2.1.11. Employees shall disclose fraud, waste, abuse, and corruption to appropriate authorities.

7.2.1.12. Employees shall satisfy in good faith their obligations as citizens, including all just financial obligations, especially those—such as Federal, State, or local taxes—that are imposed by law.

7.2.1.13. Employees shall adhere to all laws and regulations that provide equal opportunity for all Americans regardless of race, color, religion, sex, national origin, age, or handicap.

7.2.1.14. Employees shall endeavor to avoid any actions creating the appearance that they are violating the law or the ethical standards set forth in this part. Whether particular circumstances create an appearance that the law or these standards have been violated shall be determined from the perspective of a reasonable person with knowledge of the relevant facts.

7.2.2. The local Staff Judge Advocate's office should be consulted with questions pertaining to ethics or ethical behavior.

7.3. Lifecycle of Appropriations. Appropriations provide the statutory authority to incur obligations and to make payments out of the Treasury for specified purposes.

7.4. New Obligations. Obligations must be incurred within the time that the appropriation was made available for new obligations. **(T-0).** Generally, the appropriation lifecycles (to incur new obligations) are as depicted at Table 7.1 below.

Table 7.1. Appropriation Lifecycles.

Type of Funding Authority	Lifecycle	Description
O&M	O&M is a 1-year (annual) account	New obligations may only be incurred during the FY for which the appropriation is made.
RDT&E	RDT&E is a 2-year (multi-year) account	New obligations may be incurred for a period not to exceed 2 years from the FY in which the appropriation is made.
Procurement	Procurement is a 3-year (multi-year)	New obligations may be incurred for period not to exceed 3 years from the FY in which the appropriation is made.

	account	
MILCON	MILCON is a 5-year (multi-year) account	New obligations may be incurred for period not to exceed 5 years from the FY in which the appropriation is made.
No-Year	This account is available for an indefinite period	New obligations may be incurred until the objective has been accomplished, or all of the funds in the account have been expended.

7.5. Appropriation Status. Appropriations may be classified as current (or unexpired), expired, or cancelled. Refer to Table 7.2 for a definition of each of the appropriation classifications.

Table 7.2. Appropriation Classification Status.

Classification Status	Description
Current (Unexpired) Accounts	<p>The account is available for “new” obligations, and to adjust and/or liquidate those obligations.</p> <p>Example: FY13 O&M appropriations may be obligated between 1 Oct 2012 thru 30 Sep 2013. The appropriation is “current” during that time period.</p>
Expired Accounts	<p>After the period of availability to incur new obligations has passed, the appropriation is said to be “expired.” New obligations can no longer be made against appropriations that are expired. The expired appropriation remains available for a period of 5 years for recording, adjusting and liquidating obligations properly chargeable to that FY account (31 U.S.C. 1552(a)).</p> <p>Example: FY13 O&M appropriations may be obligated between 1 Oct 2012 thru 30 Sep 2013. On 1 Oct 2013, that FY13 O&M appropriation is now considered “expired”. New obligations cannot be made against that FY13 appropriations; however, obligations that were made while the appropriation was “current” can still be liquidated (payments made), and the obligation can still be adjusted (such as deobligating funds no longer needed).</p>
Canceled Accounts	<p>On September 30th of the 5th fiscal year after the period of availability for obligation of an appropriation account ends, the account is said to be “canceled,” and any remaining balance (whether obligated or unobligated) in the account is no longer available for obligation or expenditure for any purpose.</p>

7.6. The Concept of Availability to Incur New Obligations. There are three elements related to the concept of availability—purpose, time, and amount. All three must be observed for the

obligation or expenditure to be legal. Whether appropriated funds are legally available for something depends on three things:

7.6.1. Purpose. The purpose of the obligation must be one for which the appropriation was made. **(T-0)**. To illustrate, the purpose of the DHP is governed by 10 USC Chap 55, which must be read in harmony with the historical programming of medical expenditures within the Air Force as explained in Chapter 1. Generally, the purpose parameters for the expenditure of the Air Force allocation of the DHP appropriation can be discerned by reviewing that information. When there is a question as to whether a DHP expenditure is appropriate, the matter must be reviewed by AF/SGY.

7.6.2. Time. An obligation must be incurred within the time that the appropriation was made available for new obligations. **(T-0)**.

7.6.3. Amount. An obligation may not exceed the amount appropriated by statute, nor may it be incurred before the appropriation becomes law, unless otherwise provided by law. **(T-0)**.

7.7. Necessary Expense Rule. Determining whether use of DHP funds is proper can be difficult at times. To facilitate the determination, the Government Accountability Office (GAO) provides the “Necessary Expense” rule, wherein an expenditure can be justified after meeting a three-part test:

7.7.1. *The expenditure must bear a logical relationship to the appropriation sought to be charged. In other words, it must make a direct contribution to carrying out either a specific appropriation or an authorized agency function for which more general appropriations are available.* **(T-0)**.

7.7.1.1. This test is the one that generates by far the lion’s share of questions. On the one hand, the rule does not require that a given expenditure be “necessary” in the strict sense that the objective of the appropriation could not possibly be fulfilled without it. Thus, the expenditure does not have to be the only way to accomplish a given objective, nor does it have to reflect the best way to do it. Yet on the other hand, it has to be more than merely desirable or even important.

7.7.1.2. An expenditure cannot be justified merely because someone thinks it is a good idea, nor can it be justified simply because it is a practice engaged in by private business, or because BUMED or MEDCOM do it (remember, they are structured differently and received base support- funding from their Line counterparts when the DHP was established).

7.7.1.3. The important thing is not the significance of the proposed expenditure itself or its value to the government or to some social purpose in abstract terms, but the extent to which it will contribute to accomplishing the purposes of the appropriation the agency wishes to charge. If a proposed use of funds is inconsistent with the statutory language, the expenditure is improper, even if it would result in substantial savings or other benefits to the government.

7.7.2. *The expenditure must not be prohibited by law.* The second test under the necessary expense doctrine is that the expenditure must not be prohibited by law. As a general

proposition, neither a necessary expense rationale nor the “necessary expense” language in an appropriation act can be used to overcome a statutory prohibition.

7.7.3. *The expenditure must not be otherwise provided for, that is, it must not be an item that falls within the scope of some other appropriation or statutory funding scheme.* The third test expresses that, generally, an expenditure cannot be authorized within one appropriation if it is otherwise provided for under a more specific appropriation or statutory funding mechanism. It is well settled that even an expenditure that may be reasonably related to a general appropriation may not be paid out of that appropriation where the expenditure falls specifically within the scope of another appropriation. The fact that the more specific appropriation may be exhausted is immaterial.

7.8. Bona Fide Need Rule. The statute 31 USC §1502(a), is commonly referred to as the “*bona fide needs rule*,” which provides that fixed period appropriations are only available for the legitimate needs arising during the period of availability for which they were made. Thus, an agency may not obligate current appropriations for the bona fide needs of future fiscal years without statutory authority.

7.8.1. One provision of the Federal Acquisition Streamlining Act, codified at 41 USC §3903, provides a statutory exception to the bona fide needs rule. Section 3903 authorizes executive agencies to obligate current appropriations to enter a multiyear contract for the acquisition of both nonseverable and severable services for the bona fide needs of up to five fiscal years. The bona fide needs rule applies to cost-reimbursement contracts, just as it does to other contract types. Refer to GAO Decision B-322455, 16 Aug 2013.

7.8.2. An agency may use a cost-reimbursement contract to procure severable services that cross fiscal years if done in conjunction with multiyear contracting authority. When modifying a cost-reimbursement contract to procure additional severable services and thus raising the cost ceiling, an agency must ensure that the modification complies with the *bona fide needs rule*, as the modification represents a new obligation. **(T-0).**

7.9. Budget Authority, Obligations, and Outlays (payments). These are the primary benchmarks and measures of the budget control system.

7.9.1. Congress enacts laws that provide agencies with spending authority in the form of budget authority.

7.9.2. Agencies use budget authority to enter into binding agreements to purchase items or services or to make grants or other payments. These agreements are recorded as obligations of the United States and are deducted from the amount of budgetary resources available to the agency. The standards for the proper recording of obligations are found in 31 USC §1501. The primary purpose of this law is to ensure only those transactions which meet specified standards for legitimate obligations are recorded. Once these standards are met, the transaction must be recorded as an obligation.

7.9.3. When payments are made, the obligations are liquidated and outlays (disbursements) recorded. Outlays are the measure of Government spending. The budget records outlays when obligations are paid, in the amount that is paid.

7.10. Authorization Act versus Appropriations Act. Congress has established an authorization-appropriation process that provides for two separate types of measures—

authorization bills and appropriation bills. These measures perform different functions and are to be considered in sequence.

7.10.1. Authorization bills establish, continue, or modify agencies or programs.

7.10.2. Appropriations bills provide funding for the agencies and programs previously authorized.

7.11. DHP Funds Transferred Among Air Force, Army, and Navy Medical Services. Internal DHP Military Interdepartmental Purchase Requests (MIPRs) issued on a reimbursable basis (Category I) are prohibited. Internal reprogramming transactions between DHP components must be coordinated with AF/SGY thru AFMOA/SGAR. All requests must be identified as one-time or permanent realignments and will be tracked throughout PPBE cycle. Concurrence by all parties and a signed Memorandum of Agreement (MOA) must be enacted prior to release of the FADs to ensure transfer and obligation of funds by the receiving entity is completed in the least amount of time possible. **(T-1)**.

7.12. Direct Care Workload Shifts to the Private Sector. Headquarters Activities and MTFs must manage their budgets within the funds provided. Management decisions that may result in shifts of patient care workload from MTFs to the Private Sector should not be made without prior coordination and agreement (obtained via the AFMS Corporate process) and with the appropriate TRICARE Regional Office (TRO). To the extent capable, MTFs should strive to prevent workload shifts to the Private Sector.

7.13. Veterans Affairs (VA)/DoD Joint Incentive Fund (JIF) Program and DoD/VA Resource Sharing Agreements. Refer to AFI 41-126, *Department of Defense/Veterans Affairs Health Care Resource Sharing Program*.

7.14. Operations Under a Continuing Resolution Authority (CRA). A CRA is an interim appropriation, enacted to provide authority for specific ongoing activities in the event that regular appropriations have not been enacted by the beginning of the fiscal year or the expiration of the previous CRA. A CRA has a fixed life and provides the authority necessary to allow operations to continue in the absence of appropriations.

7.14.1. The United States Government cannot expend any funds unless they have been appropriated by an act of Congress. Congress only appropriates funds one year at a time; the fiscal year begins on 1 October. If all appropriations acts are not enacted by 1 October, a law continuing the appropriations from the previous year must be enacted in order to avoid a shutdown of the federal government. This act is called a Continuing Resolution because it continues appropriations authority from the prior fiscal year.

7.14.2. A CR consists of titles that correspond to each appropriations bill not enacted at that time. The CR will have explicit language stating the length of time it is in effect. This period is usually short and is an estimate of how long it will take Congress to finish work on the appropriations bills.

7.14.3. There have been times when particular parts of the Government were funded by a CR for an entire fiscal year because of political disputes. If an appropriations bill is enacted during the time the CR is in effect, the provisions in the CR become null.

7.14.4. Basic budget execution rules under CRA.

7.14.4.1. CRA usually specifies a maximum rate at which obligations may be incurred based on a percentage of the previous fiscal year's enacted position, the President's budget request, and other relevant adjustments. Obligations under CRA are usually controlled by apportionment. There is no "standard" CRA language. Each CRA enacted must be carefully read for the specific provisions pertaining to the particular fiscal year being addressed.

7.14.4.2. No "New Starts" may be initiated. *"A program, subprogram, modification, project, or subproject not previously justified by the Department and funded by the Congress through the normal budget process is considered to be a new start."* (DoDFMR, Vol 3, Chap 6).

7.14.4.2.1. To help clarify what Congress means by "new start," Congress included the following statement in the FY99 Defense Appropriations Bill, HAC Report 105-591, New Start Notification.

"To fulfill its constitutional responsibilities, Congress must know prior to the obligation of any funds when the Department plans to start programs, projects, subprojects or modifications that were not specifically explained in the budget justification material supporting a Presidential budget request for which a subsequent appropriation was made. New starts pertain to specific appropriation line-items and include any new programs, projects, subprojects, or modifications that were not disclosed to Congress in the justification material. A new start occurs even when such activities may be funded in another appropriation belonging to the same or different military department or defense agency. Since the existing DoD financial management policies governing the new start notification process have failed, the Committee bill includes a new general provision (Section 8103) which prohibits compensation of any DoD employee who initiates a new start program without following the proper procedures required by the DoD financial management regulations."

7.14.4.2.2. Per AFI 65-601 V1, Chapter 2, a new start is a program, subprogram, modification, project or subproject, regardless of amount, not explicitly and previously justified to, and funded by, the Congress in a given appropriation through the normal budget process. This includes any effort that is not described in the Research, Development, Test and Evaluation (RDT&E) or Procurement Justification Books accompanying the President's Budget (PB).

7.14.4.2.2.1. For investment accounts, the aggregate level of budget line items as identified in the President's Budget P-1 and R-1 justification documents and related classified annexes and reports as subsequently modified by Congressional action.

7.14.4.2.2.2. For O&M and Military Personnel accounts, new starts would be significant new programs that have not been explicitly justified to Congress in budget justification material. Refer to the documents for the program level identification and the detailed narrative justification for specific activities.

7.14.4.2.2.3. Sub-Program/Project/Sub-Project: The most specific level of budgeted items identified in the President's Budget justification documents and related classified annexes.

7.14.4.3. No increase in scope of ongoing programs is permitted.

7.14.4.4. No new multiyear procurements are permitted.

7.15. Availability of Appropriations to Pay Obligations. The provisions of 31 USC §1553 require that:

7.15.1. When an account is “expired” the account retains its fiscal year identity and remains available for recording, adjusting, and liquidating obligations properly chargeable to that account.

7.15.2. After an account is “canceled”, obligations and adjustments to obligations that would have been properly chargeable to that account, both as to purpose and in amount, before closing, and that are not otherwise chargeable to any current appropriation account, may be charged to any current appropriation available for the same purpose.

7.15.3. Canceled appropriations do not eliminate the Government's legal obligation to pay contractors for services rendered or products delivered. Nor does it nullify the need for the accounting activity to maintain an audit trail supporting the existing contingent liability to future appropriations.

7.15.4. Obligating Prior Year Funds. Generally, Prior Year funds are only available for adjustments to existing obligations, and not for new obligations.

7.15.5. Unliquidated Obligations. Any obligation that has not had a transaction posted (e.g., indicating that services/goods have been received/ delivered) in more than 30 days should be evaluated to determine why payments are not being made. A contractor's failure to submit an invoice does not relieve the MTF of its responsibility to follow up with vendors. MTFs should continue to document follow up monthly until the contract is complete.

7.16. Use of Expired Accounts for Replacement Contracts. When a contract citing an expired annual or multiple year appropriation is terminated by default, the funds obligated but unexpended on the contract and any unobligated balance in the appropriation are available to fund the replacement contract in certain situations.

7.17. Laws which Govern the Federal Budget Execution Process. Chapters 13, 15, and 33 of Title 31, United States Code, govern the process of budget execution. Among these, the major laws are the Antideficiency Act, the Impoundment Control Act, the provisions known as the Economy Act which are found in section 1535, the provisions that govern the closing of accounts which are found in sections 1551 through 1555, and provisions of the "Miscellaneous Receipts Act," which is found in section 3302. The Antideficiency Act requires OMB to apportion the accounts and to monitor spending; prohibits agencies from spending more than the amounts appropriated or apportioned, whichever is lower; requires that agencies control their spending; and provides penalties for overspending.

7.17.1. Antideficiency Act (codified in Chapters 13 and 15 of Title 31, United States Code), prescribes rules and procedures for budget execution. The Antideficiency Act is a Federal law that:

7.17.1.1. Prohibits the making of expenditures or the incurring of obligations in advance of an appropriation;

7.17.1.2. Prohibits the incurring of obligations or the making of expenditures in excess of amounts available in appropriation or fund accounts unless specifically authorized by law (31 USC § 1341(a));

7.17.1.3. Prohibits the acceptance of voluntary or personal services unless authorized by law (31 USC §1342);

7.17.1.4. Requires the Office of Management and Budget (OMB), via delegation from the President, to apportion appropriated funds and other budgetary resources for all executive branch agencies (31 USC §1512);

7.17.1.5. Requires a system of administrative controls within each agency (*see* 31 USC §1514 for the administrative divisions established);

7.17.1.6. Prohibits incurring any obligation or making any expenditure in excess of an apportionment or reappportionment or in excess of other subdivisions established pursuant to sections 1513 and 1514 of title 31 of the *United States Code* (31 USC §1517); and specifies penalties for deficiencies (*see* Antideficiency Act Violation).

7.17.2. Antideficiency Act (ADA) Violations. Refer to AFI 65-608, *Antideficiency Act Violations*, for guidance on the process involving investigations of potential ADA violations. Generally, an ADA occurs when one or more of the following happens:

7.17.2.1. Overobligation or overexpenditure of an appropriation or fund account (31 USC §1341(a));

7.17.2.2. Entering into a contract or making an obligation in advance of an appropriation, unless specifically authorized by law (31 USC §1341(a));

7.17.2.3. Acceptance of voluntary service, unless authorized by law (31 USC §1342); or

7.17.2.4. Overobligation or overexpenditure of an apportionment or reappportionment or amounts permitted by the administrative control of funds regulations (31 USC §1517(a)).

7.17.3. Once it has been determined that there has been an ADA violation, the agency head must report all relevant facts and a statement of actions taken to the President and Congress and submit a copy of the report to the Comptroller General. Penalties for ADA violations include administrative discipline, such as suspension from duty without pay or removal from office. In addition, an officer or employee convicted of willfully and knowingly violating the law shall be fined not more than \$5,000, imprisoned for not more than 2 years, or both. **(T-0)**.

7.17.4. Other Relevant Laws.

7.17.4.1. Government Performance and Results Act of 1993 (Public Law 103–62, as amended) which emphasizes managing for results. It requires agencies to prepare strategic plans, annual performance plans, and annual performance reports.

7.17.4.2. Government Performance and Results Modernization Act of 2010 (GPRMA), which creates a more defined performance framework by defining a governance structure and by better connecting plans, programs and performance information. GPRMA requires the federal government to set government-wide goals and to align programs from different agencies to work together to reduce overlap and duplication.

7.17.4.3. The Chief Financial Officer and Federal Financial Reform Act of 1990, or CFO Act, signed into law on November 15, 1990, is a United States federal law intended to improve the government's financial management, outlining standards of financial performance and disclosure. Among other measures, the Office of Management and Budget (OMB) was given greater authority over federal financial management. For each of the 24 federal departments and agencies, the position of CFO was created. In accordance with the CFO Act, each agency or department vests its financial management functions in its CFO.

7.17.4.4. The Budget and Accounting Act requires the President to submit a budget. The President formally transmits his proposals for allocating resources to the Congress through the budget. The Congress considers the recommendations and uses the information included in the budget as it drafts and passes laws that affect spending and receipts. Through this process the Government decides how much money to spend, what to spend it on, and how to raise the money it has decided to spend.

7.18. Key Federal Agencies in the Federal Budget Process.

7.18.1. Office of Management and Budget (OMB). Part of the Executive Office of the President, OMB's predominant mission is to assist the President in overseeing the preparation of the President's Budget and to supervise its administration by the Executive Branch agencies. OMB evaluates the effectiveness of agency programs, policies, and procedures, assesses competing funding demands among agencies, and sets funding priorities. OMB ensures that agency reports, rules, testimony, and proposed legislation are consistent with the President's Budget and with Administration policies. In addition, OMB oversees and coordinates the Administration's procurement, financial management, and information and regulatory policies. In each of these areas, OMB's primary role is to improve administrative management, develop better performance measures and coordinating mechanisms, and reduce any unnecessary burdens on the public. For further information, refer to the OMB web site.

7.18.2. The Department of the Treasury, Financial Management Service (FMS). Treasury, acting through FMS, disburses a billion Federal payments like Social Security, veterans' benefits, and income tax refunds to more than 100 million people (**Note:** The DoD does not use FMS to disburse its funds; instead, the Defense Finance and Accounting Service (DFAS) performs DoD's disbursing.). The Treasury collects more than \$2 trillion in Federal revenues; oversees a daily cash flow of \$10 billion; provides centralized debt collection services to most Federal agencies (including the AFMS); and provides Government-wide accounting and reporting. FMS gathers and publishes Government-wide financial information that is used by the public and private sectors to monitor the Government's financial status and establish fiscal and monetary policies.

7.18.3. The Congressional Budget Office (CBO). Part of the Legislative Branch, CBO was created by the Congressional Budget and Impoundment Control Act of 1974. CBO's mission is to provide the Congress with the objective, timely, non-partisan analyses needed for economic and budget decisions and with the information and estimates required for the congressional budget process. CBO prepares analyses and estimates relating to the budget and the economy and presents options and alternatives for the Congress to consider but does not make recommendations on policy. CBO's services can be grouped into four categories:

helping the Congress formulate a budget plan; helping it stay within that plan; helping it assess the impact of Federal mandates; and helping it consider issues related to the budget and economic policy. For further information, refer to the CBO web site.

7.18.4. The Government Accountability Office (GAO). Part of the Legislative Branch, GAO is the investigative arm of the Congress. GAO helps the Congress meet its Constitutional responsibilities and helps improve the performance and accountability of the Federal Government for the American people. GAO examines the use of public funds, evaluates Federal programs and activities, and provides analyses, options, recommendations, and other assistance to help the Congress make effective oversight, policy, and funding decisions. In this context, GAO works to continuously improve the economy, efficiency, and effectiveness of the Federal Government through financial audits, program reviews and evaluations, analyses, legal opinions, investigations, and other services.

Chapter 8

FINANCIAL DATA ELEMENTS AND CODES

8.1. Overview. Fiscal coding affects all levels from MTFs to HQ USAF, OSD, Treasury, and Congress. Financial/resource managers at all Air Force organizational levels must understand and accurately apply the fiscal coding structure and values that are vital for data integrity and appropriate financial fiduciary reporting. This chapter provides source references for data elements and account codes used in budget and financial management.

8.2. Relevant Financial Definitions. In order to properly manage funds, it's vital that managers at all levels have a financial foundation comprised of basic financial terminology and concepts. Understanding the financial terminology used in an RMO setting is essential to communicating with peers and leadership. Below are a few terms RMOs should understand.

8.2.1. Statutory/Regulatory Funding Limitations. Limitations imposed because of either Congressional action to include provisions of the United States Code (USC), annual authorization and appropriations acts, or other legislation, or a determination made administratively by DoD or the Air Force.

8.2.2. BAG Balancing. The RMO must balance to the Budget Activity Group (BAG) level. No realignment between BAGs is authorized. AF/SGY must be notified immediately for emergency reprogramming actions. **(T-1)**.

8.2.3. Target Loading. Budget authority loaded into accounting systems must match the authority distributed via FADs. Each funding document received must be recorded in the accounting system at the correct amount, with a valid document ID, to the corresponding appropriation, fund type, and reporting entity. **(T-0)**. This is one of the key areas MTF RMOs must comply with to assist the Air Force in achieving audit readiness. AF/SGY closely monitors adherence to the requirements outlined in paragraph 17.5.1, Budget Authority. The AF Form 1269, Request for Load or Change in Fund Targets (or equivalent documentation) must be filed as supporting documentation for 6 years and 3 months. **(T-1)**.

8.2.4. Funds Holder. The Air Force DHP Funds Holder is the Air Force Surgeon General. Generally, the commander or head of an operating agency, installation or organizational unit to whom an apportionment, allocation, suballocation, allotment, suballotment, operating budget authority is issued, is designated as the Funds Holder.

8.2.5. Administrative Subdivision of Funds. Any subdivision of an appropriation or other fund that makes funds available in a specified amount for incurring obligations, or which can be further subdivided to make funds available in a specified amount for incurring obligations, subject to limits in the funding documents, statutes, regulations, or other applicable directives. AF/SGY receives a DHP administrative subdivision of funds from the DHA via PBAS and an accompanying FAD.

8.2.6. Allocation. Allocations involve making funds available in a specified amount, subject to any limitations on their use, and can be used for making sub-allocations or allotments. For example, AF/SGY allocates DHP budget authority to AFMOA/SGAR by MAJCOM.

8.2.7. Allotment. An authorization by AFMOA/SGAR to a subordinate installation, other organizational unit, or to itself to incur obligations within a specified time and amount.

8.2.8. Documentary Evidence for Obligations. All DHP obligations must be supported by documentary evidence (T-0), such as:

8.2.8.1. A binding agreement in writing between an agency and another person (including an agency), in a way and form, and for a purpose, authorized by law. The agreement must be executed before the end of the period of availability for obligation of the appropriation.

8.2.8.2. A binding agreement may include a contract, rental or lease agreement, purchase order, work order, inter-service support agreement, Project Order, MIPR, unqualified notice of award, letter contract, or letter of intent. The primary purpose is that there be an offer and acceptance imposing liability on both parties. Reference 31 USC §1501.

8.2.9. FADs. FAD amounts are the obligation authorities subject to the provisions of 31 USC §1517 and the DoD Financial Management Regulation (DoDFMR). Funds allocated are to be executed only in accordance with all applicable laws, regulations, procedures, and policies necessary to support the DHP appropriation. The annual direct program amounts and the cumulative quarterly total program amounts contained in FADs are the obligation authorities subject to 31 USC §1517. Organizations that execute or distribute DHP appropriations (i.e., AF/SGY, AFMOA/SGAR, MTF RMOs) must retain copies of all Funding Authorization Documents (FADs) on file for 6 years and 3 months. (T-0).

8.2.10. Emergency/Special Program (ESP) Codes. ESP Codes can be established at SAF, MAJCOM, or local level; the higher management level ESP code takes precedence and determines the value of the last position of the ESP Code. SAF ESP codes are broken into two categories: (1) Joint Chief of Staff Exercise (JCS) and (2) Non-Joint Chief of Staff Exercise which can both be found on the AF Portal.

8.2.11. Prior Year Upward Obligation Adjustment (UOA) Approval Process. The Obligation Adjustment Reporting System (OARS) is used to approve within-scope contract changes and ordinary prior year adjustments. Routine prior year upward ordinary adjustments due to disbursements for non-contractual transactions; civilian pay, travel pay, supply interface, and Government Purchase Card (GPC) bill should be consolidated into End-of-Month (EOM) OARS. The decision logic in OARS determines the proper approval level based on dollar amount and funding appropriation. The Comptroller, or designated representative, has the authority to approve \$100K “within-scope” contract for ordinary adjustments, e.g., accounting errors, claims, ratification actions, and has authority to approve \$2M upward obligation adjustments. Adjustment greater than \$100K “within-scope” or totaling more than \$2M must be approved by AF/SGY, SAF/FMBMM, and DHA.

8.2.12. Budget Execution Reports (BERs). The BER is a tool used between the RMO and the Operating Agency Code (OAC) manager at AFMOA/SGAR, and covers all major elements of expense. Used correctly, the BER documents how an MTF has used and will use its resources, and identifies potential sources of excess funds and shortfalls.

8.2.13. Object Class Codes (OCCs). OCCs are governed by OMB Circular A-11, *Preparation, Submission and Execution of the Budget*. OCCs are categories in a classification system that represent obligations by the items or services purchased by the Federal Government. Major object classes are divided into smaller classes. The object classes represent obligations according to their initial purpose, *not the end product or service*, i.e., if

you pay a Federal employee who constructs a building, you should classify the obligations for the employee's wages under *Personnel compensation and benefits*, rather than *Acquisition of assets*. If you purchase a building, classify the contractual obligations under *Acquisition of assets*. The Federal government uses the following major object classes:

8.2.13.1. OCC 10 – Represents personnel compensation and benefits. This major object class includes smaller object classes 11, 12, and 13. For example, Object Class 111 represents full-time permanent employee compensation. Within AF accounting structures, there is a direct correlation between the smaller Object Classes and the AF Element of Expense Investment Codes (EEICs) and the DoD Standard Financial Information Structure (SFIS).

8.2.13.2. OCC 20 – Represents contractual services and supplies. This major OCC covers purchases of contractual services and supplies in object classes 21.0 through 26.0. For example, object class 210 represents travel and transportation of persons; while object class 254 represents operation and maintenance of facilities.

8.2.13.3. OCC 30 – Represents acquisition of assets. This major OCC covers object classes 31.0 through 33.0. For example, object class 310 represents equipment and object class 320 represents land and structures.

8.2.13.4. OCC 40 – Represents grants and fixed charges. This major OCC covers object classes 41.0 through 44.0. For example, object class 420 represents insurance claims and indemnities, 430 reflects interest and dividends, and 440 reflects refunds.

8.2.13.5. OCC 90 – Represents other charges. This major OCC covers object classes 91.0 through 99.5. For example, object class 940 represents financial transfers.

8.2.14. EEIC. Like the object classes, an EEIC represents the type of commodity being purchased. The list of EEIC used in the AF are published in the Financial Management Data Quality Service (FMDQS), <https://fmdd.affsc.af.mil/data-elements/home>. **FMDQS is the authoritative source for identifying valid financial management data element values and codes.** Refer to Table 8.4. for commonly used EEICs used within the AFMS.

8.2.15. Responsibility Center/Cost Center (RC/CC). An RC/CC represents the work center incurring costs/charges. The list of RC/CCs used in the AF are published in the FMDQS. Within the AFMS, RC/CCs are mapped to MEPRS codes. Refer to AFI 41-102 for more information on MEPRS.

8.2.16. DHP O&M Budget Activity Groups (BAGs) & Program Element (PE) Structure. DHP funding is programmed and executed in BAGs and PEs (often referred to as PE Codes or PECs). Some of DHP funding is allocated to MTFs, some to HQ activities, and some is retained by the DHA. For example, BAG 2 (Private Sector Care funds) is executed by the DHA for Managed Care Support Contracts (TRICARE contracts). Refer to Table 8.1. below for a list of commonly used DHP BAGs and PEs (not all-inclusive).

8.3. Fiscal Code Architecture.

8.3.1. SAF/FMPS, with inputs from Air Staff, develops fiscal coding guidance and provides annual updates through an ongoing effort to refine fiscal code values, titles, and definitions as directed by Congress, OMB, DoD, and AF.

8.3.2. The fiscal coding structure and values have been strengthened over the past few years to ensure the most efficient coding architecture is available to capture the budget formulation and budget execution information based on business needs for reporting information to DoD echelons.

8.3.3. Properly coding obligations is extremely important. Fiscal coding is an important part of data integrity and carries an equal weight with financial management fiduciary reporting requirements. Fiscal coding affects all levels, from installation through HQ USAF and subsequently to OSD(C), OMB, the Treasury and Congress.

8.4. AF Accounting Systems. The legacy AF accounting system is the General Accounting and Finance System (GAFS). The AF is transitioning to the new AF accounting system—the *Defense Enterprise Accounting and Management System (DEAMS)*.

8.4.1. GAFS Line of Accounting (LoA)/Fund Cite. The LoA/fund cite used at AF installations that have not transitioned to DEAMS contains the data elements reflected in Table 8.2

8.4.2. DEAMS LoA/Fund Cite. The DEAMS LoA is reflective of the DoD Standard Financial Information Structure (SFIS). Refer to Table 8.3.

8.5. Fiscal Code Support. RMOs should address any comments/concerns regarding cost structure, program elements or budget line items to AFMOA/SGAR for review.

8.5.1. If requests are being made for additional EEICs or RC/CCs, the request must provide a suggested title and a narrative description to adequately describe the costs being captured. If a policy change/directive is driving the need for an additional EEIC or RC/CC, that reference must be cited/included in the request. Requests must be submitted to AFMOA/SGAR for preliminary review/approval. If approved, AFMOA/SGAR will forward the request to AF/SGY for final approval. AF/SGY will forward approved requests to SAF/FMP for inclusion in the Air Force Data Quality Service (DQS). **(T-1)**.

8.5.2. IAW AFI 65-601 V1, only valid RC/CCs found in the FMDQS may be used. The FMDQS provides a query tool capability to find the fiscal code associated with the type of service being put on funding documents.

8.5.3. See AFMAN 65-604, *Appropriation Symbols and Budget Codes*, for annual appropriation symbols, budget codes and descriptions.

Table 8.1. DHP BAGs and PEs.

BAG	BAG TITLE	PE	Description
1	In-House Care (provided by MTFs)	87700	Defense Medical Centers, Hospitals and Medical Clinics - CONUS
		87900	Defense Medical Centers, Hospitals and Medical Clinics - OCONUS
		87701	Pharmaceuticals - CONUS
		87901	Pharmaceuticals - OCONUS
		87715	Dental Care Activities - CONUS
		87915	Dental Care Activities - OCONUS
3	Consolidated Health Support	81720	Examining Activities
		87714	Other Health Activities
		87705	Military Public/Occupational Health
		87760	Veterinary Services
		87724	Military Unique Requirements - Other Medical
		87725	Aeromedical Evacuation System
		87730	Service Support to Other Health Activities - TRANSCOM
4	Info Management / Info Technology	87781	Non-Central IM/IT
		87793	MHS Tri-Service IM/IT (Central)
5	Management Activities	87798	Management Activities (Components)
6	Education & Training	86721	Uniformed Services University of the Health Sciences
		86722	Armed Forces Health Professions Scholarship Program
		86761	Other Education and Training
7	Base Operations / Communications	86276	Facilities Restoration and Modernization (RM) - CONUS
		86376	Facilities RM - OCONUS
		86278	Facilities Sustainment - CONUS
		86378	Facilities Sustainment - OCONUS
		87779	Facilities Operations, Health Care - CONUS
		87979	Facilities Operations, Health Care - OCONUS
		87795	Base Communications - CONUS
		87995	Base Communications - OCONUS
		87796	Base Operations - CONUS
		87996	Base Operations - OCONUS
		87753	Environmental Conservation
		87754	Pollution Prevention
		87756	Environmental Compliance
		87790	Visual Information Systems
		88093	Demolition/Disposal of Excess Facilities

Table 8.2. GAFS LOA.

GAFS (Legacy) LOA		
Example - 974 0130.1883 2X4 65MS 3H5727 B8 50301 87700F 667100 ESP: 7C		
Data Elements	Code	Explanation
Department	97	97 represents that the DHP is a Defense-wide appropriation and not an AF-specific appropriation. If this were an AF appropriation, the Dept would reflect 57.
Fiscal Year (FY)	4	The last digit of the Fiscal Year in which the funds were appropriated, e.g., 201 <u>4</u> .
Appropriation	0130	Reflects that this is the DHP appropriation.
Limit Code	1883	Reflects that these are funds from the AF's DHP allocation.
Fund Code (FC)	2X	Represents the type or "color" of money, in the AF, 2X symbolizes that the funds are medical Operations & Maintenance (O&M) funds.
Fiscal Year (FY)	4	The last digit of the Fiscal Year in which the funds were appropriated, e.g., 2014.
Operating Agency Code (OAC)	65	Reflects the Major Command (MAJCOM). In this case, 65 = AMC
Operating Budget Account Number (OBAN)	MS	Represents the base within the MAJCOM that will be charged. In this case, MS = McConnell AFB.
Responsibility Center / Cost Center (RC/CC)	3H5727	Reflects which section/cost center within the MTF will be charged.
Major Force Program (MFP)	B8	Reflects that this is a Medical Activity.
Element of Expense Investment Code (EEIC)	50301	Reflects which commodity is being purchased.
Program Element Code (PEC)	87700F	Represents the program element under which the contract was programmed in the FYDP. The "F" represents AF.
Accounting & Disbursing Station Number (ADSN)	677100	A six-position numeric code that identifies the Activity responsible for performing the official accounting and reporting of the funds.
Emergency Special Program (ESP) code	7C	These special accounting and reporting codes collect costs incurred during an emergency or in support of a special program. Generally, it is only used when costs for those specific emergencies/special programs must be identified.

Table 8.3. DEAMS/SFIS Line of Accounting.

DEAMS LOA		
097000013000018831414D F65MS 3H5727 240.1101 01010000B810 9999.999961 0807700F 2014 387700		
Data Elements	Code	Explanation
Department	097000	97 represents that the DHP is a Defense-wide appropriation, and not an AF-specific appropriation. If this were an AF appropriation, the Department would reflect 57.
Appropriation	0130	Reflects that this is the DHP appropriation.
Sub-Account	000	N/A
Acct Limit Code	1883	Reflects that these are funds from the AF's DHP allocation.
Period of Availability	1414D	These funds are issued in FY14 and expire at the end of FY14.
OAC/OBAN	F65MS	Represents the AF MAJCOM that will be charged (in this example it is Air Mobility Command), and the installation (in this case, MS = McConnell AFB).
RC/CC	3H5727	Reflects which section/cost center within the MTF will be charged.
Object Class & Object Sub-Class	240.1101	Refer to paragraph on Object Classes.
Budget Activity/Budget Sub-Activity/Budget Line Item	01010000B810	BAG = 010 (i.e., BAG 1); SAG = 1; BLI = B8 (Medical Activity)
Fillers	9999.999961	N/A
OSD PEC	0807700F	Represents the program element under which the contract was programmed in the FYDP. The "F" represents AF.
FY	2014	Appropriation FY
Agency Accounting ID	387700	Used for all AF installations that transitioned to DEAMS.

Table 8.4. AFMS Commonly Used EEICs.

Note: This list is not all-inclusive. For assistance in identifying an appropriate EEIC, go to the FMDQS at https://fmdd.affsc.af.mil/data-elements/home or contact AFMOA/SGAR.			
Object Class	Object Class Title	EEIC (All 5)	EEIC Desc
111	Full-time permanent	111RG	USGS Perm-Regular (Graded)

210	Travel and transportation of persons	40924	Travel - Mission Support
		40915	Travel - Schools and Training
		409	TDY-Per-Diem-Msn
220	Transportation of things	46200	Trans Property - Comml Air/Grd/Sea
232	Rental payments to others	47171	Leased Space - Other Leased Space
		47110	Leased Space - Commercial Storage
		47305	Rental Pay - Medical Equipment
233	Communications, utilities, and miscellaneous charges	44300	Wireless Voice and Radio Operations
		48050	Purchased Utilities - Steam
		48040	Purchased Utilities - Sewage
		48010	Purchased Utilities - Water
		44600	Postal and Express Mail Service
		44200	Voice Communications Operations
		44000	Purch Comm - Network Operations
		48030	Purchased Utilities - Gas
		48020	Purchased Utilities - Electricity
240	Printing and reproduction	50100	Printing Procur - Govt Print Office
		50301	Printing Procur - Copier Services
	Advisory and assistance services	50640	A&AS Mgmt Prof - Direct Fund Trans
252	Other services	55804	Other Svcs - Prof Cred - Member Subscription and Accreditation
		55805	Other Svcs - Prof Cred - Hospital Accreditation
		55803	Other Svcs - Prof Cred - Health Personnel Exam Fees
		55904	Other Svcs - Clerical and Admin Support
		55801	Other Svcs - Prof Cred - Continuing Education of Health Providers
		55950	Other Svcs - Services Purchased via GPC
		5580Z	Other Svcs - Prof Cred - Professional training not otherwise categorized
		55910	Installation Svcs - Data Subscriptions Support
		55915	Other Svcs - Laundry, Dry Cleaning & Linen Exchange
		55934	Other Svcs - Business Resources and Support Services
		55901	Other Svcs - Acquisition Support
55881	Other Svcs - Education - Tuition Assist - College - Military		
253	Other purchases of goods and services from Government accounts	75612	Payments to Non-STRAT MOA with Svc
		75619	Payments for Inter-Svc Spt Agrmts
		59680	Med Transfer - All Oth Med Transfer
		59600	Medical Transfers
		45400	TWCF - SAAM Cargo Airlift

254	Operation and maintenance of facilities	53330	Other CE Services - Refuse Collection
		53310	Other CE Services - Grounds Maintenance
		52103	Sustainment Maintenance - FOMA Agreements
		52104	Sustainment Maintenance - SABER
		53140	Custodial Svc-All Oth Not Specified
		52101	Sustainment Maintenance - Corps/AFCESA/AFCEE
		53100	Contract Custodial Services
		52100	Sustainment Maintenance Projects
256	Medical care	574M R	Non-Clinical Contract Health Care Services - Radiology Interpretation
		571M V	Clinical Health Care Services - VA Resource Sharing
		574D H	Non-Clinical Contract Health Care Services - Dental Assistant
		574M T	Non-Clinical Contract Health Care Services - Medical Transcription
		57424	Non-Clinical Health Care - Transportation
		574M B	Non-Clinical Contract Health Care Services - Blood Services
		571M N	Clinical Health Care Services - Nurse PR actioner
		574M A	Non-Clinical Contract Health Care Services - Medical Coder/Auditor
		571PA	Clinical Health Care Service - Physician Assistant
		574M V	Non-Clinical Contract Health Care Services - VA Resource Sharing
		574M L	Non-Clinical Contract Health Care Services - Lab MTF
		574M S	Non-Clinical Contract Health Care Services - Health Services
		571DE	Clinical Health Care - Dentist
		574BC	Non-Clinical Contract Health Care Services -BSC
		571BC	Clinical Health Care - Biomedical clinical contract services
		571NC	Clinical Health Care Services - Nurse
		574M D	Non-Clinical Contract Health Care Services - Medical Technician
		574A D	Non-Clinical Contract Health Care Services - Medical Admin
		571M D	Clinical Health Care Services - Medical Provider
		257	Operation and maintenance of equipment
56900	Purchased Maintenance of Equipment		
569M2	Purchase Maintenance - One-Time Med Maint		

		56992	Purchase Maintenance - Other Equip Repairs
		55615	Equip Ops - Fly Services - Flight Screening Program
		55782	Equip Ops - Audiovisual Services
		43940	IT-Oth-Spt-Contr-Svc
		569M1	Purchase Maintenance - Recurring Med Maint
		43910	IT-Data-Proc-Svc
260	Supplies and materials	614	Non-DWCF Medical Dental Vet Supply
		641	DWCF Fuel - Bulk Ground Fuels
		61990	Non-DWCF Sup - Other Purch Supplies
		642	DWCF Bulk Utility Fuels
		59607	Med Transfer - Heat/Power Prod Fuel
		61900	Non-DWCF Supply Purchases
		61950	Non-DWCF Sup - GPC Purchases
		604	DWCF Medical Dental Supplies
		615	Medical Pharmaceuticals - MTF
310	Equipment	63730	Non-DWCF IT Equip - Small Computers
		63720	Non-DWCF IT Equip - Software Purchases
		63700	Non-DWCF IT Purchased Equipment
		63721	Non-DWCF IT Equip - MS Enterprise Lic
		63400	Non-DWCF Medical Dental Vet Equip
		624	DWCF Medical/Dental Equipment
320	Land and structures	52999	Customer Funded Minor Construction
		52404	FSM Repair - SABER
		52295	Restoration and Modernization Repair (Class R) Projects
		52401	Ref - SAF/FMBM Memo - 20 Jul 2006
		52900	Minor Construction by Contract
		52995	Restoration and Modernization Minor Construction - Other
		52901	Restoration and Modernization Minor Construction (Class MC) Projects
		52201	Restoration and Modernization - Army Corps/NAVFAC/AFCESA/AFCEE
		52400	Ref - SAF/FMBM Memo - 20 Jul 2006
		53200	Architect Engineering Services
52200	Restoration and Modernization Repair		

8.6. Stages of Accounting.

8.6.1. Disbursement Accounting.

8.6.1.1. Commitments. A commitment is an administrative reservation of funds. It is an intent to incur an obligation. Commitments constitute the first stage in the commitment and obligation concepts. It is represented in the BQ system as Balance ID (BID) "C".

8.6.1.2. Obligations. An obligation represents an order placed with a vendor, a contract awarded, a service received, or any transaction that constitutes a legal requirement for a

vendor to furnish supplies or services. Obligations are the second, third, and fourth stages of the commitment and obligation concept. These 3 stages are:

8.6.1.2.1. Undelivered Orders Outstanding (UOO). This stage of obligation represents those orders, contracts, or agreements that have been placed, but have not yet been received. The funds are obligated in anticipation of delivery of goods/services. This process reduces the commitment stage and increases the UOO stage. The UOO stage is represented in BQ as BID “O”.

8.6.1.2.2. Accrued Expenditures Unpaid (AEU). Upon notice that goods are received or services rendered (typically by receipt of an invoice from the vendor), the UOO stage is reduced and AEU is increased by the amount involved. This stage of obligation represents the amount of funds owed (accounts payable). The AEU stage is represented in BQ as BID “U”.

8.6.1.2.3. Accrued Expenditures Paid (AEP). This stage reflects the actual vouchered payment for the material, assets, or services. When the payment (outlay or disbursement) is made, the AEU decreases while the AEP stage increases. AEP stage is reflected in BQ as BID “E”.

Table 8.5. Disbursement Codes.

Disbursement Codes		
Balance ID (BID)	Acronym	Description
X		Fund Availability
C		Commitment
O	UOO	Undelivered Orders Outstanding
U	AEU	Accrued Expenditure Unpaid
E	AEP	Accrued Expenditure Paid

8.6.2. Reimbursement Accounting. Accounting for the sale of goods and services by the Air Force is similar to obligation accounting. Just as the commitment/obligation concept has stages of accountability, reimbursement accounting also has stages associated with it. These stages are:

8.6.2.1. Unfilled Customer Orders (UFCO). Orders that have been received for supplies or services that have not been provided yet (e.g., accepting a MIPR in return for providing a service). The UFCO stage is represented as BID “D”.

8.6.2.2. Filled Customer Orders-Uncollected (FCOU). These are orders for goods or services that have been provided to the requesting activity, but reimbursement has not been collected. This is the stage of reimbursement accounting where the billing documentation is prepared and processed. Relating to commercial accounting, this is called an “accounts receivable”. It is represented in BQ as BID “F”.

8.6.2.3. Filled Customer Orders Collected (FCOC). This stage represents the final stage of reimbursement accounting and are the amounts received as payments from goods delivered or services rendered. It is represented in BQ as BID “R”.

Table 8.6. Reimbursement BIDs.

Reimbursement Codes		
BID	Acronym	Description
D	UFCO	Unfilled Customer Orders
F	FCOU	Filled Customer Orders Uncollected
R	FCOC	Filled Customer Orders Collected

8.6.3. Post Codes. In BQ, a post code is a balance identifier code that uses 2-position alpha codes which have a direct affect on the BIDs. The first position of the post code identifies which BID to decrease. The second position of the post code identifies which BID to increase. As example, in disbursement accounting, when the processing center (PC) inputs a transaction with post code UE, it reduces the U balance and increases the E balance.

Table 8.7. Post Codes.

Post Codes		
Post Code	Decrease	Increase
XC	Fund Availability	Commitment
XO	Fund Availability	UOO
XU	Fund Availability	AEU
XE	Fund Availability	AEP
CO	Commitment	UOO
CU	Commitment	AEU
CE	Commitment	AEP
OU	UOO	AEU
OE	UOO	AEP
UE	AEU	AEP
EX	AEP	Fund Availability
EU	AEP	AEU
EO	AEP	UOO
OX	UOO	Fund Availability
DF	UFCO	FCOU
XD	Fund Availability	UFCO
FR	FCOU	FCOC
XE ***	Fund Availability	AEP
<p>***Note: Straight Payments: These are payments made against funds that have not been obligated (e.g., they weren't obligated first), but must be paid. Freight charges are common payments that are straight paid. Example: You order an item and don't realize that shipping charges are not included in the price of the goods (therefore were not included in the original obligation). When the freight charge arrives, it must be paid citing your funds. In effect, the obligation and payment for the freight charges will occur simultaneously.</p>		

8.6.4. Unmatched Disbursement (UMD). This is a payment that has been made but cannot be matched to an obligation. This commonly occurs with By-Others transactions.

8.6.5. For-Others/By-Others Transactions. These transactions occur when another disbursing station uses your fund cite for an authorized payment. The following is an example of a For-Others/By-Others transaction:

Example: Army Sgt Joe Smith from another base travels TDY to your base on official business. Because your base requested this individual, you authorized Sgt Smith's unit to use your fund cite for his TDY orders. In other words, your unit is paying for Sgt Smith's TDY. When Sgt Smith returns to his home station and files his travel voucher, it will be paid using your funds. This is a For-Others/By-Others payment.

Chapter 9

FUNDING FOR MEDICAL READINESS PROGRAMS

9.1. Overview. The AF/SG operates the DHP account for Air Force non-combat support medical activities. This means that DHP use for medical readiness activities shall be limited to those activities that organize, train, and equip our medical personnel. DHP will only be used for medical-specific training needs. **(T-1).**

9.2. Identifying Contingency-related Costs. MTFs will collect all applicable costs related to specific contingency operations or other military operations, and will report these costs in accordance with SAF/FM or AF/SGY guidance. **(T-1).**

9.3. Approval to Use DHP Funds for Medical Readiness Training/Exercises. DHP used for medical readiness training and exercises not already specified in AFI 41-106, *Medical Readiness Program Management*, will occur only after the Readiness Training and Oversight Committee (RTOC) has reviewed, validated and prioritized all submitted requirements, and presented their recommendation list to the Medical Readiness Panel for approval. This does not preclude DHP for participation in unit-level or wing-level exercises conducted as part of a Unit Effectiveness Inspection (UEI) or operational readiness inspection or for participation in other unit or wing-level exercises such as mass casualty or deployment exercises. **(T-1).**

9.4. Funding for LAF/Combatant Command (CCMD) Directed Exercises. Exercises in which AFMS personnel are directed to participate will not be funded with DHP funds. They must be funded with appropriations specifically provided for such purpose, e.g. Line/directing entity (e.g., CCMD, JCS, or Joint Service) or O&M funds available for HCA, such as Overseas Humanitarian, Disaster and Civic Assistance funds (10 USC §401), Combatant Commander's Initiative Funds (10 USC §166a) or other funds deemed appropriate in accordance with applicable fiscal law and policy. DHP will only be used for exercises in which the medical service (through the RTOC/MR Panel) requests to participate in and only when the exercise provides a clear training benefit. With few exceptions, training should be directly related to unit type codes (UTCs). **(T-1).**

9.5. Special Categories. The following special categories/circumstances are provided to help clarify the fiscal rules pertaining to funding for medical readiness activities:

9.5.1. CCMD and LAF/Component Support. Missions that are part of a CCMD or component support (Numbered Air Forces) to a theater security cooperation objective or some other theater requirement should not be confused with AFMS-driven activities. IAW AFI 65-601 V1, Chapter 10, any expenses attributed to the contingency deployment, employment, and redeployment of medical combat support personnel, equipment and supplies requested by the CCMD and approved by proper authority, as well as medical Biological Warfare/Chemical Warfare items supporting deploying personnel, are paid by LAF funds. CCMD/component support missions involve mission execution and should be funded through normal (and legal) CCMD/component line funding sources.

9.5.2. Medical Readiness Training Exercises (MEDRETEs) in Foreign Countries.

9.5.2.1. All MEDRETE proposals (GME & non-GME) must first be submitted for review to the MAJCOM/NAF/SG to ensure activities are consistent with and supportive

of CCMD and AF stated theater security and stability plan objectives. Following their review and concurrence, the MAJCOM/NAF/SG staff will forward requests to the AF/SG3X. (T-1).

9.5.2.2. Medical readiness training proposals will be reviewed by the Readiness Training Oversight Committee (RTOC) who will make their recommendation to the Medical Readiness Panel for approval. Additionally, for proposals in support of GME programs, AF/SG3X will forward to the Force Development Panel for their review/approval. (T-1).

9.5.2.3. All requests must:

9.5.2.3.1. Delineate concrete training objectives to be fulfilled along with the reference document that identifies/directs the training requirement. If the request is related to a GME program, it must identify the ACGME Competencies that will be met. Documentation should also reflect that the Residency Review Committee has reviewed these rotational experiences as part of their overall periodic program curriculum validation, and confirmed that the stated ACGME Competencies are being met.

9.5.2.3.2. Contain an explanation to strongly support a "bona fide need" to pursue the training specifically in the foreign country and not at home stations/MTF/installation clinical/readiness training setting (why the proposed training in the foreign country is the most efficient/effective means to achieve the training objectives).

9.5.2.3.3. State the duration and projected costs for the mission.

9.5.2.3.4. State the number of personnel (by AFSC).

9.5.2.3.5. State the equipment and source of equipment.

9.5.2.3.6. State the extent of involvement by any other federal agency, Non-Government Organization (NGO), AF or other military dept.

9.5.2.4. The Force Development and Medical Readiness Panels will review their respective proposals for bona fide clinical/medical readiness training needs while being mindful of mission requirements/capabilities, resource constraints, fiscal law, Congressional and media perceptions.

9.5.3. Innovative Readiness Training. Governed by 10 USC §2012 and DoD Directive 1100.20, *Support and Services for Eligible Organizations and Activities Outside the Department of Defense*, and AFI 36-2250, *Civil-Military Innovative Readiness Training (IRT)*. IRT is a civilian-military partnership program that builds interoperability and readiness for our military while simultaneously providing a benefit to communities throughout the United States and its territories. This program is a partnership between requesting community organizations and the military; therefore resource support is a "shared" responsibility. Individual IRT Projects provide commanders another option to meet their mobilization readiness requirements, enhancing morale and contributing to military recruiting and retention. As in overseas deployments, these projects should be incorporated into future unit training plans and budgets.

9.5.4. Air Force Reserve and Air National Guard Components (hereafter referred to as the Reserve Component (RC)). Specific funds are appropriated by Congress for both the Air

Force Reserve and Air National Guard. This includes expenses of personnel undergoing active duty training or performing inactive duty training as authorized by law.

9.5.4.1. The use of DHP funding for exercises and training events involving the RC is limited to support for the active duty Unit Type Code (UTC) structure and exercise execution. The RC may fill UTC positions, white cell positions, or planning positions required by the AC to successfully execute any exercise or training event. RC will be responsible for their own TDY man-days, unless acting in the role of the Pilot Unit. All RC Pilot Unit duties may be fully DHP funded. Training will be documented in the MET format for the units and personnel participating. This policy supports the AF/SG CONOPS on Total Force Integration. **(T-1)**.

9.5.4.2. DHP funding will not be used to operate RC-sponsored training or exercises (e.g. start up and sustainment costs including but not limited to salaries, gas, light, electricity, rental of space, new equipment). Exceptions to these general principles are as follows:

9.5.4.2.1. If additional (outside the scope of the initial exercise scenario) exercise criteria is added, ALL associated costs with the additional criteria will be borne by the requesting component.

9.5.4.2.2. If a component cannot provide sufficient personnel and requests assistance from the other component, TDY expenses will be borne by the requesting component.

9.5.4.2.3. Mixing resources (man-days and travel costs) between RC and AC is acceptable if it clearly benefits the Total Force and mutual agreement is obtained. This flexibility should be applied judiciously on a case-by-case basis. The participation of both RC and AC does not automatically qualify as providing Total Force justification for the use of DHP funding for all participants. If the mixing of funds for a specific event becomes a recurring event, each component should program to fund their own portions of the event in the out years.

9.5.5. Tri-Service or Joint-Sponsored Training. The use of DHP during Tri-Service or Joint Sponsored Training will be limited to the portion of the joint training or exercise that is provided for the benefit of AF medical personnel. **(T-0)**.

9.5.6. LAF or JCS Exercises. Primary line O&M (3400) or JCS exercise funds are used for:

9.5.6.1. The deployment of the EMEDS.

9.5.6.2. Medical personnel TDY expenses.

9.5.6.3. Cost of supplies used during deployment and those needed for resupply upon return.

9.5.6.4. "A" and "B" bags for medical personnel.

9.5.6.5. DHP funds shall be used for anything done in the medical facility prior to deployment or to backfill an MTF during an exercise deployment (i.e., manning assistance, force protection). For example, On-line International Health Specialists (IHS) Orientation Course, Rosetta Stone Language Training (for IHS), Public Health Training, Region-specific Training (for IHS), Regional Political-Military Development Programs (for IHS), Global Medical Readiness Symposium, EMEDS Training.

9.5.7. International Health Specialists. Funds allocated to the IHS program will be used primarily for education/training as well as the “Care & feeding” of IHS staff, and not intended to be used to fulfill CCMD or LAF taskings with respect to building partnerships and meeting Theater Security Cooperation objectives. **(T-1)**. Specifically, allocations are based upon the following factors:

9.5.7.1. Attendance at courses needed for newly assigned IHS personnel. These will include:

9.5.7.1.1. Yearly educational/training sustainment for existing IHS staff based upon one TDY for Continuing Medical Education (CME) per FY.

9.5.7.1.2. Attendance for one IHS person per IHS location at the Program Executive Committee meetings held two times annually.

9.5.7.2. Appropriate Use of Funds in Support of the IHS Program.

9.5.7.2.1. Building partnership activities in other countries will be funded by the CCMD and/or funds specifically appropriated for those purposes. If available, LAF TDY funds may be used as well to support these activities. MAJCOM/NAF/SGs may request funds from their MAJCOM/NAF/CC and/or CCMD for these type of activities and training events.

9.5.7.2.2. DHP funds may be used to participate in Synchronization events (usually hosted by the CCMD to prioritize and plan for future international engagements).

9.5.7.2.3. DHP funds may be used to participate in bilateral medical defense meetings with other countries. The meeting’s primary objective must be to measure the country’s medical capability in order to meet specific AFMS objectives and tailor AFMS training efforts.

9.5.8. Medical Care at Deployed Locations During Exercises and Contingencies. Charge to primary Line O&M or JCS exercise/contingency funds, medical care provided to members at local indigenous medical facilities. Care in the indigenous facility includes referral care by military medical staff, medical supplies (i.e., pharmaceuticals, orthopedic braces), and urgent/ emergency care.

9.6. Medical Readiness DHP Unfunded Requirements (UFRs). The Medical Readiness Panel is the entry point for all DHP UFRs related to medical readiness with the exception of exercise and training UFRs which go through the RTOC for validation before being submitted to the MR Panel.

Chapter 10

MEDICAL RELATED TRAVEL

10.1. Patients. Charge authorized TDY costs of Air Force military members and AF MTF-enrolled beneficiaries to the MTF's BAG 1 funds. This applies when patients are enrolled to the MTF and are referred from their home station to another location outside of the local commuting area (e.g., non-emergency specialty care greater than 100 miles). For Patient Travel, verify that TDY was directed by Competent Medical Authority. **(T-0).**

10.1.1. Wounded Warriors Returning from the Area of Responsibility (AOR). Wounded Warriors returning from the AOR directly to a medical center (e.g., to MTFs at Andrews AFB, Walter-Reed Army Medical Center, Bethesda Naval Medical Center, Wilford Hall Medical Center) will remain on their Deployment/Contingency Orders until they return to their home station (these orders are not DHP-funded). Do not amend their orders to add a medical fund cite. Their deployment orders will terminate once they've returned to their home station.

10.1.2. Non-AF Military. TDY costs of non-Air Force military members and any non-medical attendants (NMAs) accompanying the military member are the responsibility of the owning military service.

10.1.2.1. Time permitting, AF MTFs must contact the member's unit for assistance in obtaining a travel fund cite. If the unit is unwilling or unable to fund the medical TDY, please contact AF/SGY for assistance. Be sure to include: Who was contacted (name/e-mail address/phone number), date contacted, a copy of any correspondence received, and a concise explanation of the reason the member's owning unit cannot fund the medical TDY. **(T-1).**

10.1.2.2. In the interest of the patient's safety, do not delay getting the patient to the care needed. Funding should be worked out beforehand only if time permits; otherwise, the funding matters (reimbursement from the member's unit/Service) should be resolved after the fact.

10.1.3. Patient Travel RC/CCs. MTFs will use the RC/CCs at Table 10.1. to record patient travel costs.

Table 10.1. Patient Travel RC/CCs.

PATIENT TRAVEL RC/CCs			
Description	RC/CCs		
	AF (All) & All AF MTF-enrolled Retirees (regardless of Service)	Navy Active Duty Family Members	Army Active Duty Family Members
Patients & <u>medical</u> attendants	**5892	**500N (see notes) Note 1: This applies to	**500A (see notes) Note 1: This applies

		<p>family members enrolled to the AF MTF only.</p> <p>Note 2: If enrolled to a non-AF MTF then contact the member's MTF for a fund cite</p> <p>Note 3: If the patient is Active Duty, then contact the member's owning unit/command for a fund cite).</p>	<p>to family members enrolled to the AF MTF only.</p> <p>Note 2: If enrolled to a non-AF MTF then contact the member's MTF for a fund cite</p> <p>Note 3: If the patient is Active Duty, then contact the member's owning unit/command for a fund cite).</p>
Non-Medical Attendants	**5893	<p>**50NA</p> <p>Note 1: This applies to family members enrolled to the AF MTF only.</p> <p>Note 2: If enrolled to a non-AF MTF then contact the member's MTF for a fund cite</p> <p>Note 3: If the patient is Active Duty, then contact the member's owning unit/command for a fund cite).</p>	<p>**50AR</p> <p>Note 1: This applies to family members enrolled to the AF MTF only.</p> <p>Note 2: If enrolled to a non-AF MTF then contact the member's MTF for a fund cite</p> <p>Note 3: If the patient is Active Duty, then contact the member's owning unit/command for a fund cite).</p>

10.2. Medical Referrals within the Local Permanent Duty Station (PDS) Area. Travel by personally owned conveyance (POC) to obtain medical care within the local PDS area is reimbursable only when a member is ordered (see note below) to a medical facility within the local area to take a required physical examination, or obtain a medical diagnosis and/or treatment. When ordered, members are considered to be on official business and must be reimbursed for the transportation, unless government transportation is available. **(T-0). Note:** For the purpose of determining if travel in a POC is reimbursable, a medical referral by competent medical authority alone does not constitute a commander-directed order.

10.2.1. Scenarios Related to Local Travel.

10.2.1.1. Travel for Alcohol and Drug Abuse Prevention and Treatment (ADAPT). A Squadron Commander may "order" a member to the MTF for an ADAPT evaluation. In this scenario, local travel would only be reimbursable if the MTF could not perform the

ADAPT evaluation and the member had to travel to the network (or another MTF) to obtain the evaluation.

10.2.1.1.1. Upon presenting for the evaluation (whether performed by the MTF or in the private sector), the member has fulfilled the commander's "order." After obtaining the evaluation, the patient may "opt" (or not) to undergo treatment. Local area appointments (in the private sector) to obtain treatment are not reimbursable. The member is not ordered to undergo "medical treatment" (that's the desired outcome, if the member chooses it). If the member chooses not to undergo treatment, the commander may state for purposes of administrative action (for example), *"The member has a medical condition that is untreated. The member has been offered treatment, but has refused. The untreated condition makes the member unsuitable for continued military service."*

10.2.1.1.2. In terms of travel reimbursement, a member's local travel to participate in ADAPT "treatment" is no different than a member going to referred appointments for other medical treatments (not reimbursed).

10.2.1.2. Travel When the Patient is Required to Lodge Within Minutes of Hospital for Patient Safety. In this scenario, a patient that has undergone an organ transplant or other complex medical procedure is advised by competent medical authority to remain within the local vicinity of the treating hospital. The treating hospital is less than 100 miles from the patient's home station. When for patient safety reasons the patient is required to lodge near to the treating hospital, the patient should be placed on medical travel orders and accorded travel and transportation allowances. The MTF Chief of Medical Staff must carefully evaluate the circumstances of the patient's condition and advise the RMO accordingly. When extended stays are anticipated, reasonable and cost-effective accommodations within a Ronald McDonald House or a Fisher House should be explored. Refer to AFI 41-210, *TRICARE Operations and Patient Administration Functions*.

10.3. Medical Referral Travel at the Member's Expense. Travel to medical appointments within the PDS other than as described in the above paragraphs is not reimbursable.

10.4. Medical Referral Travel Outside the PDS. Members on official travel orders are authorized travel and transportation allowances in accordance with the JTR. Travel must be authorized by proper medical authority. **(T-0)**.

10.5. Medical Referral Travel for Government Employees Overseas and Their Family Members. When local medical facilities (military or civilian) at a foreign OCONUS area are not able to accommodate an employee's needs, transportation to another location may be authorized for appropriate medical/dental care. Health care travel expenses are charged to the operating funds of the employee's organization. Travel and transportation is authorized in accordance with the JTR.

10.6. Travel to Specialty Care Over 100 Miles. When MTF TRICARE Prime enrollees (family members or retirees) are referred by the primary care manager (PCM) for medically necessary non-emergency specialty care more than 100 miles from the PCM's office, the patient must be reimbursed for reasonable travel expenses in accordance with the JTR (7095). Travel expenses are charged to the MTF.

10.7. Non-Medical Attendant (NMA) Travel. NMAs are appointed by a competent medical authority. AD members are authorized round trip transportation and travel allowances for travel performed as NMA for a dependent who is authorized travel and is incapable of traveling alone because of age, mental or physical incapacity, or other extraordinary circumstance. The 10 USC guidance allows for reimbursement in either emergent or non-emergent situations.

10.8. NMAs for Medical Referrals within the Local PDS Area. Local area travel/transportation is authorized when serving as NMA for a member on official business.

10.9. NMAs for Medical Referrals Outside the Local PDS Area. NMAs assisting patients who are referred to medical facilities beyond the local PDS area will be reimbursed travel/transportation in accordance with the JTR, whichever is applicable. **(T-0).**

10.10. Non-Concurrent NMA Travel. Non-concurrent NMA travel may be authorized/approved when the need for an attendant arises during treatment or there is need for an attendant only during a portion of the patient's travel.

10.11. Civilian Family Member of a Seriously Ill or Injured Uniformed Service Member. A civilian employee, who is authorized travel under a competent travel authorization/order as a family member of an active duty Uniformed Service member who is seriously ill, seriously injured or in a situation of imminent death, is treated as an employee in a TDY status. A TDY travel authorization/order for a family member's travel per JTR (7320) must be issued and cite JTR 7320 as authority. **(T-0).**

10.12. Retirees with a Combat-related Disability who are not Enrolled in TRICARE Prime. When a retired member with a combat-related disability, who is not a TRICARE Prime enrollee, is referred by a primary care provider for follow-on specialty care, services and supplies, for that particular disability, more than 100 miles from where the member resides, the patient must be reimbursed for reasonable travel expenses. **Note:** The TRICARE Regional Office located in the region where the retiree resides determines if the specialty care is more than 100 miles from the retiree's residence. Transportation expenses are reimbursed for the official distance from the patient's residence city to the specialty care provider's city. This also applies to subsequent specialty referrals authorized by a primary care provider. This policy is based on ASD/Health Affairs, TRICARE Management Activity/Health Plan Operations memo of 14 July 2009 and USD(P&R) memo of 31 August 2009.

10.12.1. Applicability. Retirees using TRICARE Standard, Extra or TRICARE For Life (TFL) who must travel to obtain specialty care for a combat-related disability. To qualify, the retired member must meet all of the following criteria:

10.12.1.1. Be receiving retired, retired retainer, or equivalent pay; and

10.12.1.2. Have a combat-related disability determination letter issued by the Service's Combat-Related Special Compensation (CRSC) Board which names the disabilities that have been determined to be combat-related; and

10.12.1.3. Be using TRICARE Standard, Extra or TRICARE For Life in the United States; and,

10.12.1.4. Have a primary care provider referral for specialty care for the combat-related disability from a provider located more than 100 miles away from the member's residence.

10.12.2. Before Traveling to Receive Specialty Care. Although travel orders are not required, whenever possible the qualified retiree should submit a travel request in advance to his or her TRICARE Regional Office (TRO) with the following documentation:

10.12.2.1. Copy of the CRSC determination letter identifying the combat-related disabilities,

10.12.2.2. Retiree's home address,

10.12.2.3. Address of the specialty care provider more than 100 miles from retiree's home address,

10.12.2.4. Referral for care of one or more specified combat-related disability,

10.12.2.5. Statement (may be included in the referral) from the primary care provider indicating that an NMA is medically necessary and appropriate (if applicable). The provisions of JTR 7100 apply.

10.12.2.6. Information should be submitted via fax or mail. To protect privacy, e-mail requests are not accepted. If the request is not submitted in advance, the TRO will consider travel reimbursement on a case-by-case basis. The qualified retiree may only be referred to a specialty care provider who is not affiliated with the referring practitioner.

10.12.3. Requesting Reimbursement. Beneficiaries and NMAs must pay for travel expenses and then file a claim for reimbursement from the TRO. Funding is provided by TROs, not the Uniformed Services MTFs. A separate claim must be submitted for each trip, for each qualified retiree or NMA, and more than one individual cannot be reimbursed for the same expense. Claims should be submitted to the appropriate TRO via fax or mail.

10.12.3.1. Copy of the CRSC compensation determination letter (if not provided prior to travel),

10.12.3.2. A completed Electronic Funds transfer form

10.12.3.3. Documentation from the specialty care provider verifying he or she saw the qualified retiree for the specified combat-related disability and the date(s) of service

10.12.3.4. Statement from the primary care provider indicating the need for an NMA (if applicable)

10.12.3.5. Legible receipts (or comparable written documents) indicating the payment that was made for reimbursable goods or services. Receipts must include:

10.12.3.5.1. Name of the company/vendor.

10.12.3.5.2. Date of transaction.

10.12.3.5.3. Items/services purchased.

10.12.3.5.4. Unit price.

10.12.3.5.5. Total amount paid.

10.13. Convalescent Leave Transportation for Illness/Injury. (Reference JTR 7035 and 37 USC §481a)

10.13.1. A member is authorized transportation allowances (no per diem) for one trip when traveling for convalescent leave for illness/injury incurred while eligible for hostile fire pay under 37 USC §310 from the:

10.13.1.1. CONUS medical treatment place to a place selected by the member and authorized/approved by the Secretarial Process, and

10.13.1.2. Member-selected place to any medical treatment place.

Note: Additional trips, if deemed necessary by the attending physician, may be authorized through the Secretarial Process.

10.13.2. Transportation Allowances. A member performing travel under JTR par. 7035-A may select:

10.13.2.1. Transportation-in-kind;

10.13.2.2. Commercial transportation cost reimbursement when the member travels at personal expense. NOTE: IAW JTR 2400, it is mandatory policy that a member uses an available CTO/TMC to arrange official travel, including transportation and rental cars, except when authorized IAW par. 3045; or Ch 7: T&T Allowance Under Special Circumstances & Categories.

10.13.2.3. The TDY automobile mileage rate for the official distance.

Note: GOV'T/GOV'T-procured transportation should be furnished and used to the maximum extent practicable.

10.13.3. Restrictions. Per diem, meal tickets, and meals and lodging reimbursement are not authorized for convalescent leave travel.

10.13.4. Funding. Funding is provided by the same fund cite stated on the member's Contingency/Deployment orders.

10.14. Emergency Family Member Travel (EFMT) Program. The Air Force provides round-trip transportation and Per Diem (not DHP-funded) in accordance with the JTR (7315) for not more than three designated individuals to the medical facility of a member listed as a very seriously ill/injured (VSI) or seriously ill/injured (SI) casualty when hospitalized in or outside the United States, if the attending physician or surgeon and the commander or head of the military treatment facility exercising military control over the member determine that the presence of the designated individual may contribute to the member's health and welfare for a period of up to 30 days (37 USC §481h). In addition, Per AFI 36-3002, *Casualty Services*, EFMT applies to members who are deployed on OEF/OND CED orders and who are hospitalized and have been placed in a Hostile Not Seriously Ill/Injured (NSI) casualty status.

10.14.1. Eligibility. The EFMT program applies to designated individuals of a military member serving on active duty to include ANG and USAFR members in a duty status.

10.14.2. AF EFMT Program Office. AFPC Casualty Services Branch (AFPC/DPWCS) oversees all aspects of the EFMT Program on behalf of the AFPC Commander (AFPC/CC) and the Secretary of the Air Force (SecAF). AFPC/DPWCS funds all EFMT orders, amendments, advance payment and corresponding vouchers. DHP appropriation will not be cited for this program per law. **(T-0)**.

10.14.3. Expenses Covered. Per AFI 36-3002, the Air Force reimburses the designated individuals for cost of travel between their residence and the location of the MTF in which the member is hospitalized and for personally procured commercial transportation such as airfare or driving expenses for travel by privately owned vehicle (POV). Rental car reimbursement is not authorized. If Next of Kin (NOK) are already at the member's bedside, the Air Force does not offer transportation to designated individuals unless the attending physician determines that these NOK are physically or mentally incapacitated and are unable to contribute to the member's health and welfare. Local per diem is authorized to pay for expenses such as food while in the vicinity of the medical facility. Advance payments of per diem are authorized.

10.14.4. Initiating the EFMT Process. Base Casualty Affairs Representatives (CARs) will coordinate with MTFs to request EFMT via the EFMT worksheet (sample provided below). The completed worksheet will be forwarded to AFPC/DPWCS at AFPC.casualty@us.af.mil.

10.14.4.1. Once approved, AFPC/DPWCS forwards the request to the 59th Medical Wing's (59 MDW) Patient Travel Office to load in DTS, contact the traveler to schedule travel, and process the order. Instead of receiving orders from AFPC/DPWCS, the CAR and traveler will receive orders from 59 MDW (who will process EFMT orders for all AF organizations per Memorandum of Agreement between AFPC/CC, AF/SG, and 59 MDW/CC, dated Oct 2011).

10.14.4.2. Once travel is complete, the traveler will send all receipts and travel documents to 59 MDW to create a voucher in DTS. AFPC/DPWCS remains the office of primary responsibility for the EFMT program and all questions should be addressed to their office at DSN: 665-3505 or Comm: 210-565-3505.

10.14.4.3. IMPORTANT: MTFs and CARs will not contact the 59 MDW directly with regard to orders. Any questions or concerns regarding orders are required to be vetted through the local CAR and then up to AFPC as appropriate.

10.14.5. Base EFMT POC. Base CARs are the POCs for the EFMT program. In accordance with AFI 36-3002, para. 2.27.4.4, the CAR will process EFMT requests/extensions through the appropriate MTF and forward approved requests to AFPC/DPWCS for further coordination/approval. CARs will maintain a suspense system to ensure timely submission of extension requests and forward approved extension requests to AFPC/DPWCS NLT 10 days prior to expiration date of previous EFMT order.

Figure 10.1. Request for Initial EFMT Format.

This document and its attachments contain information which must be protected IAW AFI 33-332 and DOD Regulation 5400.11, Privacy Act 1974 as amended and it is FOR OFFICIAL USE ONLY (FOUO).

Date: _____

MEMORANDUM FOR HQ AFPC/DPWCS

FROM: _____
(Please print unit name clearly)

SUBJECT: Request for Initial Emergency Family Member Travel (EFMT)

1. The Air Force provides **one-time** round-trip transportation every 60 days, lodging and per diem for up to 30 days (unless an extension has been requested), for not more than three **designated travelers** traveling to the medical facility of an eligible Servicemember (described in Joint Federal Travel Regulation U5246, para. A1 and A2) who is **hospitalized** and is placed in a Very Seriously Ill/Injured (VSI) or Seriously Ill/Injured (SI) casualty status (also includes Not Seriously Injured (NSI) if wound/injury is OEF/OND combat related). The attending physician/surgeon and the commander/director of the Medical Treatment Facility (MTF) exercising military control over the member determines if the presence of traveler(s) may contribute to the member's health and welfare (Title 37 U.S.C., Section 411h as amended by NDAA FY 10, Section 632).

2. Please complete the following information and transmit to HQ AFPC/DPWCS, via FAX at DSN 665/COMM 210-565-2348 or scan & e-mail to AFPC.casualty@us.af.mil

Casualty Assistance Representative's (CAR) Information:

Name:			
Installation:			
Phone Contacts - DSN:		Alternate:	
Email:			
Address:			

Servicemember's Information:

Last Name:	First Name:	Middle Name:	Jr./Sr/II:	Rank:
Current Casualty Status:		Operation Enduring Freedom / Operation New Dawn (OEF/OND) Casualty:		Diagnosis/Prognosis:
<input type="checkbox"/> Very Seriously Injured/III (VSI) <input type="checkbox"/> Seriously Injured/III (SI) <input type="checkbox"/> Not Seriously Injured (NSI) <small>(Medevaced from AOR, hospitalized in the CONUS, not to exceed 30 days)</small>		<input type="checkbox"/> YES <input type="checkbox"/> NO <small>Note: OEF/OND combat related NSI casualties and are in an inpatient status are only authorized EFMT for 30 days</small>		
<p>VSI: Casualty status of a person whose illness/injury is such that medical authority declares it more likely than not that death will occur within 72 hours.</p> <p>SI: Casualty status of a person whose illness/injury requires medical attention, and medical authority declares that death is possible, but not likely within 72 hours, and/or the severity is such that it is permanent and life-altering.</p> <p>NSI: Casualty status of a person whose illness/injury requires medical attention may or may not require hospitalization, and medical authority classifies as less severe than SI.</p>				
Name of Facility Providing Treatment:	Address of Facility:		Facility Contact Phone Number:	

Chapter 11

MEDICAL ACCOUNTS RECEIVABLE PROGRAMS

11.1. Medical Reimbursements Overview. Medical billing and collections within DoD is governed largely by 10 USC Chapter 55. MTFs will adhere to DoD 6010.15-M, *Military Treatment Facility Uniform Business Office (UBO) Manual*, which reflects the legislation established in Title 10, and further expands on DoD medical billing policies, and guidance expressed in this chapter and/or additional guidance published or sanctioned by AF/SGY pertaining to medical reimbursements. **(T-0).** The DoDFMR establishes the accounting treatment of medical A/R. The MTF RMO serves as the UBO Compliance Officer and establishes procedures that are consistent with DoD 6010.15-M, Chapter 2. **(T-1).**

11.2. Accounts Receivable (A/R). Medical A/R related to healthcare and dental services provided to patients is one of the largest assets of any institutional healthcare provider. There are a number of characteristics unique to the A/R of healthcare organizations, and there are significant variations in the way receivables are handled within the DoD. This chapter highlights some of the policies and business practices for MTF Medical Services Account (MSA), Third Party Collections (TPC), and Medical Affirmative Claims (MAC) activities. MTF UBO personnel must reference the UBO Manual, along with other reference materials provided by the DHA, AF/SGY and AFMOA/SGAR.**(T-1).**

11.3. A/R Requirement. The collection of receivables must be aggressively pursued for amounts due from other DoD components, Federal agencies, and the public (pay patients and health insurance companies). The due date for a receivable is 30 days from the date of invoice (notice of payment due).**(T-1).**

11.3.1. Erroneous, Invalid, and Unsubstantiated A/R. Monthly and during the Triannual Review (as required by DoD FMR Volume 3, Chapter 8), receivables must be reviewed for completeness, accuracy, and supportability.**(T-1).** Proper A/R management is important because AF/SGY relies on MTF compliance with established policies and procedures to provide monthly certification of a consolidated A/R account balance to DFAS, DHA and the U.S. Treasury. Proper management will ensure MTF UBO staff document and retain the evidence necessary to establish an A/R and enable prompt resolution of any abnormal or erroneous A/R. If at any time it is determined a debt is invalid and should not have been classified as A/R, the entries that established the A/R will be reversed within the Government Billing System (GBS).

11.3.2. Retention of A/R Documentation. MTF RMOs will maintain documentation to support actions taken on each account.**(T-1).** This includes, but is not limited to, documents supporting:

11.3.2.1. Establishment of the A/R.

11.3.2.2. Due process requirements, (e.g., follow-up actions taken to collect payment on open accounts). This includes copies of demand letters, telephone call logs (listing the date of the call, name of the individual contacted, and a summary of the conversation), and/or any notes contained within the accounts message history.

11.3.2.3. Research and resolution of abnormal or erroneous balances.

11.3.2.4. Reversal of erroneous entries establishing the receivable.

11.3.2.5. Termination, write-off and close-out of the receivable.

11.3.2.6. Installment payment plan agreements.

11.3.3. Classification of A/R in the Accounting System (Financial Reporting). In accordance with DoDFMR, Volume 4, Chapter 3, *Receivables*, A/R is classified as either current or delinquent. In addition, depending on the age and payment history of the account, it can be written-off as either Currently Not Collectible (CNC) or closed-out.

11.3.3.1. Current A/R. Amounts due within 30 days of the bill date. For example, if the bill date is 31 Oct 2013 and today's date is 15 Nov 2013, then the amount is considered to be "current" because the due date of 30 Nov 2013 has not passed.

11.3.3.2. Delinquent A/R. Billed amounts which are not paid within 30 days of the date of the initial demand. In the example provided in 11.3.3.1., the account would be considered delinquent on 1 Dec 2013.

11.3.3.3. Write-off. Refers to the accounting action that removes a delinquent A/R from the AFMS' financial accounting records/financial statements. When A/R is written-off, it must be classified as CNC or closed-out.

11.3.3.3.1. Currently Not Collectable (CNC). A category of A/R that has been written-off, but is cost-effective to continue collection efforts. A/R that has been categorized as CNC is reported by AF/SGY on the Treasury Report on Receivables (TROR) and is eligible for the U.S. Treasury's cross-servicing and offset programs.

11.3.3.3.2. Close-out of A/R. A determination made after write-off which indicates the A/R is not collectible (e.g., returned from the U.S. Treasury uncollected or further collection action would not be economically feasible).

11.4. MSA Program. Reference DoD 6010.15-M, paragraph C3.2. for explicit rules pertaining to the appointment of an MSA Officer. **The MSA Officer will comply with the responsibilities stated in the UBO Manual Chapter 3.** MSA activities involve billing and collecting funds for medical and dental services based on a patient's eligibility status and patient category (PATCAT) at the time care is rendered. Offices outside of RMO, such as Patient Administration and patient/clinic check-in clerks have an important role in the MSA Program. For example, it is their responsibility to verify that patients are eligible for care when the patient presents their military identification card and that the patient's information is up-to-date. If the patient is not eligible for care, patient/clinic check-in clerks must ensure that the patient's registration accurately reflects the patient's category in order to facilitate billing by the MSA Officer. **(T-0)** The majority of AF MTFs will focus on direct billing of individuals as primary-payers (MSA Public) and other government agencies (MSA Federal) for services rendered in MTFs; however, MSA activities may involve: DoD beneficiaries (including elective cosmetic surgery procedures), other government agencies, DoD civilians and contractors, Non-Appropriated Fund (NAF) employees, authorized foreign military members, DoD Dependent School employees, Army and Air Force Exchange Services (AAFES) employees, Secretarial Designees, civilian emergency patients, and other non DoD beneficiary patients authorized to receive treatment in MTFs. MSA Officers must ensure all forms of payments received for MSA accounts are recorded in the same month received, and that all DD Form 1131, *Cash Collection*

Vouchers, are properly reconciled with checks and cash payments received. **(T-0)** The DD Forms 1131 must be validated by the U.S. Treasury Depository (bank) and base FM. **(T-0)** The DD Forms 1131 must be reconciled in CRIS to ensure amounts were posted accurately and to the proper line of accounting (including the proper Sales Code). **(T-0)** All MSA documentation must be maintained for 6 years, 3 months. **(T-0)**

11.4.1. MTF Collections from an a la Carte Dining Facility. Per DFAS-DE 7010.5-R, *Direct, Refund, Reimbursement, and Receivable Transactions at Base Level*, June 2006, Chapter 9, collections stemming from recoupment of food costs are deposited to the Military Personnel Appropriation (MPA), 57*3500 32* 48 562 C93A 525725.” **Note:** “*” represents the last digit of the current FY.

11.4.2. Collections for Meal Surcharges, Non-contractor Operated Dining Facilities. Collections for surcharges are credited to the financing appropriation(s), i.e., DHP O&M, LAF O&M, and/or MPA, based on the percentage of the MTF dining hall’s military and civilian manpower authorizations. Reference AFI 65-601 V1, Chapter 10.27.2.

11.4.3. Collections for Meal Surcharges, Contractor Operated Dining Facilities. Food service officer surcharge collections are deposited 100 percent to the base medical service O&M appropriation.

11.4.3.1. Calculating Surcharge Percentages. MTF RMOs will follow the chart below to calculate the appropriate percentages and amounts to deposit to the MPA and DHP appropriations, respectively. **(T-1)**.

11.4.3.2. Percentages will be calculated with the start of each FY and remain in effect for the entire FY. Recalculations may be made during the FY when significant changes in manpower authorizations occur after the start of the FY, e.g., changes in military and civilian/contractor ratios greater than 10% borne from manpower Authorization Change Requests. **(T-1)**.

Table 11.1. Calculating Surcharge Percentages.

Calculations Must be Based on the MTF Unit Manpower Document			
	<i>Example</i>		
	Number of Military Authorizations in Food Service Operations FAC 5520	Number of Civilian Authorizations in Food Service Operations FAC 5520	Number of Contractor Personnel in Food Service Operations funded with DHP
Numbers reflected on UMD as of 1 October of the current FY	17	26	12
Total Number of Employees	17 + 26 + 12 = 55		
Percentage of Military, Civilian & Contractors to	17 ÷ 55 = 31%	26 ÷ 55 = 47%	12 ÷ 55 = 22%

use for the FY			
Total Surcharge Amount Collected	\$3,214.76		
Amount to Deposit based on Manpower	$ \begin{aligned} &\$3,214.76 \times 31\% \\ &= \\ &\$ 993.65 \end{aligned} $	$ \begin{aligned} &\$3,214.76 \\ &\times 47\% \\ &\hline &\$1,519.70 \end{aligned} $	$ \begin{aligned} &\$3,214.76 \\ &\times 22\% \\ &\hline &\$ 701.40 \end{aligned} $ <p style="text-align: center;">Total: \$1,519.70 + \$ 701.40 = \$2,221.11</p>
Appropriation to Deposit to	<p>MILPERS (3500) Example: 57*3500 32* 48 56201 C93A 525725 Note: * Represents last digit of the current FY</p>	<p>MTF's DHP (0130) Example: 97*0130.1883 2X* ##&& C93A 3H5965 B8 59907 50300 Note: * Represents the last digit of the current Fiscal Year, ## represents the OAC, && represents the OBAN</p>	
Sales Code	C93A	C93A	

11.4.4. MSA Individual Out-of-Service Debts. Individual out-of-service debt occurs when a non-DoD beneficiary receives care in an MTF and is not receiving salary or other payments from the DoD that can be offset in order to collect the individual's debt.

11.4.4.1. Delinquent MSA Individual Out-of Service Debt of \$25 or More (does not include billing to other federal agencies). The UBO staff will refer valid and legally enforceable delinquent individual out-of-service debt of \$25 or more to the U.S. Treasury's FedDebt program. **(T-1)**. Multiple debts to the same individual totaling \$25 or more must be consolidated and referred to FedDebt as one debt package.

11.4.4.2. Mandatory MSA Individual Out-of-Service Debt Collection Procedures. The UBO staff is the office responsible for initial debt collection and due process actions. The UBO staff will:

11.4.4.2.1. Issue the initial bill (demand letter) to the debtor and take appropriate follow-up actions. Only one demand letter is required.

11.4.4.2.2. Research and confirm debtors are not employees of the DoD (either military or civil service) to ensure only eligible, individual out-of-service debts are referred to the FedDebt program.

11.4.4.2.3. Enter delinquent individual out-of-service debts that are \$25 or greater to FedDebt. Reference FedDebt Guide for details.

11.4.4.3. Balance Billing Non-Beneficiaries. Balances from unpaid insurance benefits will be billed to the patient with the following exceptions:

11.4.4.3.1. Emergency care rendered to non-beneficiary Medicare patients is billed to Medicare for MTFs with appropriate Medicare agreements. Non-beneficiary Medicare patients will only be responsible for applicable co-pay and deductible charges. Non-emergent services provided by the MTF will be charged to the patient.

11.4.4.3.2. Non-beneficiary Medicaid patients are only responsible for paying the charges if the patient was not covered by Medicaid at the time of the visit. Do not bill patients for the unpaid Medicaid portion or for remaining balances if the patient was Medicaid eligible at the time service was rendered.

11.4.4.3.3. Partial payments from other state agency sponsored programs, such as Victims of Crime, shall be considered paid in full if the program's allowable payment is less than the billed amount and payment received is equal to the program's allowable payment. If the claim is denied by the state agency sponsored program for reasons other than maximum benefits exceeded, MTFs will bill the patient for the full/remaining balance. (*Victims of Crime benefits apply per incident; therefore, maximum benefits pertain to all visits related to that incident.)

11.4.4.3.4. VA patients will not be billed for portions not paid by the VA. If documentary evidence exists indicating the patient was instructed to go to the MTF by the VA, do not bill the patient for these charges. Such occurrences will be settled between the MTF and the VA, not the patient. However, if procedures are not covered under VA sharing agreements, bill the patient as a civilian emergency for those services only.

11.4.4.3.5. For charges not billable to the patient, the UBO will follow closure procedures for inpatient and outpatient accounts.

11.4.4.4. Delinquent Debts Under \$25. If debt collection efforts for a delinquent debt less than \$25 are unsuccessful and the attempts to collect are fully documented within the GBS, write-off and close the debt after one (1) year from the initial bill due date. Ensure there are no other accounts for the sponsor or other family members that, when combined together, would bring the total due to at least \$25.

11.4.5. Billing for Healthcare Provided to International Military Students (IMS). International Military Education & Training (IMET) Program and Foreign Military Sales (FMS) claims are billed according to the directions listed on the students' Invitational Travel Order (ITO). Item 12b of the ITO specifies the source of reimbursement for medical/dental costs. If the IMS is covered under a reciprocal health care agreement between the U.S. and the IMS' country, the agreement will take precedence. Reciprocal agreements guidance may be found at the Security Assistance website (from ".mil" addresses only): <https://rhca.dhqs.health.mil>. There are a few exceptions to this rule that must be billed differently; however, specific instructions will also be reflected on the ITO.

11.4.5.1. Eligibility for healthcare in MTFs is outlined in AFI 41-210. While the basic entitlement for medical care for IMET and FMS personnel is the same as for U.S. Active Duty military members, any differences are detailed in AFI 41-210.

11.4.5.2. Information on the rates and charges for IMS patients and their dependents is located in the annual Medical and Dental Rates package located on the DHA UBO web site: <http://www.tricare.mil/ocfo/mcfs/ubo/index.cfm>.

11.4.5.3. AF MTFs will be reimbursed for medical services provided to students sponsored by another U.S. government agency. These students are sometimes provided a sickness and accident insurance policy by the sponsoring agency to defray all medical expenses, which needs to be billed in the same manner as other OHI.

11.4.5.4. When the student is not covered by insurance, reimbursement will be provided locally by the student or claims will be forwarded to the Air Force Security Assistance Training Program (AFSAT) office at Randolph AFB for reimbursement from the sponsoring agency, as determined by the ITO.

11.4.5.4.1. When claims are sent to AFSAT, each package requires an SF 1080 and a signed DD7 or DD7A report. The SF1080 will summarize the DD7/7A report, whereas the DD7 or DD7A report will generally be a list of many patients by patient category. **DO NOT** send Invoice & Receipts (I&Rs).

11.4.5.4.2. In order to allow for segregation of duties, the DD7 or DD7A report preparer must be different from the individual who reviews and signs the report(s) and SF 1080 to validate medical services were provided and the charges are accurate. Preferably, there should be one report each, per month for outpatient, inpatient and dental claims.

11.4.5.4.2.1. Identify specific bill number on each SF 1080. Use the same bill number annotated on the corresponding DD7 or DD7A report (**these need to match**).

11.4.5.4.2.2. Dental claims must be created manually from a blank DD7A report.

11.4.5.4.3. Elective and Definitive Surgery. HA Policy 05-020 states cosmetic surgery procedures will be restricted to TRICARE-eligible beneficiaries. Elective medical, surgical, or dental care is defined as care desired or requested by the individual or recommended by the physician or dentist which, in the opinion of professional authority, can be performed at another time or place without jeopardizing the health or well-being of the patient. Overall, elective and definitive surgery should be authorized in moderation, except for bona fide emergency situations. Do not imply to an IMS that U.S. DoD medical activities will be available for cosmetic or remedial surgery. However, in the rare instance when elective medical care is considered necessary, complete facts surrounding the case will need to be transmitted by message to HQ USAF WASH DC //SGPC// for prior approval.

11.4.6. Interagency Medical Billing. Title 10 USC §1085 states that when the medical facilities of one Executive Department provide healthcare to beneficiaries of another Executive Department, the Executive Department whose beneficiaries receive the care will reimburse the other for the care provided at rates reflecting the average cost of providing the care. Those established rates are known as interagency reimbursement rates. The rates are published annually by the DoD and detail all billable charges. The latest rates may be found at: <http://www.tricare.mil/ocfo/mcfs/ubo/billing.cfm>

11.4.6.1. Interagency billing for AF MTFs primarily involves billing the U.S. Coast Guard, the U.S. Public Health Service (USPHS), the Department of Health and Human Services (Public Health), the National Oceanic and Atmospheric Administration (NOAA), Veterans Affairs (VA) and some Foreign Military. Billing is conducted at the inter-agency rate (IAR), a reduced rate as compared to the full outpatient rate (FOR) or full reimbursement rate (FRR).

11.4.6.2. USPHS Centralized Billing and Collection Procedure. In order to expedite the receipt of payments from the USPHS, AF/SGY bills the USPHS on behalf of the MTFs.

Collections are deposited into the MTFs' line of accounting and MTF RMOs are responsible for reconciling payments received against the information in CRIS.

11.4.6.3. U.S. Coast Guard Centralized Billing and Collection Procedure. In FY14, the AFMS adopted a revised version of the DHA's prospective payment methodology for billing the Coast Guard. Similar to USPHS billing, AF/SGY will coordinate reimbursement for services provided to the Coast Guard on behalf of the MTFs. Collections are deposited into the MTFs' line of accounting and MTF RMOs are responsible for reconciling payments received against the information in CRIS.

11.5. TPC Program. The TPC program was established by Public Law 101-510 (10 USC §1095). The program directs military hospitals to bill insurance companies for the cost of care provided to DoD beneficiaries by the military facility. Specifically, when a non-active duty beneficiary is seen for medical care within the MTF, the Government must query and document whether that patient possesses other health insurance (OHI) by completing the DD Form 2569, *Third Party Collection Program – Insurance Information Sheet (2569)*. The TPC Clerk will comply with the UBO Manual Chapter 4. **(T-0)**.

11.5.1. OHI Identification and OHI Database Maintenance. The MTF commander is responsible for establishment and sustainment of the MTF's TPC program. MTF commanders must ensure full compliance with the OHI collection mandate as directed by 10 USC §1095, 32 CFR 220, and DoD 6010.15-M. Since insured status may change since the patient's last visit to the MTF, all non-active duty patients must be asked whether they have OHI and check-in staff must validate that the patient's DD Form 2569 is current (completed within the last year). This form will be solicited from non-active duty patients at all MTF patient check-in points, to include ancillary and clinical areas, and must be updated annually or when changes in health insurance coverage occur. All non-active duty patients are required to complete a DD Form 2569 annually. **(T-0)**.

11.5.1.1. In accordance with 32 CFR 220.9, (c), beneficiaries are required to provide correct information to the MTF regarding whether the beneficiary is covered by a third party payer's plan. Intentionally providing false information or willfully failing to satisfy a beneficiary's obligations are grounds for disqualification for health care services from the uniformed services.

11.5.1.2. To facilitate expeditious collection and documentation of OHI, the AFMS adopted an electronic version of the DD Form 2569 (e-2569).

11.5.1.3. OHI collected via the e-2569 will populate an MHS-wide database that alleviates unnecessary queries for beneficiaries as they transfer from one MTF to another. Direct entry of OHI information into the database expedites the collection process. **Note:** Use of the paper-based 2569 is authorized only when the MTF commander determines no other means of electronic capture are feasible. In those rare instances, the MTF staff is responsible for entering all information collected on the paper-based 2569 into the electronic database. The MTF commander shall ensure the information is electronically documented in the database within 48 hours of discovery to enable timely billing and collection activities. **(T-1)**.

11.5.1.3.1. RMO must collaborate with Patient Administration and clinic check-in clerks to ensure that clerks verify that patients are eligible for care, and that patient information is kept up-to-date. **(T-1)**.

11.5.1.3.2. Without exception, all check-in clerks must query patients on whether they have OHI and record or update the patient's OHI information. **(T-0)**.

11.5.2. AFMS TPC Billing and Collection Contract. The TPC contract is designed to provide billing and collection services from third party insurers for treatment provided in MTFs. Billing and collection activities in the contract include: identification and verification of all billable OHI, identification of episodes of care for patients carrying OHI, direct billing of third party payers, ongoing follow-up actions for unpaid claims to include denials management processes, payment posting, conducting valid write-offs per AFMS business rules, and referral of delinquent claims per AFMS business rules. The contract does not include first party billing to beneficiaries, interagency billing, billing for cosmetic procedures, copying charges, or incidental charges (family member rate) for inpatient stays. Any unresolved issues should be reported to the Contracting Officer's Representative (COR) at AF/SGY as soon as possible.

11.5.2.1. The government TPC Clerk must reconcile write-offs and payments received with Explanation of Benefits (EOBs) and amounts posted in the billing system. **Note:** In the absence of the MTF's access to the billing system, the TPC Clerk will reconcile EOBs to the batch reports received from the TPC Contractor. Ensure TPC collections are properly posted to the correct line of accounting (including Sales Code). **(T-0)**.

11.5.2.2. The RMO must ensure DD Forms 1131, *Cash Collection Vouchers*, are reconciled with CRIS reports on a monthly basis (minimum). DD Forms 1131 must be validated by the U.S. Treasury Depository (bank) and the base FM. RMO must ensure SF 215's are supported by DD Forms 1131 (annotate the DOV Voucher numbers from the DD Form 1131 onto the SF 215). **(T-0)**.

11.5.3. Processing TPC Inpatient and Outpatient Refunds. The MTF is responsible for verifying refunds are valid and completing the process in a timely manner. **(T-0)**.

11.5.3.1. Process refunds as soon as possible but no later than the end of every month. Failure to do so may result in an insurance company refusing to pay other claims until a refund is received. 11.5.3.2. Inpatient and Outpatient refunds are generated from several sources. Table 11.2. provides a list of refund sources and the processes to follow.

11.5.4. TPC – Medical Insurance Carrier Debt Older than 180 Days. Per DoDFMR Vol 4, Chap 3, para 030405(E), valid and legally enforceable delinquent public receivables over 180 days delinquent must be transferred to the U.S. Treasury via the FedDebt program for further collection action in accordance with 31 USC §3711(g), except for foreign government debts or those debts/claims that are in litigation. **(T-0)**.

11.5.4.1. Payments Received after Debts are Transferred to the U.S. Treasury. Should the MTF receive reimbursement on a debt after the package is transferred via the FedDebt program to the U.S. Treasury, the MTF is not authorized to deposit the payment. The MTF will mail the payment to the U.S. Treasury along with a memo that includes sufficient information to ensure the U.S. Treasury is able to credit the payment to the

debtor's account. The MTF UBO will accomplish this action with 48 hours of payment receipt. **(T-1)**.

11.6. MAC Program. The MAC Clerk will comply with responsibilities set forth in the UBO Manual Chapter 5. MAC activities involve billing all areas of liability (tort) insurance, such as automobile, products, premises and general casualty, homeowner's, renter's, medical malpractice (by civilian providers), and workers' compensation (other than Federal employees). It also includes billing the medical coverage portion on homeowner's and auto policies, and the personal injury protection coverage on no-fault auto policies. MAC program billing includes care provided to Active Duty, retirees, and their dependents. A quarterly reconciliation of claims is required IAW DODI 6010.15. This reconciliation is accomplished by the MAC clerk with the regional Medical Cost Recovery Program (MCRP) or local SJA and approved by the RMO Flight Commander.

11.6.1. Responsibilities.

11.6.1.1. MAC Clerk duties:

11.6.1.1.1. Train MTF staff during in-processing, quarterly and as needed on procedures to identify potential MAC-related encounters and information required.

11.6.1.1.2. Collect and review AF Form 1488s for accuracy and completeness; forward to MCRP or local SJA office daily. **(T-1)**.

11.6.1.1.3. Initiate/track MAC claim packet, AF Form 438, for all current & future medical documentation pertaining to the case.

11.6.1.1.4. Forward information requested by MCRP as soon as possible but NLT 5 business days to ensure timely claim processing.

11.6.1.1.5. Maintain MAC Log to include patient/injury information, date sent to MCRP (JAG for OCONUS), status of claim, amount billed, and amount/date collected.

11.6.1.1.6. Provide correct Line of Accounting to MCRP or local SJA and other respective Service's legal offices for payment at the beginning of each FY.

11.6.1.1.7. Close claims at the written direction of the MCRP or local SJA.

11.6.1.1.8. In coordination with the Budget Analyst conduct a monthly reconciliation of MAC cases to ensure audit of deposits and receipts match closed cases; that all MAC are collected to the correct line of accounting and fiscal year; and that the DD Forms 1131 are reconciled in CRIS.

11.6.1.1.9. Complete quarterly MAC reconciliation with the MCRP of open/transferred/ closed cases to resolve any discrepancies. Forward reconciliation package to the MTF commander for review and signature.

11.6.1.2. MCRP Office Overview. The MCRP regions and the MTFs serviced by each MCRP Office. In support of the MTF's MAC program, the MCRP reviews 1488s; identifies and pursues potential MAC cases; conducts follow-up actions; deposits funds collected to the MTF's line of accounting; provides a copy of the DD Form 1131 to the MTF MAC Clerk; and conducts reconciliation of open/transferred/closed cases with the MAC Clerk.

11.7. Over-the-Counter Network (OTCnet) Deposit Requirement. The U.S. Treasury requires all federal agencies incorporate electronic commerce for all financial transactions. To that end, they established OTCnet to enable every government agency to electronically process and submit their deposits utilizing OTCnet. AF MTFs are required to process all deposits through OTCnet. Any system or other issues that remain unresolved after working with the OTCnet helpdesk shall be elevated to AFMOA/SGAR or AF/SGY, as appropriate. **(T-0).**

11.8. Mandatory Actions when Depositing Collections. (T-1).

11.8.1. Mandatory Secondary Review of all Deposits and Refunds Prior to Processing. In order to mitigate errors and reduce the number of Journal Vouchers prepared to correct those errors, all deposit documentation must be reviewed prior to submission to the bank or Base Accounting and Finance Office (BAFO).

11.8.1.1. The review must validate the lines of accounting, sales codes, and amounts to be deposited are accurate. Procedures for conducting the review will be developed locally.

11.8.1.2. The same person making the deposit cannot also conduct the secondary review.

11.8.1.3. If documentation is accurate, the reviewer must initial all documents (e.g., DD Form 1131s) in the upper left hand corner. However, if errors are found, the reviewer will not initial the documents, but will return the documents to the originator (e.g., MSA or TPC Officer) for correction.

11.8.2. Annotations on SF 215 (deposit ticket receipt). **(T-1).**

11.8.2.1. For internal control validation and audit purposes, upon making a TPC, MAC, or MSA deposit, RMO staff must clearly annotate all DD Form 1131 DOV voucher numbers on the SF 215.

11.8.2.2. File the SF 215 with the certified copies of the supporting DD Forms 1131s from the BAFO.

11.8.3. Deposit Requirements for MSA, TPC and MAC (reference DoDFMR Vol 5, Chap 3).

11.8.3.1. Frequency. The deposit of all cash and negotiable instruments (Personal Checks, traveler checks, money orders) received shall be made without delay when receipts reach local safe requirements but not to exceed the \$5,000 limit. **(T-1).** When the total is less than \$5,000, the receipts may be accumulated and deposited when the total reaches \$5,000. However, deposits shall be made by Thursday of each week, regardless of the amount accumulated. **(T-3).**

11.8.3.2. Exceptions to Frequency. Deposits will be made in a timely manner and posted in the GBS throughout the FY. MTF UBO staff shall not hold onto deposits beyond the requirements in paragraph 11.8.3.1 unless it is near the end of the FY, in which case the following applies:

11.8.3.2.1. In an effort to ensure all funds are posted and deposited in the same FY, MTF UBO staff shall send their last batch to the TPC billing contractor NLT 7 business days before the end of the fiscal year (EOFY). Ensure batch reports are received from the contractor and deposits are made by EOFY.

11.8.3.2.2. If the local BAFO has set the cut-off for deposits earlier than 7 business days before EOFY, adjust local schedules accordingly. MTF UBO staff and contractors must determine if additional batches can be posted and reconciled so deposits can be made before the EOFY.

11.8.3.2.3. Any checks received after the stated deadline should be batched and sent to the contractor with a note that states, "Do not post until 1 Oct." This will allow the contractors the opportunity to look up account numbers and have the batches ready to post.

11.8.4. Mandatory Monthly Reconciliation of Deposits. Following the End of Month (EOM) and no later than the 10th duty day, the Budget Analyst (or party other than MSA/TPC Officer and Cashier personnel) will conduct an internal audit of all reimbursements and deposits stemming from MSA, TPC and MAC. The audit will be documented on the Monthly Audit of Deposits & Refunds Form (provided at Figure 11.1). **(T-1).**

11.8.4.1. The Budget Analyst will:

11.8.4.1.1. Run a STH from CRIS that reflects all reimbursement deposits for the previous month (include DOV voucher numbers, sales code, OAC, OBAN, amounts, and date of transaction in the query criteria).

11.8.4.1.2. Provide the reviewing official with a copy of the Monthly Audit of Deposits & Refunds Form.

11.8.4.1.3. Ensure the MSA/TPC/MAC Officers provide the required documents for the audit.

11.8.4.2. Documents to be Audited:

11.8.4.2.1. The MSA/TPC Officer will provide all SF 215s with corresponding DD Form 1131s deposited during the previous month to the appointed reviewing official.

11.8.4.2.2. The MSA Officer will provide bills submitted to other federal agencies (paid via IPAC).

11.8.4.2.3. The MAC Officer will provide copies of the DD Form 1131s received from the Legal Office

11.8.4.3. The Reviewing Official Will:

11.8.4.3.1. Obtain a copy of the CRIS STH report from the Budget Analyst (not the MSA/TPC/MAC Officer).

11.8.4.3.2. Cross-reference the DOV voucher number on the DD Form 1131 with the DOV voucher column on the CRIS STH report. Ensure DOV voucher numbers match, and the sales code and amounts match exactly.

11.8.4.3.3. Verify payments reflected on the CRIS STH report (posted via IPAC) have supporting documents on file (interagency billing). Ensure the amount billed and the amount received match.

11.8.4.3.4. Ascertain that all corresponding DOV vouchers are attached to the SF 215 deposit ticket. Validate that the SF 215 has the corresponding DD Forms 1131 (DOV voucher numbers) annotated on the face or on the reverse of the SF 215.

11.8.4.3.5. Documenting Discrepancies. If any inaccuracies are noted, provide a description of the discrepancy on the Monthly Audit of Deposits & Refunds Form.

11.8.4.3.6. Certify the Review. The reviewing official will provide a signed copy of the completed review form to the Budget Analyst.

11.8.4.4. Finalizing the Audit.

11.8.4.4.1. The Budget Analyst will complete the section labeled “Actions Taken to Correct Discrepancies,” to include processing journal vouchers.

11.8.4.4.2. Provide the completed form to the MTF RMO Flight Commander for review and signature.

11.8.4.4.3. The Budget Analyst will maintain the original copy of the form on file for one (1) fiscal year.

11.8.4.4.4. The MSA/TPC/MAC Officer must retain a signed copy on file with the source documents in accordance with records disposition rules (6 years, 3 months).

11.9. Deposits Stemming from DCMO Out-of-Service Debt Collections. Any collections stemming from DCMO out-of-service debt collection efforts will be deposited to the originating MTF’s Line of Accounting (EEIC 599M1).

11.9.1. DFAS will notify MTFs when collections are deposited and the appropriate patient account for which the reimbursement should be credited.

11.9.2. Partial payments must be posted to the patient’s account (e.g., take the account out of “T” status, post the payment, and return the account to “T” status).

11.10. Overseas Pay Patients. Certain categories of non-DoD beneficiaries are authorized to receive care at overseas MTFs in accordance with DoD 6010.15-M. Non-billable visits are listed in DoD 6010.15-M, C6.6.7.

11.10.1. Overseas Patients with OHI. MTF UBO staff will scan and upload bills, coding information (obtained from CHCS), and most current 2569 to the TPC contractor’s document transfer program.

11.10.2. Overseas Patients without OHI. Mail bills for patients without OHI to the patient or patient’s sponsor. If you do not have a completed and current 2569 on file, send one with the bill. In addition, include a letter advising the patient the MTF may bill their insurance. Note: Ensure ALL bills include ancillary services, ambulance and dental care, as well as immunizations that are not included in the CHCS bills. Some of these charges need to be manually created.

11.10.2.1. Insurance companies are billed at the full outpatient rate.

11.10.2.2. Patients are billed at the interagency rate. Rates are as follows:

11.10.2.2.1. All services except ambulance and dental are approximately 94% of the full outpatient rate.

11.10.2.2.2. Ambulance and dental interagency rates can be found at http://www.tricare.mil/ocfo/mcfs/ubo/mhs_rates.cfm. These rates are updated annually.

11.10.2.2.3. Inpatient interagency rates can be found at http://www.tricare.mil/ocfo/mcfs/ubo/mhs_rates/inpatient.cfm. These rates are updated annually.

11.11. Sales Codes. Sales codes are used to reflect the sources from which collections are derived, which is necessary in order to comply with Federal financial reporting requirements. Incorrect sales codes or failure to identify sales codes results in erroneous data being reflected on AFMS financial statements, and may lead to strategic decisions based on incorrect data. MTF UBOs must ensure they use the proper EEIC and sales code on all reimbursements collected. Refer to Table 11.4 for authorized sales codes. **(T-1).**

11.12. Establishing Payment Installment Plans. In accordance with DoDFMR Volume 5 Chapter 28, debtors shall be afforded the opportunity to enter into payment installment agreements with the MTF as follows:

11.12.1. Installment Timing and Amount. Debtors shall make installment payments on a monthly basis. Installment payments shall bear a reasonable relationship to the size of the debt and the debtor's ability to pay. Except when a debtor can prove financial hardship or another reasonable cause exists, installment payments shall be at least \$50 each month and shall be sufficient to liquidate a debt within 3 years or less. **(T-0).**

11.12.2. Installment Payment Agreement. Signed, legally enforceable repayment agreements from the debtor shall specify the terms agreed upon by the parties, including a provision accelerating the debt, and requiring the remaining debt balance shall be due and payable immediately upon the debtor's default on the agreement. UBO staff shall accept installment payments, notwithstanding a debtor's refusal to execute a written agreement or to provide security. **(T-0).**

11.12.3. Installment Payment Delinquency. Debts in an active repayment status (according to an installment payment agreement) are not considered delinquent. If an installment payment is not made by the due date, then the entire balance of the debt becomes delinquent from the due date of the missed payment.

Table 11.2. Monthly Audit of Deposits & Refunds.

Monthly Audit of Deposits & Refunds				
Month/Year Under Review?				
Reviewing Official:	(Last Name)	(First Name)	Off Symbol	Date of Review
Transactions Reviewed (Use reverse side if additional space needed)				
SF 215 #	DOV Vouchers	Discrepancies Noted		

Table 11.3. Chart of Authorized Sales Codes for MTFs.

EEIC	EEIC Title	EEIC Description	Sales Code & Descriptions
5990 1	Reimb Credit Medical Services Account (MSA)	Medical Services Account (MSA) - Use for all MSA collections. DO NOT USE FOR COSMETIC SURGERIES DO NOT USE FOR SUBSISTENCE COLLECTIONS	73 – Reimbursement ONLY for Foreign Military Sales. 78 – Use for other military services members that are receiving care in your facility (e.g., ARMY & NAVY sponsored students). 90 – Use for Foreign Government individuals that are receiving treatment in your facility as direct patient care. (e.g., Individuals from foreign government, country or embassy) 93 – Use for authorized civilians that are receiving care in your facility (e.g., DODDS teachers, Air Force civil service employees). DO NOT USE FOR NON-AUTHORIZED CIVILIAN EMERGENCIES (USE SALES CODE 93D INSTEAD). 93D – Use for emergency care rendered to civilians (non-Federal employees), e.g., parents visiting from the states who become ill and receive ER care in the MTF; patients from off-base car accidents involving civilians who receive ER care in the MTF. 93H – Use for Copying Charges. 93L – Overseas Pay Patients. NOT FOR CONUS MSA 93Q – Expired Blood and Blood products (Generated via expired Blood Product/Plasma Exchange Agreements with commercial vendors) – Blood Donor Centers only.
599M 1	DCMO Reimb Credit for Medical Services Account	Medical Services Account (MSA) - Use for MSA collections gained thru the efforts of	93 – Use for authorized civilians that are receiving care in your facility (e.g., DODDS teachers, Air Force civil service employees). DO NOT USE FOR NON-AUTHORIZED CIVILIAN EMERGENCIES (USE SALES

	(MSA)	the DCMO.	CODE 93D INSTEAD). 93D – Use for emergency care rendered to civilians (non-Federal employees), e.g., parents visiting from the states who become ill and receive ER care in the MTF; patients from off-base car accidents involving civilians who receive ER care in the MTF.
5990 3	Reimb Credit TPC	TPC - Use for TPC gained thru efforts of the TPC Contractors, along with relevant Sales Code. DO NOT USE FOR COLLECTIONS GAINED FROM MCRP/JAG EFFORTS.	73 – Reimbursement ONLY for Foreign Military Sales 93 – Use for authorized civilians that are receiving care in your facility (e.g., DODDS teachers, Air Force civil service employees). DO NOT USE FOR NON-AUTHORIZED CIVILIAN EMERGENCIES (USE SALES CODE 93D INSTEAD). 93D – Use for emergency care rendered to civilians (non-Federal employees), e.g., parents visiting from the states who become ill and receive ER care in the MTF; patients from off-base car accidents involving civilians who receive ER care in the MTF. 93L – Overseas Pay Patients 94A – Use for reimbursement for INPATIENT care. 94B – Use for reimbursements of OUTPATIENT care. 94C – Use for reimbursements of ANCILLARY care.
599M 2	Reimb Credit TPC	TPC - Use for TPC gained thru efforts of MCRP/JAG, along with relevant Sales Code. DO NOT USE FOR COLLECTIONS GAINED FROM THE TPC	94A – Use for reimbursement for INPATIENT care. 94B – Use for reimbursements of OUTPATIENT care. 94C – Use for reimbursements of ANCILLARY care.

		CONTRACTORS.	
5990 4	Reimb Credit MAC	MAC - Use for all MAC Collections with relevant Sales Code.	94 – All facilities should be using this sales code for MAC reimbursement ONLY!!
5990 5	Reimb Credit (Medical) - Federal Agencies	Federal Agencies - Use for all Federal Agency Collections with relevant Sales Code.	86M – Reimbursement ONLY for Veterans Affairs. 86R – Department of Homeland Security (includes the Coast Guard) 86E – Department of Commerce (includes the National Oceanic & Atmospheric Administration) 86U – Department of Health and Human Services (includes the U.S. Public Health Service)
5990 7	Reimb credit - surcharge med meals	Surcharge Medical Sale Meals - Reimb Received-Credit - Unclassified Expense	93A – Use for SURCHARGE collections only.
599C S	Reimb credit - MTF - COSMETIC SURGERY	MTF Cosmetic Surgeries	Sales Code 93 - Reimbursements to the MTF for all patients, including active duty personnel, undergoing cosmetic surgery procedures. Patients must pay the surgical fee, plus any applicable institutional and anesthesia fee, for the procedures in accordance with the fee schedule published annually by the Office of the Secretary of Defense Comptroller. Additionally, the patient must reimburse the MTF for any cosmetic implants.

Chapter 12

CONTINUING MEDICAL EDUCATION, FORMAL TRAINING, PROFESSIONAL CERTIFICATIONS AND LICENSURES

12.1. General. The Air Force Medical Service is committed to maintaining the professional competence of Air Force officers who provide health care services. Officers are encouraged to continue their professional development through Continuing Medical Education (CME). **Every effort should be made to maximize distance learning resources, as well as local resources.** All licensed personnel and privileged providers must meet the requirements IAW AFI 44-119, *Medical Quality Operations*. Non-licensed medical service officers who are affiliated with civilian professional organizations should meet those organizational CME requirements. Refer to AFI 41-117, *Medical Service Officer Education*, for more information on the diverse education programs and associated requirements.

12.2. CME Programs. CME programs are short term courses or education programs that maintain professional and technical knowledge or teach additional skills that are used by the USAF Medical Service. These programs are intended to refresh officers in various aspects of their professional discipline and inform them of new developments and techniques within their field. The Air Force has a strong commitment to CME in order to prepare competent personnel for the delivery of excellent patient care. Programs are conducted by USAF/SG, major command surgeons, USAF schools, MTFs, and civilian organizations.

12.2.1. Commander Responsibility. Air Force commanders help personnel to meet their individual CME requirements within the restraints of current resources. Commanders may, if funds and staffing permit, allow medical service personnel to attend an approved CME program in a funded status on temporary duty. Individuals approved for locally funded TDY should have one year of retainability in the Medical Service. Commanders may approve individuals with less than one year retainability if attendance serves the best interest of the organization and the Air Force. In the absence of Air Force funds to sponsor a member for attendance at an approved CME activity, the commander may allow the individual to attend such programs in a permissive TDY status (IAW AFI 36-3003).

12.2.2. Sources of CME. Members wanting to participate in CME activities can turn to a number of sources. However, only one funded TDY (funded from any source) is authorized each fiscal year, depending on the availability of funds, and mission requirements. Requests for multiple TDYs in one fiscal year should be considered on a case-by-case basis. CME courses may include: formal Air Force courses or AFIT-sponsored educational courses as described in Education and Training Course Announcements (ETCAs) and special programs developed and presented by HQ USAF, MAJCOMs, or combined Air Force and DoD agencies or organizations. **Commanders should consider the availability of locally developed, web-based or procured CME before approving a request for a unit-funded TDY.**

12.2.3. Unit-Funded TDY. Commanders may use DHP O&M funds to finance attendance at approved CME programs offered by civilian institutions and agencies, or to attend other government-sponsored CME. All travel for CME attendance must be approved and directed by an authorized supervisor.(T-0).

12.2.3.1. Use funds for this purpose only if such programs serve the best interest of the Air Force.

12.2.3.2. An accrediting national professional organization should be selected and the course should award participants **at least 6 hours of continuing education credit per day**.

12.2.3.3. Individuals approved for locally funded TDY must have the required retainability in the Medical Service. (IAW AFI 36-3003). **(T-1)**

12.2.3.4. All TDY requests must be accompanied by a completed SF 182, *Authorization, Agreement and Certification of Training*. The SF 182 should be filed by the unit Education and Training Manager, and uploaded to the Defense Travel System as part of substantiating documentation. If a portion of the TDY is funded with the Government Purchase Card, the cardholder will retain a copy of the SF182 along with the receipt as supporting documentation for the expense. **(T-1)**.

12.2.3.5. All training for civilian employees **MUST** be ESP-coded "MA."

12.2.3.6. Training/Certification Fees. MTFs should fund training/certification fees with a GPC that is designated for training expenses only. If the member has used personal funds to pay for approved training/certification fees, then reimbursement will be made via a Standard Form (SF) 1164, Claim for Reimbursement for Expenditures on Official Business, voucher.

12.2.3.6.1. Individuals must attach relevant receipts with a copy of the commander's approval for reimbursement letter, and proof of successful completion of the examination to the SF 1164 voucher. The voucher must be routed through the MTF RMO/unit resource advisor in order to obtain the proper fund cite, and submitted to the base Finance Office for payment. **(T-1)**.

12.2.3.6.2. In order to properly record costs in the accounting system, individuals that traveled TDY will omit the training-related/certification fees from DTS and claim those costs separately on the SF 1164. Do not claim training/certification fees on the DTS travel voucher since it would result in the fee being assigned an EEIC 409 instead of an EEIC 558XX.

12.2.4. Permissive TDY. An individual may attend a military or civilian-sponsored CME program in permissive TDY status, provided CME credit is awarded (minimum should be 6 CME credits per day). They must pay for their own travel expenses, registration fees, tuition, and other expenses. **(T-1)**.

12.2.4.1. The local medical facility commander may approve permissive TDY of fewer than 30 days for CME, depending on the needs of the facility. Do not approve permissive TDY in conjunction with a PCS to enter an AFIT-sponsored graduate education program if the courses are a required part of the curriculum of the training program the officer is about to enter.

12.2.4.2. The MAJCOM is responsible for approving permissive TDYs of 30 to 90 days.

12.2.4.3. The MAJCOM recommends permissive TDYs of more than 90 days; AFPC/DPAM is responsible for approval.

12.2.5. Eligibility. Participants in CME courses must meet the entrance requirements or have the professional qualifications necessary to benefit from the material presented. Participants must also have the appropriate retainability. Commanders must ensure that individuals have retainability before funding the TDY.

12.3. EEIC to Charge. EEIC558XX – Education & Training Costs. See the below table for a list of commonly used EEIC pertaining to Education & Training expenses.

Table 12.1. Education & Training EEICs.

EEIC	Description
55801	Other Svcs - Prof Cred - Continuing Education of Health Providers: Tuition for the professional continuing education of employees (e.g., for obtaining and maintaining professional competencies, certifications and professional licensing for medical health care provider personnel). Note: Use this EEIC when PROVIDER STAFF (physicians, dentists, nurse practitioners, physician assistants, dental hygienists) request reimbursement for fees paid associated with CME, e.g., if not already included with TDY costs.
55802	Other Svcs - Prof Cred - Organization Dues: Air Force organizations may use O&M funds to pay membership fees in professional organizations only in the name of the Air Force organization and only if the membership will benefit the organization's mission.
55803	Other Svcs - Prof Cred - Health Personnel Exam Fees: Obligations to support payment of health professional examination fees required to support the professional credentials of Air Force members working in the health care activities. Note: Use this EEIC when non-providers (BSCs, MSCs, nurses (non-nurse practitioners), other personnel) request reimbursement for fees paid associated with CME, e.g., if not already included with TDY costs.
55805	Other Svcs - Prof Cred - Hospital Accreditation: Obligations in support of hospital and medical activities to accomplish and maintain hospital accreditations of Air Force health facilities.
55806	Other Svcs - Prof Cred - Other Medical Registration Fees: Obligations to support registration of health care professional to attend professional credential and continuing education of health care providers not otherwise categorized in the EEICs 55801 through 55805. Note: Use only when MTF pays with GPC, e.g., if Educ & Training or Medical Logistics maintains a GPC to pay for

	registration fees associated with CME TDYs.
55807	Other Svcs - Prof Cred - Prof Licenses and Certifications: CompGen Decision B-252467, June 3, 1994, allows the Air Force to pay for licenses and certificates for military personnel in instances where Federal law compels Air Force members to comply with state and local regulations requiring the licenses or certificates. Note: Use for dental hygienists license renewal fees. Also use for other providers ONLY when required to obtain additional license/ certification, i.e., when state does not recognize license portability and ONLY upon approved by supporting Medical Law Consultant (e.g., MLC must determine why portability is not recognized).
5580A	Other Svcs - Prof Cred - Other Medical Fees: Obligations for medical fees and/or materials to maintain professional credentials not otherwise categorized.

12.4. Civilian Employees. The Employee Development Manager (EDM) within the local Central Civilian Personnel Office (CCPO) normally manages and funds TDY to USAF formal schools or other training, per AFI 36-401, *Employee Training and Development*. AFI 36-401 addresses the Civilian Tuition Assistance Program (CTAP), Civilian Academic Degree Payments (CADP) and Long-Term Full Time Training (LTFT).

12.4.1. LAF-Funded Programs.

12.4.1.1. **CTAP.** Applies to the courses that employees desire to attend for their self-development at accredited institutions of their choice on a voluntary basis, regardless of funding source. The EDM centrally budget and manage training funds for CTAP based on funds availability. CTAP is funded under Civilian Training (PEC 88751).

12.4.1.2. **CADP.** Entails payments for tuition costs leading to a Master's degree or higher, to address current and/or future corporate workforce shaping and development strategies and goals (i.e., recruitment and retention). This is not a program to satisfy training requirements. The EDM centrally budgets and manages training funds for CTAP based on funds availability. CADP is funded under Civilian Training (PEC 88751).

12.4.1.3. **LTFT.** Involves normal mission-related technical training at an academic institution lasting more than 120 consecutive days. It must meet validated management-identified training requirement, not an education requirement or desire. It is not to be used solely to finish an advanced degree or to be a degree-granting program. LTFT academic training is not a civilian advance education program, although an advanced degree may incidentally result from completing an identified training course. The EDM centrally budgets and manages training funds for LTFT based on funds availability.

12.4.2. Use of DHP to Fund Civilian Employee Training. When LAF funding (the EDM's central budget) is completely exhausted for CADP and LTFT and MTF leadership

determines that an employee's lack of training will be detrimental to the mission of the AFMS, then the MTF may use DHP funds for the civilian employee's training.

12.4.2.1. The request for CADP and LFT must first go through the base EDM for course approval and funding. If the course is approved, but the EDM indicates funds are exhausted and no additional funds are expected in the FY (and the MTF cannot delay the employee's training due to mission degradation), then the MTF may use DHP funds.

12.4.2.2. The employee's training folder must contain the EDM's approval and relevant funding correspondence (i.e., if the EDM's budget was exhausted and DHP funds were used).

12.4.2.3. All civilian training funded with DHP or any other appropriation, whether paid for via GPC or TDY funds, must be ESP coded "MA." Retroactive JVs to add the ESP Code must be accomplished for any civilian training for which the ESP Code was not recorded in the accounting system.

12.5. Air Reserve Component (ARC). The student's assigned organization pays the TDY to school or other instructional courses for ARC (Air Force Reserve and Air National Guard) members. However, when ordering the student to active duty to fulfill an Air Force mission requirement, apply the funding rules for active duty military personnel (see AFI 65-601 V1, *Budget Guidance and Procedures*).

12.6. Active Duty Military Personnel. In general, if the Education and Training Course Announcement (ETCA) (<https://etca.keesler.af.mil/>) does not indicate that central funding will be provided, then the member's unit of assignment will pay the TDY costs. See AFI 65-601 V1, for more information on funding for formal training courses.

12.7. Accounting for Student Travel - RCCC. Student travel refers broadly to all travel in support of Continuing Medical Education (CME), Graduate Medical Education (GME) and other programs captured under program element 86761F. Although there are multiple RCCCs that support specific programs, most MTFs only need a few, primarily in the 3H582X series. If training meets the criteria to be considered student travel and you do not have a more specific RCCC to use, then use 3H5824 (Air Force-specific training without a formal course number is not considered CME; civilian board certifying organizations that provide CME are outlined in AFI 41-104).

12.8. Reimbursement for Professional Board and National Certification Examinations. Refer to AFI 41-104.

12.9. Reimbursement Prior to Course Completion. Per DoDFMR Vol 10, Chapter 10, paragraph 110209, individuals enrolled in approved medical correspondence courses may be reimbursed for course costs prior to course completion. Ensure satisfactory proof of expenses is presented by the claimant before making payment. Appropriate debt collection steps are to be initiated for non-completion of course.

12.10. Professional Licenses (Military and Civilian): IAW Comp Gen Decision B-252467, and Comp Gen Decision B-248955, the Air Force generally cannot reimburse military or civilian professionals for obtaining licenses that are required to minimally qualify the individuals for federal employment in their professional fields. For example, if a physician or nurse cannot be employed as a physician or a nurse in the military or federal government unless the license is

obtained, then the licensing costs are not reimbursable. However, if the physician or nurse is required to hold an additional license for a particular duty, above and beyond the license that is required to qualify the individual for employment in the individual's profession, then the Air Force may reimburse the individual for the additional license. Such circumstances can arise when military physicians work under RSA agreements in civilian hospitals that require an additional state licensure above what is minimally required for federal employment as military physicians in their respective specialties. In these circumstances, the approving official may (per 10 USC §1096) reimburse not more than \$500 for the additional license fee.

12.9.1. Military-Civilian Health Services Partnership Program (10 USC §1096). In any case in which it is necessary for a member of the uniformed services to pay a professional license fee imposed by a government in order to provide health care services at a facility of a civilian health care provider pursuant to Resource Sharing Agreement (RSA), the member obtaining the license may be reimbursed up to \$500 of the amount of the license fee paid by the member. Prior to incurring RSA licensure expenses, the MTF must first consult with the supporting Medical Law Consultant in order to address whether the State recognizes licensure portability under 10 USC § 1094(d). Reimbursement is paid from the MTF's DHP O&M appropriation. **(T-1)**.

12.9.2. Reimbursement for Other than RSA-related Licensure Fees. IAW 10 USC §2015, MTFs may pay for expenses for members of the armed forces (e.g., such as graduates from the Air Force Dental Hygiene Training Scholarship Program) to obtain professional credentials, including expenses for professional accreditation, State-imposed and professional licenses, and professional certification, as well as the examinations to obtain such credentials, as long as the credentials are not a prerequisite for appointment in the armed forces. Unlike 10 USC §1096, there is no \$500 cap. Reimbursement is paid from the MTF's DHP O&M appropriation.

Chapter 13

MEDICAL FACILITIES AND MEDICAL EQUIPMENT

13.1. Overview. Medical Logistics provides equipment, materiel, services, and information to the Air Force medical mission. AFI 41-209, *Medical Logistics Support*, provides logistics policy, procedures, and guidance for Air Force Medical Logistics (AFML) activities. AFI 41-201, *Managing Clinical Engineering Programs*, contains facility management and medical equipment maintenance guidance.

13.2. Sustainment, Restoration & Modernization (SRM).

13.2.1. SRM Definitions.

13.2.1.1. *Sustainment* is the maintenance and repair activities necessary to keep an inventory of facilities in good working order. It includes regularly scheduled adjustments and inspections, preventive maintenance tasks, and emergency response and service calls for minor repairs. It also includes major repairs or replacement of facility components that are expected to occur periodically throughout the life cycle of facilities. This work includes regular roof replacement, refinishing of wall surfaces, repairing and replacement of heating and cooling systems, replacing tile and carpeting, and similar types of work. It does not include environmental compliance costs, facility leases, or other tasks associated with facilities operations (such as custodial services, grounds services, waste disposal, and the provision of central utilities).

13.2.1.2. *Restoration* involves restoring real property to such a condition that it may be used for its designated purpose. Restoration includes repair or replacement work to restore facilities damaged by inadequate sustainment, excessive age, natural disaster, fire, accident, or other causes.

13.2.1.3. *Modernization* is the alteration or replacement of facilities solely to implement new or higher standards, to accommodate new functions, or to replace building components that typically last more than 50 years (such as the framework or foundation).

13.3. Accounting for SRM Expenditures. SRM expenditures must be properly captured within BAG 7, using the relevant EEICs, PECs, and RCCCs. **(T-1).**

13.3.1. Quarterly MTF Facility Validation. During the 1st month of each Quarter, the MTF Facility Manager must contact CE to request a screenshot from CE's Automated Civil Engineer System (ACES). ACES is the Air Force Accountable Property System of Record (APSR) that contains the AF-wide inventory of AF-owned facilities. The MTF Facility Manager must ensure that the facilities designated as belonging to the MTF are accurately reflected in ACES.

13.3.1.1. The amount of funding the AFMS receives annually for facilities is dependent on the information contained within ACES.

13.3.1.2. The following information must be reflected within ACES for all facilities assigned to the MTF.

13.3.1.2.1. Organization Column: Each line must reflect 2H (represents that funding is provided by the Defense Health Agency).

13.3.1.2.2. Appropriation Column:

13.3.1.2.2.1. For the Replacement line: Must reflect 0500 (MILCON).

13.3.1.2.2.2. For the Operational, Sustainment, Restoration, and Acquisition lines: Must reflect 0130 - DHP.

13.4. Medical Equipment. Refer to AFI 41-209, for guidance on requisitioning, procuring and managing medical equipment.

13.4.1. Accountable medical equipment includes expense equipment, investment equipment, and or nonexpendable items as defined in AFI 41-209. All equipment requires an approved authorization prior to acquisition. All equipment requirements must be loaded into *The Integrated Global Equipment Request System (TIGERS)* equipment request application for funding consideration:

13.4.1.1. Medical Expense Equipment is equipment with a unit cost of less than \$249,999. Typically, expense equipment with a unit cost of less than \$100,000 is funded with local DHP O&M funds. Expense equipment with a unit cost of greater than \$100,000 and up to \$249,999 is funded either with local DHP O&M funds or centrally-provided O&M funds.

13.4.1.2. Medical Investment Equipment is equipment with a unit cost of \$250,000 or greater. Investment equipment is funded with DHP Procurement funds. Typically investment equipment is procured centrally.

13.4.1.3. Initial outfitting equipment for military construction (MILCON) projects will generally be acquired according to the logistics responsibilities defined in MIL-STD-1691F. See criteria for initial outfitting equipment in AFI 41-209.

13.5. Defense Medical Logistics Standard Support (DMLSS) System. See AFMAN 41-216, *Defense Medical Logistics Standard Support (DMLSS) User's Manual*, for more information on DMLSS.

13.5.1. DMLSS is an automated information system developed to enhance health care delivery in peacetime and to promote wartime readiness and sustainability. DMLSS is developed and sustained by the Joint Medical Logistics Functional Development Center, an activity operating under the authority of ASD(HA) and staffed with functional experts from the AFMS, MEDCOM, and BUMED. It provides price comparison tools and electronic commerce capabilities, enabling MTFs to select and order the best value item that meets their requirements.

13.5.2. DMLSS' basic functionality includes stock control, prime vendor operations, research and price comparison, property accounting, biomedical maintenance, accountable equipment management, inventory management, and facility management.

13.5.3. Framework for Understanding Obligations in DMLSS. The DoD has authority under 10 USC §2208 and §2210 to establish the Defense Working Capital Fund (DWCF or WCF) to finance inventories of supplies and provide working capital for industrial and commercial-type activities.

13.5.3.1. Activities funded through WCFs perform work for others under several different authorities. These include the Project Order Act for depots, the Economy Act

(31 USC §1535) for reimbursable and direct citation procurements, and supply management operations (stock fund operations) that use WCF contract authority to acquire assigned items of supply for other DoD Components.

13.5.3.2. Generally, medical/surgical items (e.g. medical supplies and medical equipment) ordered through DMLSS are obtained via the Air Force Working Capital Fund/Medical-Dental Division (AFWCF/MDD).

13.5.3.2.1. The AFWCF/MDD (also referred to as the “6B Stock Fund”) is established through an Act of Congress (10 USC §2208), and gives the Secretary of Defense authority to finance inventories through DOD working capital funds.

13.5.3.2.2. The MDD is part of the AF Force Working Capital Fund (AFWCF). MTF materiel obtained from the AFWCF/MDD are considered issues and/or sales to the MTF from the MDD, and therefore, the MTF must reimburse the AFWCF/MDD from its DHP appropriation for the items at the time of issue.

13.5.4. Overview of MTF Orders Placed in DMLSS. When an MTF places an order via DMLSS, appropriations are obligated in order to reimburse the AFWCF/MDD. The order, or request for issue, results either in a sale, if the item is in stock, or a customer obligated *due-out* if it is not in stock. **Once obligated, these funds remain obligated until the obligation is liquidated, even though delivery may occur in a subsequent FY.** Orders placed in DMLSS must be received within a reasonable time-period (generally 30 – 60 days unless “lead-time exception” for production applies, or other factors outside of the MTF’s control have caused delays).

13.5.4.1. “*Parking*” funds in DMLSS (or in any system) is prohibited. *Parking* is a term used to describe a transfer of appropriations to a revolving fund to extend the availability of the appropriations. Requirements obligated in DMLSS must meet the bona fide need criteria, and the requirements must be supported by a completed requisition package. **(T-0).**

13.5.4.2. DMLSS interfaces with financial systems to produce daily and monthly financial interface files. The transactions are sent by DMLSS via the Defense Data Network to the Standard Materiel Accounting System (SMAS).

13.5.4.3. SMAS provides obligation, expense, disbursement, and collection data to the AF accounting system on a daily basis for the AFWCF/MDD. There is a lag between the time funds are obligated in DMLSS and when the obligations will be visible in CRIS. RMOs must work with medical logistics to maintain visibility of DMLSS obligations—particularly during end of year close-out.

13.6. Deobligations. Deobligating funds is a collaborative effort between Medical Logistics, the COR, and RMO. Continuous monitoring of the CRIS Open Document List (ODL) is vital. It is critical that MTFs reconcile the obligation status of all orders (including contracts) and deobligate unused funds in a timely manner (do not rely solely on transactions that appear on the tri-annual review list) to enable those deobligated funds to be applied toward other MTF needs prior to the funds expiring. NOTE: RMO and Medical Logistics should collaborate to trace specific medical equipment obligations identified with an Interface Element (IE) code on the CRIS ODL.

13.7. Delivery of Materials Beyond the Fiscal Year. When materials cannot be obtained in the same FY in which they are needed, provisions for delivery in the subsequent FY is permissible so long as there is bona fide need in the FY being charged.

13.7.1. An MTF may not obligate funds when it is apparent that there is no requirement until the following FY.

13.7.2. Lead-Time Exception. Deliveries under a contract let in one FY may be delayed until the subsequent FY if the material contracted for is not obtainable on the open market at the time needed for use, provided the intervening period is necessary for production or fabrication of the material.

13.7.3. MIPRs may not be used to violate provisions of law or to circumvent conditions and limitations imposed on the use of funds. For example, MIPRs may not be used to extend the period of availability of the cited funds. **(T-0)**.

13.7.4. When materials are needed on a periodically recurring basis, the contract term may not exceed 1 year and only requirements for the first year can be classified as bona fide need of the year in which the contract is made.

Chapter 14

DHP CONTRACTS

14.1. Overview. Contract Services, as addressed here, include all local purchases for equipment and facility maintenance, professional and non-professional services, and all other medical support services (laundry, waste, aseptic management, etc.) acquired by means other than GPC in accordance with AFI 41-209. Services include continuous requirements (recurring purchases), as well as one-time purchases. Effective oversight of contracted services ensures commanders make informed decisions to maximize resources. Contracts must be supported by legally executed, written documentary evidence (a contract signed by an authorized Government agent, i.e., a warranted Contracting Officer, along with a certified Purchase Request signed by an authorized official). **(T-0).**

14.2. MTF Responsibilities. The MTF commander is responsible for the overall health of contracts in their respective MTFs and appoints the Medical Logistics Flight Commander (MLFC) as Functional Commander for medical contracting, IAW AFI 41-209.

14.2.1. The MLFC can appoint a service contract manager to oversee the MTF's contract services section. The MLFC can delegate authority and responsibility for execution of the program, but is still accountable for all actions.

14.2.2. The MLFC or contract manager coordinates with the activity requiring the service, all other pertinent functional areas, and the base contracting office (BCO) or other authorized DoD or non-DoD contracting activity as determined appropriate by the BCO, to ensure the needs of the requiring activity will be met and the BCO or authorized contracting activity receives a "procurable package" in time to establish an effective and timely contract award.

14.2.3. The MLFC or contract manager is responsible for coordination with the using activity to ensure the service as described in the Performance Work Statement or Statement of Work meets the user's needs. They are the liaison between the user and the contracting activity in all aspects of requirements' definition, contract award, administration and management.

14.2.4. The MLFC or contract manager periodically interfaces with the using activity to ensure the contract continues to serve the purpose intended. A variety of causes may necessitate a contract modification. Only the BCO or appropriate contracting agency has the authority to modify the terms of the contract in any way. Medical Logistics continually operates in a proactive mode and as the critical link between the QA personnel, the using activity and the contracting activity to ensure the contractor is adhering to the terms of the contract and the contract continues to meet the needs of the user.

14.3. Contract Funding:

14.3.1. Only contracts that are included in the AFMS POM are authorized for execution, for the purposes established within the POM. Funds must not be diverted for other purposes. Contracts must be funded using the corresponding POM appropriation.

14.3.2. A non-POM contract that has been funded recurrently does not automatically become a POM contract. If the requirement exists and remains a priority, it must be programmed

IAW AFMS Medical Planning and Programming Guidance. Continuing to fund those non-POM contracts exacerbates misalignments between execution and programming.

14.3.3. Contracts for services, regardless of the dollar value, that were not included in the POM, or for which a one-time distribution was not received (ex. gapfill of JIF funding) but are deemed necessary during the current year, will be submitted via to AFMOA/SGAR for review and approval. **(T-1)**. The following procedures will be employed for non-POM contracts.

14.3.3.1. If approved and funded, contract funding will be provided for a 1-year period only. Therefore, MTFs/organizations should plan accordingly for a transition/exit strategy. Long-term sustainment of the contract must be addressed during the POM process. **(T-1)**.

14.3.3.2. Use of Medical Reimbursements to Fund Non-POM Contracts. MTFs planning to use medical reimbursements stemming from TPC, the MSA program, or the MAC program to fund non-POM contracts must be extremely cautious not to violate the Anti-Deficiency Act. Contracts may not be entered into with money that has not been received or collected. **(T-0)**.

14.3.3.2.1. Spending money that has not been collected creates an Anti-Deficiency Act violation in that it offends the U.S. Constitution Article 1, Section 9, Clause 7, *"No Money shall be drawn from the Treasury, but in Consequence of Appropriations made by Law."*

14.3.3.2.2. Additionally, DoD Financial Management Regulation Vol 4, Chap 16, Para 160402(A) and footnote 8 states: *"Federal customer orders (funded requests for goods and services) provide budgetary resources to finance reimbursable operations; consequently, customer orders must be obligations of a federal government activity unless otherwise specified by law. Only customer orders from federal customers become budgetary resources in advance of collections. Customer orders from the public do not become budgetary resources until collected."*

14.3.3.3. If an organization opts to fund a contract that was not authorized in their POM, and for which additional authority has not been provided (i.e., one-time or UFR funding), the MTF should present an offset and be able to substantiate the adjustment. Otherwise, not only is the MTF at risk, but the AFMS as well. These actions create a domino effect (e.g., something else will have to go unfunded in order to cover the shortfall).

14.3.3.4. Manpower Validation Process (MVP). Contact AFMOA/SGAR for a copy of the link to the MVP business rules. In order to prevent unnecessary risk at the AFMS level, AFMOA has established the MVP to review and approve non-POM contracts. All requests for non-POM contracts will be routed through AFMOA regardless of local funding availability. **(T-1)**.

14.4. Acquisition of Services. Refer to AFI 41-209 and AFI 63-138, *Acquisition of Services*.

14.5. Deobligating Contract Funding. When a contract requires funds deobligation, Medical Logistics coordinates with the end user, the RMO, and the contract office. Medical Logistics accomplishes all necessary documentation. RMOs should continually communicate with Medical Logistics to identify deobligation opportunities.

14.6. Authorization for Personal Services Contracts. Personal Services contracts for experts and consultants are authorized by P.L.101-165, Sec 9002 subject to terms and restrictions as stipulated in DFARS 237.104 (b) (I), *Personal Services Contracts*.

14.6.1. Personal Services contracts for healthcare providers are authorized by 10 USC §1091 subject to terms and restrictions as stipulated in DFARS 237.104 (b) (ii) and DODI 6025.5, *Personal Services Contracts for Health Care Providers*. Requests to enter into a personal service contract for direct health care services must be approved by the MTF commander. **(T-1)**. Refer to AFI 41-209, for more detailed guidance on requisitioning personal service contracts.

14.6.2. Under Title 10, DoD may enter into personal services contracts as necessary to carry out health care responsibilities. Only DoD contracting offices are authorized to award MTF personal service contracts. Title 3, Section 102 stipulates the compensation paid to an individual in any year under a personal services contract may not exceed \$400,000 plus expenses (not to exceed \$50,000).

14.6.3. Personal services contract employees are managed as if they are direct employees such as civil service or active duty personnel. In this case, the government is more directly involved in the hiring process and indemnifies (self-insures) the individual for malpractice, i.e., they are covered by the Federal Tort Claims Act.

14.6.4. Personal service contract employees must maintain an active license or authorizing document from any U.S. jurisdiction while non-personal service contract employees must maintain an active license or authorizing document from the state in which they are practicing. For more information regarding healthcare providers see AFI 44-119, *Medical Quality Operations*.

14.7. Economy Act Orders. (Reference AFI 65-116, *Air Force Purchases Using Military Interdepartmental Purchase Requests (MIPRS)*; DoDFMR Vol 11A, Chap 3; DoD Instruction 4000.19, *Interservice and Intragovernmental Support*; the Federal Acquisition Regulation (FAR), Subpart 17.5, *Interagency Acquisitions Under the Economy Act*; and the Defense Federal Acquisition Regulation Supplement (DFARS), Subpart 217.5, *Interagency Acquisitions Under the Economy Act*.)

14.7.1. The Economy Act provides authority for federal agencies to order goods and services from other federal agencies (including other Military Departments and Defense Agencies) and to pay the actual costs of those goods and services. The Congress passed the Act in 1932 to obtain economies of scale and eliminate overlapping activities of the federal government. The BCO decides if the order is in the best interest of the United States (U.S.) Government.

14.7.2. Economy Act orders may not be used by an agency to circumvent conditions and limitations imposed on the use of funds, including extending the period of availability of the cited funds. Acquisitions under the Economy Act are subject to the requirements of FAR Subpart 7.3, *Contractor Versus Government Performance*.

14.7.3. The Economy Act may not be used to make acquisitions conflicting with any other agency's authority or responsibility (see FAR Subpart 17.502).

14.7.4. An Economy Act order cannot be used by one organizational unit to order work or services from another organizational unit under the same activity commander where the

activity commander is in a position to fund the required goods or services through the use of direct funds.

14.7.5. Use of MIPRs for Non-Economy Act Orders. Prepare MIPRs per AFI 65-116 and any other guidance issued by Higher Headquarters. The Base FM must certify that funds are available and committed within 10 calendar days of funds certification. For reimbursable (Category I) MIPRs, DFAS obligates funds per the amounts reflected on the DD Form 448-2, MIPR Acceptance within 10 calendar days of acceptance or contract approval. For direct cite MIPRs (Category II), DFAS obligates funds based on the contract amount. **(T-0)**

14.7.5.1. Receiving Goods/Services. AFMS organizations must ensure that a process exists to verify the goods or services invoiced by the performing agencies are reviewed and accepted by government personnel who are in a position to know whether goods/services were actually received per MIPR/contractual requirements. **(T-0)**

14.7.5.2. MIPR Invoices. Some performing agencies do not use a standardized invoice to reflect charges made to the MIPR. In those cases, the performing agency should provide to the government official accepting the goods/services an invoice that—at a minimum—contains an invoice number, date, amount billed, description of goods/services provided, any discounts, full address of the organization providing the goods/services, the document number of the MIPR being charged, a point of contact and a phone number for billing inquiries. Invoices must be filed with the certified/signed MIPR, MIPR acceptance form (DD Form 448-2) and filed for 6 years, 3 months. Verify that the invoiced amounts are accurately reflected in the accounting system, and that the proper line of accounting was charged. **(T-0)**

14.8. Non-Economy Act Orders. Reference AFI 65-116, *Air Force Purchases Using Military Interdepartmental Purchase Requests (MIPRS)*, and DoDFMR Vol 11A, Chapter 18. Non-Economy Act orders are prepared when a DoD activity needing goods and services obtains them from a non-DoD agency. Specific statutory authority is required to place an order with a non-DoD agency for goods or services, and to pay the associated cost. If specific statutory authority does not exist, the default will be the Economy Act which is discussed in DoDFMR Volume 11A Chapter 3.

14.8.1. Non-Economy Act orders obligating annual or multiyear appropriation must satisfy a bona fide need of the appropriation's period of availability. The requesting DoD activity must obligate funds when the performing activity accepts the order in writing. **(T-0)**.

14.8.2. By policy and agreement with civilian agencies that have non-Economy Act authorities to perform reimbursable orders, the DoD has further limited the fiscal principle that a performing agency with non-Economy Act authority has a reasonable period of time to use transferred funds. Thus, DoDFMR Chapter 11A provides that funds must be deobligated by both the requesting and performing agency to the extent that the performing agency has not, before the end of the period of availability of the DoD requesting agency appropriation, provided the goods or services, or entered into contract obligations with another entity (contractor) to provide the requested goods or services in a manner consistent with the bona fide needs rule.

14.8.3. Use of MIPRs for Non-Economy Act Orders. Prepare MIPRs per AFI 65-116 and any other guidance issued by Higher Headquarters. The Base FM must certify that funds are

available and committed within 10 calendar days of funds certification. For reimbursable (Category I) MIPRs, DFAS obligates funds per the amounts reflected on the DD Form 448-2, MIPR Acceptance within 10 calendar days of acceptance or contract approval. For direct cite MIPRs (Category II), DFAS obligates funds based on the contract amount. (T-0)

14.8.3.1. Receiving Goods/Services. AFMS organizations must ensure that a process exists to verify the goods or services invoiced by the performing agencies are reviewed and accepted by government personnel who are in a position to know whether goods/services were actually received per MIPR/contractual requirements. (T-0)

14.8.3.2. MIPR Invoices. Some performing agencies do not use a standardized invoice to reflect charges made to the MIPR. In those cases, the performing agency should provide to the government official accepting the goods/services an invoice that—at a minimum—contains an invoice number, date, amount billed, description of goods/services provided, any discounts, full address of the organization providing the goods/services, the document number of the MIPR being charged, a point of contact and a phone number for billing inquiries. Invoices must be filed with the certified/signed MIPR, MIPR acceptance form (DD Form 448-2) and filed for 6 years, 3 months. Verify that the invoiced amounts are accurately reflected in the accounting system, and that the proper line of accounting was charged. (T-0)

14.9. Support Agreements. Reference AFI 25-201, *Intra-Service, Intra-Agency, and Inter-Agency Support Agreements Procedures*; AFI 65-601, Volume 1, *Budget Guidance and Procedures*, and DoDI 4000.19, *Interservice and Intragovernmental Support*. A support agreement is a written agreement that establishes the roles and responsibilities for recurring support between the requiring activity and the assisting agency. Support agreements executed on DD Form 1144 may be Intraservice (AF to AF), Interservice (AF to other Service or DoD component), or Intragovernmental (AF to non-DoD Federal Activities). Support agreements may also be a Memorandum of Understanding (MOU) or Memorandum of Agreement (MOA).

14.9.1. DD Form 1144, Support Agreement. Per DoDI 4000.19, a DD Form 1144 will be used to document recurring reimbursable support where the Air Force or DoD Component is the Supplier. Non-reimbursable support may also be included on the form but it will not be used to document only non-reimbursable support unless both parties agree to use a DD Form 1144 in lieu of an MOA or MOU. See AFI 25-201 Attachment 2 for details of the DD Form 1144 entries. When a non-DoD Federal Agency or federally-recognized Indian tribe is the Supplier, the Air Force may use the Supplier's standard support agreement documents, DD Form 1144, or the Financial Management Service (FMS) Form 7600, Interagency Agreement (IAA) – Agreement between Federal Agencies for these support agreements with the Air Force as agreed between the Air Force and the other party.

14.9.2. Memorandum of Agreement (MOA). In the absence of a DD Form 1144 or equivalent support agreement, an MOA will be used to document the specific terms and responsibilities that two or more parties agree to in writing, **especially those that involve reimbursement**. MOAs can be used to document a single reimbursable purchase, non-recurring reimbursable support, and non-reimbursable support. Consecutive reimbursable MOAs shall not be used for similar single reimbursable purchases or non-recurring reimbursable support to circumvent the use of DD Form 1144 or equivalent support agreement unless the conditions in AFI 25-201, paragraph 3.2.6 apply. Any obligation of

funds in support of the MOA will be accomplished using a DD Form 448, *Military Interdepartmental Purchase Request* (or equivalent form with a non-DoD Federal agency or federally-recognized Indian tribe). The obligation of funds by the parties is subject to availability of appropriated funds pursuant to the DoDFMR. DoDI 4000.19, Enclosure 3, Figure 1, Sample MOA Template identifies the information that will be included in an MOA.

14.9.3. Memorandum of Understanding (MOU). An MOU will be used to document issues of general understanding between two or more parties that **do not involve reimbursement**. Regardless of the format used, DoDI 4000.19, Enclosure 3, Figure 2, Sample MOU Template identifies the information that will be included in an MOU.

14.9.4. Command-Level MOA. This broad MOA is an agreement between or among MAJCOMs, Numbered Air Forces (NAFs), or MAJCOM-equivalent Commands to identify parameters for developing support agreements between subordinate units. The Suppliers and Receivers at the installation level use these broad MOAs as a source document in addressing the provision of services, funding, and reimbursement arrangements for continued support. However, an MOA alone will not be used to affect the transfer of funds or other resources; only the DD Form 448 will serve that purpose for MOAs with a reimbursable requirement.

14.9.5. Functional Area MOU. The Supplier's subordinate units may use MOUs between functional areas to document mutually-agreed upon roles and responsibilities, such as statement of facts, intentions, and procedures for future actions that can be used in a formal support agreement. The Functional OPR (e.g., Civil Engineer, Security Forces) will draft, sign, and maintain these documents, which are procedural or technical in nature. The Supplier's Manpower and Financial organizations and the Judge Advocate (JA) office will review and coordinate on functional area MOUs for reimbursement, manpower, and legal implications that will need to be incorporated in a formal support agreement. The functional OPR maintains these MOUs and provides a copy to the Supplier Support Agreement Manager for inclusion in the applicable support agreements.

14.10. Recording Obligations Pertaining to Contracts. Recording obligations in the Air Force financial system is the responsibility of the base FM office and DFAS. Obligations must be recorded accurately based on the amount stated on the contract/modification and to the appropriate line of accounting as determined by the RMO. RMOs must verify that DFAS posts each contract accurately and timely (DFAS should posts obligations within 10 calendar days of the contract/modification being signed (reference DoDFMR V3, Chap 8, para 080301(A)). **(T-0)**. Generally, the following information applies when recording obligations.

14.10.1. Firm Fixed-Price Contract. When the contract is executed, an obligation shall be recorded for the total amount stated in the contract. **(T-0)**.

14.10.2. Cost-Reimbursement and Time-and-Material Contracts. Cost-reimbursement and time-and-material contracts include: cost, cost-sharing, cost-plus-fixed-fee, cost-plus-incentive-fee, cost-plus-award-fee, time-and-material, and labor-hour contracts.

14.10.2.1. When the contract is executed, an obligation shall be recorded. The amount of the obligation is the total estimated payment provided by the contract's funded ceiling, including the fixed fee in the case of a cost-plus-fixed-fee contract, the target fee in the case of a cost-plus-incentive-fee contract, or the base fee in the case of a cost-plus-award-fee contract. The amount recorded shall be increased or decreased by amounts provided

by contract amendments, or a unilateral revision of an award fee estimate made by the contracting office. (T-0).

14.10.2.2. Any fee awarded in excess of the target fee in a cost-plus-incentive-fee contract shall be recorded as an obligation at the time the determination to award the larger fee is provided to the contractor. The amount of the obligation established for a cost-plus-award-fee contract shall be adjusted at the time the actual fee award amount is determined and the contractor notified or, if applicable, a provisional award fee payment is determined (see DFARS 216.405-2). In any of these cases, if the contract is incrementally funded, the amount obligated shall always be the funded increments.

14.10.3. Indefinite-Delivery Type Contracts. Where the quantity required under a contract is indefinite, the ultimate amount of obligation is determined by subsequent orders; the amount of any required minimum order specified in the contract, however, shall be recorded as an obligation upon execution of the contract.

14.10.3.1. For contracts that require the contractor to perform unilaterally placed orders above the required minimum, record an obligation in the amount of the order price or ceiling at the time the order is placed.

14.10.3.2. An order in excess of the required minimum that has to be negotiated or accepted by the contractor under terms of the contract shall be recorded as an obligation upon contractor's acceptance of the order in the amount of the agreed price or ceiling. In the case of orders for services where a contractor cannot undertake performance without direction from an authorized Government official, order amounts may be a consolidated periodically (at least monthly) into a list of orders placed with the contractor identifying the estimated dollar amount of each. On definite-quantity contracts, obligate the full amount of the definite quantity at the time of contract award.

14.10.3.3. Contract Authorizing Variations in Quantities to be Delivered. When the contract is executed, an obligation shall be recorded for the price of the quantity specified for delivery, exclusive of the permitted variation. The amount recorded may be increased or decreased to reflect the quantity actually delivered and accepted.

14.10.4. Multiyear Procurement Contract. An obligation for a multiyear procurement contract shall be recorded in the amount of the price of the quantities specified for delivery under the requirement for the first program year, and the amount shall be identified with that program year. Unless the contract is funded fully at inception, each time the contractor is notified that funds are available to cover another program year requirement, an obligation shall be identified with that program year and recorded in the amount of the price of the quantities specified for delivery. If the contract is canceled, an obligation shall normally be charged to the program year current at the time of cancellation to cover the government's liability under the terms of the contract.

14.11. Timely Invoicing and Vendor Payments. The Prompt Payment Act (PPA), 31 USC Chapter 39, requires DoD Components to pay bills on time, pay interest penalties when payments are made late, and take discounts only when payments are made by the discount date and the discount is economically justified. Refer to DoDFMR Volume 10, Chapter 7.

14.12. Supporting Documents Required to Process Payments. Before making a payment, DoD Components must ensure that appropriate payment documentation is established to support

payment of invoices and interest penalties. **(T-0)**. This documentation normally includes the contract/purchase order, receipt/acceptance report, and a proper invoice. Payments are based on the receipt of a proper invoice and satisfactory contract performance. Unless otherwise stated in the contract, vendors/contractors will submit a proper invoice to request payment. Refer to DoDFMR Volume 10, Chapter 8.

14.12.1. Receipt and Acceptance Report. As defined by FAR 2.101, a receiving report is written evidence that indicates Government acceptance of supplies delivered or services performed. AFMS organizations must ensure a process exists to verify the goods or services invoiced are accepted by government personnel who are in a position to know whether goods/services were actually received per contractual requirements. **(T-0)**. Acceptance must occur as a condition of payment in all cases except contract financing payments, interim payments on cost-reimbursement contracts for the acquisition of services, and fast payment procedures as defined in DoDFMR Volume 10, Chapter 7. As stated in DFARS Subpart 232.70, contractors will submit payment requests and receiving reports in the accepted electronic form using WAWF. DFARS 232-7003 defines exceptions to this policy. If approved by the contracting officer and stated in the contract, non-electronic forms that may be used as a receiving report include, but are not limited to a DD Form 250 *Material Inspection and Receiving Report*, or a Standard Form 44, *Purchase Order-Invoice-Voucher*. The primary means for documenting receipt and acceptance of goods and services is the DD Form 250. The DFARS Appendix F, Part 3 contains preparation instructions for the DD 250.

14.12.1.1. A receiving report performs two functions: (1) it provides evidence of the date goods are received, and (2) it provides evidence of the date goods or services are accepted. Receiving reports are written or electronic evidence of the receipt of goods or services by a government official. The accepting government official (who is in a position to know whether goods/services were actually received per contractual requirements) must validate the accuracy (rates/contract terms) of the receiving report prior to signing for goods/services. **(T-0)**. When an invoice is received by DFAS, it will be reflected as a payable (Accrued Expenditures Unpaid or AEU) within the accounting system until such time as the accepting government official accepts the goods/services and signs the receiving report (i.e., the 2-in-1 invoice within WAWF).

14.12.1.2. Receipt of goods ordinarily does not provide a basis for payment. Payments must be based upon *acceptance* of the goods or services as authenticated by the signature of the government official. The Contracts are normally paid from invoices routed through the Wide Area Workflow (WAWF). AFMS organizations must ensure that all disbursements (contract payments) are recorded accurately and posted to the correct line of accounting (as stated on the contract/modification). Also, ensure that if a prompt payment discount is offered on the contract, that DFAS applies it to the transaction (this is typically verifiable via Integrated Accounts Payable System [IAPS]). A mismatch between the amount reflected on an invoice and the amount reflected in the accounting system or CRIS is usually indicative that DFAS applied either a discount or a late payment penalty. Verification via IAPS should be pursued, otherwise, contact DFAS for assistance in researching the mismatch. **(T-0)**.

14.12.1.2.1. Follow local base Contracting and base FM guidance pertaining to receipt/acceptance timeline requirements. Generally: The agency receiving official should forward the receiving report, or other government documentation, to the

designated DFAS payment office by the 5th working day after government acceptance or approval, unless other arrangements have been made.

14.12.1.2.2. Government acceptance is normally deemed to occur constructively on the 7th day after the contractor delivers supplies or performs services in accordance with the terms and conditions of the contract, unless there is a disagreement over quantity, quality, or contractor compliance with a contract requirement. A longer acceptance period can be specified in the contract, in which case the date of the actual acceptance or the date on which such acceptance period ends shall substitute for the normally applied 7th day after the delivery date (refer to DFARS 232.904). The date on which the designated acceptance period ends is referred to as the constructive acceptance date. Constructive acceptance is used simply for the purposes of calculating PPA interest and applies to both destination acceptance and source acceptance contract terms.

14.12.2. Proper Invoice. As defined by FAR 2.101, an invoice is a contractor's bill or written request for payment under the contract for supplies delivered or services performed. According to DFARS Subpart 232.70, vendors, with few exceptions (see DFARS 252.232-7003(b) and (c)), are required to invoice electronically using WAWF. When vendors are permitted to invoice in a non-electronic manner, they may submit invoices on any type of form approved by the contracting officer, provided all contract required items of a proper invoice are included on the document, unless their contract prescribes a specific form of invoicing. Title 5 CFR 1315.9(b)(1) and FAR 32.905(b) contain the items that must be included on a proper invoice in accordance with the PPA. The required documentation cited in the CFR must contain correct information to constitute a proper invoice and is required as payment documentation. If an invoice is improper or does not meet the contract requirements, then the designated activity (usually DFAS) will return the invoice to the contractor. Payment will be based on the receipt of a proper invoice and satisfactory contract performance.

14.12.2.1. Recurrent Payments/Fixed Amounts. Payments for services of a continuing nature (e.g., rents, janitorial services) which are performed under agency-vendor agreements providing for payments of definite amounts at fixed periodic intervals may be made without submission of invoices or bills by the vendor. The voucher prepared by the payment office to support payments of this nature should show, at a minimum, the contract number, the period covered by the payment, the name of the vendor, the amount of the payment, and the account to be charged. The payment voucher will be certified for payment the same as are the vouchers for all other types of payments. Administrative controls should be established for ensuring that recurrent payments are: (1) on unexpired contracts or agreements, (2) for correct amounts, (3) for services actually performed, and (4) are not duplications. See DoDFMR Vol 10, Chapter 8 and TFM Volume 1 Part 4, Section 2025.30.

14.12.2.2. Lost or Destroyed Invoices. If an original invoice has been lost or destroyed, then a duplicate will be obtained from the original submitter of the invoice to support the payment.

14.12.2.3. Follow-up for Required Documents. If payments cannot be made due to the non-receipt of receiving reports, copies of contracts, contract modifications, or other

required documentation, the MTF contract manager/contract COR will follow-up with the vendor to ensure that these documents are forwarded in a timely manner.

14.12.3. Document Retention. Payment documentation and associated documents (copy of the signed contract, receiving report, invoice), to include electronically submitted documents, will be retained as government records in a format readily accessible for a 6-year 3-month period after final payment under the contract. See National Archives and Records Administration (NARA), General Records Schedule 3, *“Procurement, Supply, and Grant Records”*. Extensions to this record retention period may be warranted on a case-by-case basis when determined necessary that the records are needed beyond the 6-year 3-month period to complete reconciliation of payment or collection discrepancies, audit readiness requirements, or for other necessary purposes.

14.13. Intragovernmental Payments. The SF 1080 and the SF 1081 are the authorized forms used to process intragovernmental payments. The Intragovernmental Payment and Collection (IPAC) system is the primary non-interfund method federal entities use to electronically bill and/or pay for services and supplies within the government. The IPAC system communicates to the Department of the Treasury and the trading partner agency that the online billing and/or payment for services and supplies occurred. Per the DoDFMR Vol 10, Chapter 10, all intragovernmental payments shall be supported by one of the formal payment vouchers.

14.13.1. SF 1080. Components will use the SF 1080 to bill other government agencies. If the same entity accounts for and reports on the funds charged and credited, then the “billing” and “billed” offices are the same. In such cases, if the transfer is within the same appropriation, then use a journal voucher; if different appropriations are involved, then use the “no check drawn” basis SF 1080.

14.13.2. SF 1081. The SF 1081 is used for correcting prior expenditure or collection transactions and for processing expenditure transactions not requiring payment by check.

14.13.3. GSA 789. The GSA 789 *“Statement, Voucher, and Schedule of Withdrawals and Credits”* is an authorized payment voucher for purchases from GSA.

14.14. Proactive Contract Modifications. Certain occurrences necessitate contract modifications. These occurrences must be anticipated well in advance of the requirement to modify the contract. Examples are: exercise an option to extend the contract; decrease the number of service contract personnel due to MTF downsizing and impending facility renovation.

14.14.1. Funding Contract Modifications. The contracting officer is primarily responsible for determining whether a change is within-scope or scope increase or decrease in accordance with the Federal Acquisition Regulation (FAR), the DoD FAR Supplement, legal principles applicable to scope changes, and the provisions of the DoDFMR. In cases where no clear cut determination can be made by the COR, the cognizant Air Force legal counsel shall provide appropriate guidance and determinations concerning the scope of a contract.

14.14.2. The baseline scope of a contract is all work that is contracted for prior to the expiration of funds. This includes changes incorporated by modification, provided they are within scope. Prior year funds may be used to fund within scope changes with approved upward adjustment validated in the Obligation Adjustment Reporting System (OARS).

14.14.3. Increases in the number of end items or additional deliverable services are scope changes and funded by appropriations available at the time that the change is made.

14.14.4. Claims arising out of an original undertaking, or resulting from a within-scope change, would be funded from the appropriation available at the time of the original undertaking. Claims arising out of a change-in-scope to the original contract would be funded from the appropriation available and charged for the change-in-scope.

14.15. Severable and Non-severable Service Contracts. Service contracts can be for either a single undertaking or end item (non-severable or entire) or for performance with compensation fixed in proportion to the amount of service performed (severable).

14.15.1. The general rule is that contracts and options for severable services are paid with funds that are current for new obligations at the time the services are performed. There is a legal exception that permits agencies to enter into a contract that crosses fiscal years and that obligates funds of the fiscal year in which the contract was awarded for the entire period of performance as long as the basic contract, option, or order does not exceed one year. Severable services are services that are continuing and recurring in nature e.g., lawn maintenance, janitorial services, or security services where an agency realizes a benefit at the time that services are provided even if the contract has not been performed to completion. Services are considered severable if they can be separated into components that independently provide value to meet some of an agency's needs.

14.15.2. Contracts for non-severable services must be awarded, performance must begin, and be fully funded in the fiscal year for which funds are current at time of award. **(T-0)**. Performance may extend across multiple fiscal years until the deliverable is received. Non-severable services represent a single undertaking that cannot be feasibly subdivided. If the services produce a single or unified outcome, product, or report, the services are considered non-severable. An example would be consulting study, conducted over a period of time but culminating in the delivery of a final product.

14.16. Protests. Per 31 USC §1558, funds available for obligation for a contract at the time a protest is filed in connection with a solicitation for, proposed award of, or award of a contract remain available for obligation for one hundred (100) calendar days, unless otherwise specified, after the date on which the final ruling is made on the protest. As used in this paragraph, the term "protest" means any protest filed with the General Accounting Office (GAO) pursuant to 31 USC Chapter 35, Subchapter V. The term "protest" also means an action filed in court or under agency administrative procedures where that action involves: a challenge to a solicitation for a contract; a proposed award of a contract; an award of a contract; or the eligibility of an offeror or potential offeror for a contract or of the contractor awarded the contract; and the action delays or prevents an agency from awarding a contract or proceeding with the procurement.

14.17. Contingent Liabilities Remaining under Outstanding Contracts. IAW DoDFMR, Vol 3, Chap 8, there are contingent liabilities for price or quantity increases or other variables that cannot be recorded as valid obligations in the cases of outstanding fixed-price contracts containing escalation, price redetermination, or incentive clauses, or contracts authorizing variations in quantities to be delivered, or contracts where allowable interest may become payable by the U.S. Government on contractor claims supported by written appeals pursuant to the "Disputes" clause contained in the contract. Amounts to cover these contingent liabilities should be carried as outstanding commitments pending determination of actual obligations. The

amounts of such contingent liabilities, however, need not be recorded at the maximum or ceiling prices under the contracts. Rather, amounts should be committed that are estimated conservatively to be sufficient to cover the additional obligations that probably will materialize, based upon judgment and experience. In determining the amount to be committed, allowances may be made for the possibility of downward price revisions and quantity under runs. Each contingent liability shall be supported by sufficient detail to facilitate audit.

14.18. Termination of Contracts and Agreements. When a contract or agreement is terminated in whole or in part for the convenience of the government by the giving of a “Notice of Termination” to the other party to the contract or agreement, the obligation recorded for the contract or agreement shall be decreased to an amount that is sufficient to meet the settlement costs under the termination. The obligation shall not be decreased below the amount estimated by the COR, based on the best evidence then available, as the amount due as a result of the termination.

14.19. Replacement Contracts due to Contractor Default. Where it becomes necessary to terminate a contract because of the contractor’s default, the funds obligated under the original contract are available, beyond their original period of obligational availability, for the purpose of engaging another contractor to complete the unfinished work. Only contracting officers and Legal Offices may determine whether the original funds may be used for replacement contracts.

14.19.1. Implicit in the replacement contract rule is the premise that the original contract validly obligated then current funds. In addition, the rule is based on the notion that the default termination does not eliminate the *bona fide* need of the fiscal year in which the original contract was executed. (44 Comp. Gen. 399, 401 (1965). In accordance with 31 USC §1502, amounts from the appropriation available at the time the original contract was entered would remain available to fund costs properly chargeable to that appropriation. (GAO B-242274, Aug. 27, 1991). Accordingly, the replacement contract seeks only to meet the agency’s preexisting and continuing need relying on the budget authority obligated by the original contract.

14.19.2. In order for funds to remain available beyond expiration for a replacement contract, three conditions must be met. The replacement contract shall be made without undue delay after the termination of the original contract. Its purpose shall be to fulfill a *bona fide* need that has continued from the original contract. The replacement contract shall be awarded on the same basis and be substantially similar to the original contract in its scope and size.

14.19.3. Reprocurement or completion costs, liquidated damages, and performance bond money recovered from the contractor as refunds may also be retained and applied to the replacement contract’s specific appropriation. Amounts recovered that exceed the actual costs of the replacement contract must be deposited as miscellaneous receipts.

14.20. Unauthorized Contractual Commitments. An unauthorized commitment (e.g., an agreement that is not binding on the Government) is defined in the FAR, paragraph 1.602-3(a) as “*an agreement that is not binding on the Government because the employee or representative who made the agreement lacked authority to enter into the agreement.*” Authority is the officially designated or earned right to make and enforce decisions. In other words, an unauthorized commitment is an act by an employee who accepts or otherwise commits the government to pay for goods or services without authority. An unauthorized commitment is a violation of the Antideficiency Act, punishable by both administrative and punitive means.

14.20.1. Authorities.

14.20.1.1. Contracting Officers (CO) hold warrants indicating what authority and limitations they have, e.g., a CO's warrant may grant him/her authority to award contracts up to a set dollar threshold.

14.20.1.2. Contracting Officer Representatives (COR) holds limited authority via an appointment (duties and responsibilities) letter issued by a CO.

14.20.1.3. *Apparent Authority* exists where the principal's words or conduct would lead a reasonable person to believe that the agent was authorized to act on behalf of the government.

14.20.2. To become binding, an unauthorized commitment must be *ratified* (made legally binding and enforceable). Unauthorized commitments should not to be taken lightly; there may be severe consequences for all parties involved, including steep fines and criminal penalties. Not all unauthorized commitments are ratifiable.

14.20.3. Ratification of Unauthorized Commitment.

14.20.3.1. Ratification is an administrative process whereby an unauthorized commitment is converted into a legal contract, if approved. COs cannot simply issue a Purchase Order or modify a contract to pay an unauthorized commitment. All unauthorized commitments are subject to the ratification process, irrespective of dollar amount.

14.20.3.2. Unauthorized Commitments may be ratified when action is for something legal, funds were available at the time the unauthorized commitment occurred and are still available, the resulting contract would otherwise have been proper if made by an appropriate CO, the CO determines the price to be fair and reasonable, the CO recommends payment and Counsel concurs in the recommendation, and funding is available and was available at the time the unauthorized commitment was made.

14.20.3.3. When an unauthorized Commitment is made, immediately notify the CO, who in turn notifies the contractor to stop work/performance. The individual who made the unauthorized commitment initiates the ratification documentation.

Chapter 15

DHP TRIANNUAL REVIEWS

15.1. Triannual Reviews (TAR) of Commitments, Obligations, Accounts Payable and Accounts Receivable. **Note:** AFMS organizations must conduct TARs per DoDFMR Volume 3, Chapter 8, paragraph 0804; DFAS 7220.4-I, *Triannual Review Program*; and SAF/FMP (AFAFO) guidance.

15.1.1. Objective. The TAR process is an internal control practice used to assess whether commitments and obligations recorded are bona fide needs of the appropriations charged. The TAR entails rigorous assessment of commitments and obligations of appropriations in order to adjudicate their disposition before the funds expire. TARs must be completed through analysis and review of all relevant financial records. **(T-0).**

15.1.2. TAR Approach. Conducting the TAR is a team effort that involves the collaborative work of RMO, cost center managers, program managers, Medical Logistics, supporting Finance offices, and supporting CONS offices. Sound financial management practices entails maintaining oversight of financial transactions throughout their lifecycle—through all stages of accounting—until the obligations are liquidated and/or funds are timely deobligated if no longer needed. RMOs must review the ODL continually, not just during the TAR process.

15.2. TAR Periods Covered. RMOs/RAs, with assistance from supporting accounting offices, are mandated to review dormant commitments, unliquidated obligation, accounts payable and accounts receivable transactions for timeliness, accuracy, and completeness during each of the 4-month periods ending on January 31 (October through January), May 31 (February through May), and September 30 (June through September) of each fiscal year. When conducting the TARs, RMOs/Resource Advisors must abide by DFAS 7220.4-I, *Triannual Review Program*, and SAF/FMP (AFAFO) guidance. **(T-0).**

15.2.1. TARs provide the basis for the confirmation statements and the annual fiscal year end certification of appropriation and fund balances associated with year-end closeout. Accurate obligation records are a critical factor in efforts to eliminate unmatched disbursements and negative unliquidated obligations. If the obligation record in the official accounting system is not fully accurate, the associated disbursements cannot be successfully matched to the correct obligation. Incomplete or erroneous obligation and commitment records increase the potential for ADA violations.

15.2.2. TARs apply to all funds allotted/distributed to an installation fund holder, including direct and reimbursable funds. The reviews are performed to ensure unliquidated obligations are recorded, are in the proper stage of accounting, the amounts are valid and correct, they are not dormant, and that documentation exists to support the recording of the Unliquidated Obligations (ULO) and Commitments.

15.2.3. The accounting office identifies dormant commitments and unliquidated obligations eligible for closeout by the paying office as contracts that are physically complete and for which the period of performance (POP) has expired (hereinafter, “dormant Contracts”). For dormant contracts, which have been physically complete for 12 months or more and have remaining funds of less than \$1,000, the accounting office deobligates the funds based on a

written consent from the funds holder and contracting officer. It is the responsibility of the Contracting Officer to send notification to the Accounting Office, Program Office, and Funds Holder that a contract is complete and no further valid transactions will be forthcoming. This does not apply to dormant contracts administered by the Defense Contract Management Agency (DCMA).

15.2.4. Retention of Supporting Documents. Per the DoDFMR, Volume 3, Chapter 8, paragraph 080407, Air Force organizations are required to keep TAR documentation, working papers and electronic files for a period of 24 months after the close of the TAR review for audit review.

15.2.4.1. Any electronic documents used, such as those in Electronic Document Access (EDA), Electronic Document Management (EDM), and Automated Business Services System (ABSS), etc., do not have to be converted to paper documentation. Document, either by electronic means (in a database or spreadsheet) or by memorandum, conversations held with other parties and used to determine the validity of an obligation and retain that information as part of working papers.

15.2.4.2. Documentation used to validate obligations and commitments will not be from the accounting system (GAFS) itself or any other Management Information System (MIS) such as the Commander’s Resource Information System (CRIS). These systems may be used to verify changes posted to the accounting system only. To properly validate an obligation, the source system must be used to verify that the accounting system is in balance with the originating system. Source systems include (not limited to) ABSS and DMLSS. The documentation reviewed, as well as the system used should be part of the working papers kept for the review and be retained for at least 24 months.

15.2.4.3. TAR Confirmation Statements. Confirmation statements are used to document the organizations’ due diligence in performing the TAR. MTFs must submit a copy of every confirmation statement, signed by the unit commander, to AFMOA/SGAR, who will in turn submit a consolidated confirmation statement to AF/SGY. AF/SGY provides a consolidated AFMS confirmation statement to the DHA. **(T-1)**. Non-MTF organizations that execute DHP funds must also perform TARs and submit confirmation statements. **(T-1)**. Below are sample confirmation statements for use by MTFs and AFMOA, respectively.

Table 15.1. MTF TAR Confirmation Statement.

OBAN:	RMO Name:	
BASE:	ORG & OFFICE SYMBOL:	
PERIOD REVIEWED: Circle the relevant period for this TAR.		
3RD	1ST	2ND
INSTRUCTIONS		

The review documentation and the confirmation statement shall be completed by the RMO.

The TAR **must** be documented within FMSuite, and a signed copy provided to AFMOA/SGAR.

As the responsible RMO for this account, I have given due diligence to conducting the TAR for this review period.	Y	N	Comments:
1. Confirmed that all <u>commitments, obligations, and accrued expenditures unpaid</u> have been recorded in the financial system and have been validated to a paper or an electronic data interchange (EDI) source document (e.g., ABSS documents).			
2. Reimbursements have been recorded in the system and validated to a paper source document.			
3. Confirmed that adequate follow up (as defined above) was conducted on all <u>dormant</u> commitments, obligations, accrued expenditures unpaid, and reimbursements to determine their validity/disposition.			
4. Confirmed that all miscellaneous obligation documents, travel orders, and supply requisitions recorded in the system for more than 180 days have been deobligated, unless there is supporting documentation attesting to the purpose and validity of the obligation.			
5. Confirmed that all dormant commitments and obligations that could not be substantiated or validated after a thorough review have been decommitted or deobligated, as required.			
6. Confirmed that reviews of dormant obligations include reviews of problem disbursements and in-transit disbursements.			
7. As of (date), (number) % of obligation transactions for known contingencies and related documents for the TAR period ending (date) were verified to be properly captured, classified, recorded and reported as Overseas Contingency Operations costs or other special designated contingency operations obligations.			

<p>8. Confirmed that existing interagency agreements with open balances have been reviewed to ensure that expiring, expired or excess funds are identified for purposes of undertaking deobligation actions required by DoDFMR Vol 11A, Chapters 3 and 18.</p>			
<p>9. Interagency agreements with non-DoD entities are consistent with DoD policy.</p>			
<p>10. Identify problems noted as a result of the TAR review. Provide an update on what was done to correct the issue, how the issue was elevated and when such actions/corrections are expected to be completed. Identify what actions have been taken to preclude identified problems from recurring in the future.</p>			
<p>Additional Comments:</p>			
<p>RMO Signature:</p> <p>_____</p> <p>Signature Date</p>			
<p>Squadron Commander Signature:</p> <p>_____</p> <p>Signature Date</p>			

Table 15.2. AFMOA/SGAR TAR Confirmation Statement.

<p>OAC:</p>	<p>AFMOA/SGAR Analyst:</p>
<p>INSTRUCTIONS</p>	
<p>The review documentation and the confirmation statement shall be completed by the RMO.</p> <p>AFMOA/SGAR OAC Analysts and the HAF Account Analyst will aggregate confirmation</p>	

validated after a thorough review have been decommitted or deobligated, as required.																				
6. Confirmed that reviews of dormant obligations include reviews of problem disbursements and in-transit disbursements.																				
7. As of (date), (number) % of obligation transactions for known contingencies and related documents for the TAR period ending (date) were verified to be properly captured, classified, recorded and reported as Overseas Contingency Operations costs or other special designated contingency operations obligations.																				
8. Confirmed that existing interagency agreements with open balances have been reviewed to ensure that expiring, expired or excess funds are identified for purposes of undertaking deobligation actions required by DoDFMR Vol 11A, Chapters 3 and 18.																				
9. Interagency agreements with non-DoD entities are consistent with DoD policy.																				
10. Identified problems noted as a result of the TAR review. Provided an update on what was done to correct the issue, how the issue was elevated and when such actions/corrections are expected to be completed. Identify what actions have been taken to preclude identified problems from recurring in the future.																				
AFMOA/SGAR Analyst Comments:																				
AFMOA/SGAR Analyst Signature:																				
Unless noted above, to the best of my knowledge the accounts under my purview have completed their TARs and submitted their formal, signed confirmation statements.																				
_____										_____										
Signature										Date										
AFMOA/SGAR Director Signature:																				

_____ Signature	_____ Date
--------------------	---------------

15.3. Acceptable and Unacceptable TAR Remarks on Line Items.

15.3.1. Acceptable. Remarks must be of a nature that specifically explains what actions are required to liquidate the obligation, i.e. receiving report, invoice, etc. to process payment, the estimated liquidation date (based on input from vendor, DFAS, etc.), the name of the person performing validation, and the name of individuals contacted during follow-up/research (including contact information).

15.3.2. Unacceptable Comments. Vague remarks are prohibited, such as simply stating “*this obligation is valid*” or “*valid per Mr. Smith*”.

15.4. Deobligations. Deobligations are downward adjustments of previously recorded obligations

15.4.1. The rules for deobligation follow from the principles required for obligation. A proper unliquidated obligation is necessary when the standards for maintaining the obligation are no longer met.

15.4.2. The deobligation of funds without proper substantiating documentation merely to “free up funds” for new obligations is not authorized. To do so risks committing an ADA violation.

15.4.3. Funds properly deobligated may be used for new obligations **if** the period of availability for the funds has not expired.

15.4.4. Funds deobligated after the expiration of the period of availability are available only for unrecorded obligations or within scope adjustments.

15.5. Dormant Obligations Resulting from DMLSS Transactions. These transactions must be reconciled between the RMO and Medical Logistics offices. It is a joint responsibility requiring collaboration. If a contract modification requires a deobligation of funds, Medical Logistics will coordinate with the relevant offices (e.g., CO and the end user) to determine the exact amount to be deobligated. Medical Logistics will then accomplish all necessary documentation, and provide RMO with relevant information and supporting documents so that the RMO can update FMSuite. (T-3).

Chapter 16

BUDGETING AND FUNDING GUIDANCE FOR VARIOUS PROGRAMS

16.1. Information Management/Information Technology. Although a full certification and accreditation (C&A) does not need to be accomplished before a medical system, application, or device is purchased, the requirements surrounding C&A should be to ensure that all medical systems, applications, and devices are properly accredited before being placed on the Air Force network.

16.2. Wireless Internet for Patients within the Medical Group. DHP funding of commercial wireless internet is not permitted. Although wireless internet serves a morale purpose, it is not a medical mission requirement.

16.3. Professional Membership Fees (Military and Civilian). Per AFI 65-601 V1, para 4.57., Air Force organizations may use O&M funds to pay membership fees in professional organizations only in the name of the Air Force organization and only if the membership will benefit the organization's mission. Air Force activities may not use O&M funds to pay for membership fees which are in the name of an individual. DHP funds may not be used to pay dues or fees for individual memberships in professional organizations. Even when individual membership is required before taking a certification exam that is eligible for reimbursement, DHP may not be used to pay the prerequisite membership dues.

16.4. Funding for Community Action Information Board and Integrated Delivery System (CAIB/IDS) Activities. Reference AFI 90-501, *Community Action Information Board and Integrated Delivery System*.

16.4.1. The CAIB and IDS are cross-functional forums and as such do not have assigned budgets. Funding for cross-functional initiatives will be provided by the participating agencies, and supplemented when needed by CAIB Chair resources.

16.4.2. DHP funds may be used to support CAIB/IDS activities to the extent that the activity supports the medical mission (i.e., the "purpose" of the DHP appropriation must be met). For example, DHP funds may be used toward Patient (Health) Education efforts specifically, but not to fund an IDS conference that includes other cross-functional (non-medically related) elements.

16.4.3. The Family Advocacy Program (FAP), which is predominantly funded by the Defense-wide appropriation (not DHP) is a key component of the CAIB/IDS. FAP education initiatives should be funded using monies appropriated to the FAP for education/outreach efforts. In addition, on 30 Jan 2004, the Deputy Under Secretary of Defense for Military Communities and Family Policy (OUSD(MC&FP)) issued a memorandum (Figure 16.1. below), wherein the Military Departments are authorized to use Service O&M (i.e., LAF O&M) to augment the FAP program to meet unique requirements.

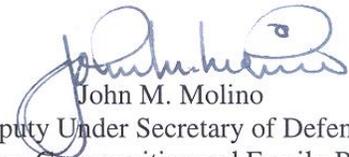
16.5. Funding for Hypobaric and Hyperbaric Chambers.

16.5.1. Hypobaric Chambers. The Aerospace & Operational Physiology (AOP) program encompasses four basic missions: U-2 physiological support, High-Altitude Airdrop Mission Support, human performance sustainment, and aircrew physiological training. The first three missions are AF/SG programs. Aircrew physiological training (which includes hypobaric

chambers and other physiological training systems) is a LAF program and is not funded with DHP.

16.5.1.1. Support of AOP personnel remains responsibility of unit of assignment. If aligned under MTF, medical and admin supplies, specialized uniform items (e.g. flight suits), information technology systems, etc. If aligned under LAF organization, these costs become LAF responsibility. Regardless of unit of assignment, LAF funds all aspects of aircrew physiological training systems, to include system procurement/sustainment, aircrew flight equipment for students, gases, etc. IAW AFI 11-403, *Aerospace Physiological Training Program*.

Figure 16.1. Memorandum from OUSD(MC&FP).

 PERSONNEL AND READINESS	THE OFFICE OF THE UNDER SECRETARY OF DEFENSE 4000 DEFENSE PENTAGON WASHINGTON, DC 20301-4000	
JAN 30 2004		
MEMORANDUM FOR DEPUTY ASSISTANT SECRETARY OF THE ARMY (HUMAN RESOURCES) DEPUTY ASSISTANT SECRETARY OF THE NAVY (MILITARY PERSONNEL POLICY) DEPUTY ASSISTANT SECRETARY OF THE AIR FORCE (FORCE MANAGEMENT AND PERSONNEL)		
SUBJECT: Funding of Family Advocacy, Transition Assistance and Relocation Assistance Programs		
<p>In coordination with OUSD (Comptroller) and the Office of General Counsel, I have reviewed the availability of funding sources for the Family Advocacy Program (FAP), the Transition Assistance Program (TAP) and the Relocation Assistance Program (FAP). In order to ensure consistent oversight and management, the Operation and Maintenance (O&M), Defense-Wide appropriation provides core funding for these programs.</p>		
<p>The military Services may augment these programs with their own O&M funds in order to tailor their programs to meet unique requirements. This determination is consistent with congressional intent and longstanding Departmental practice; it empowers commanders at all levels to meet actual needs. I encourage the military Services to continue to make their O&M funding available to support these critical family and community support programs.</p>		
 John M. Molino Deputy Under Secretary of Defense (Military Communities and Family Policy)		

16.5.1.2. The AF/SG provides the staffing for the AP program (Aerospace Physiology AFSCs). The AFMS' role is to provide the medical, technical, fiscal, and administrative supervision needed to carry out the training program itself (i.e. resources needed by the training staff such as funding for CME TDYs).

16.5.1.3. Non-DoD Hypobaric Chamber Use. When organizations use non-DoD hypobaric chambers, the user fees may not be funded with DHP.

16.5.2. Hyperbaric Chambers. The hyperbaric chambers are for clinical treatment (ex. the one in Kadena is primarily used to treat recreational divers), and thus are DHP-funded.

16.6. Use of DHP Supplemental Health Care Program Funds for Foreign Cadets Attending the Air Force Academy. DHP supplemental care funds may be used for cadets appointed under the provisions of 10 USC §9344, whether or not reimbursement is waived by the SECDEF.

16.7. Funding for Clothing Destroyed During Medical Care. Refer to AFI 65-601 V1, Section 10I—*Funding for Individual Clothing*.

16.8. Leased Housing for Military Graduate Medical Education (GME) Residents. Refer to AFI 65-601 Vol 1, paragraph 10.25.16. Leases are funded by the DHP.

16.9. Publication of GME Research Articles in Professional Journals. Refer to AFI 65-601 V1, paragraph 10.25.17.

16.10. Health Promotion Incentive Items. Purchase of items of low intrinsic value, such as pens, coffee mugs, key chains, luggage tags, buttons, badges, balloons, Frisbees, t-shirts, or toothbrushes may be purchased if the item conveys an appropriate message intended to educate or reinforce health/wellness programs. Such messages may relate to programs such as breast cancer screening, smoking cessation, and dental hygiene for children. Items may not be personalized. Coins may not be procured.

16.11. Non-prescription items. Generally, with the exception of Health Promotion items intended to educate or reinforce health/wellness programs, non-prescription items (i.e., prevention items such as sunscreen, hand sanitizers, athletic braces/eye protection, etc.) are not procured with the DHP appropriation. The purchase of hand sanitizer and tissue (i.e., Kleenex) for use by healthcare organizations/patients within MTFs, is permitted.

16.12. Do not charge Transportation of Human Remains to the DHP. Costs are covered by Mortuary Affairs (see AFI 34-242, *Mortuary Affairs Program*).

16.13. Serving Materials for MTFs (plates, utensils, cups, etc.). MTFs are not authorized to use appropriated funds to purchase serving materials. MTFs may borrow materials from the clubs as may be required for a conference. This does not apply to MTF dining facilities.

16.14. Funding for Reserve Officer Training Corps (ROTC) Injuries/Illness Incurred in Line of Duty (LOD). Expenses incurred by any military department in providing civilian/private sector hospitalization, medical and surgical care, necessary transportation incident to that hospitalization or medical and surgical care, or in connection with a funeral and burial on behalf of a member of, or applicant for membership in ROTC of the Army, Navy, or Air Force who suffers an injury, disability, or death incurred, or an illness contracted, in line of duty, shall be reimbursed by the Secretary of Labor from the Employees' Compensation Fund.

16.14.1. Reimbursement by the Department of Labor may not be made for hospitalization or medical or surgical care provided an individual at a military MTF. MTFs may pursue Third Party billing if the individual has private health insurance.

16.14.2. LOD includes –

16.14.2.1. While engaged in a flight or in flight instruction under 10 USC §2109; or

16.14.2.2. During the period of the member's attendance at training or a practice cruise under 10 USC §2109, beginning when the authorized travel to the training or practice cruise begins and ending when authorized travel from the training or practice cruise ends.

16.14.3. Subject to review by the Secretary of Labor, the military department shall determine whether an injury, disability, or death was incurred, or an illness was contracted, by a member in line of duty. **(T-0)**.

16.14.4. The military department shall cooperate fully with the Department of Labor in the prompt investigation and prosecution of a case involving the legal liability of a third party other than the United States. **(T-0)**.

16.14.5. "*Applicant for membership*" includes a student enrolled, during a semester or other enrollment term, in a course which is part of Reserve Officers' Training Corps instruction at an educational institution.

16.15. Checks Received from Pharmaceutical Companies. Whenever an MTF receives a check from a pharmaceutical company (e.g., not the checks received from insurance companies or pay patients), the RMO must immediately notify Medical Logistics. Those checks may NOT be deposited to the MTF's O&M funds. Rather, they must be deposited to the Air Force Working Capital Fund – Medical/Dental Division (AFWCF/MDD). Reference AFI 41-209. **(T-1)**.

16.16. AFMS Procurement (OP) Process.

16.16.1. AF/SGY initiates an OP data call with the AF/SG5/SG6, AFMOA/SGAL, and the Health Facilities Office. These directorates/divisions make up the AFMS Procurement Advisory Working Group (PAWG).

16.16.2. The PAWGs initiate, develop and forward their respective directorate/division's procurement requirements to AF/SGY for review/coordination.

16.16.3. AF/SGY de-conflicts any prior year requirements and consolidates the PAWGs' OP requirements into one procurement spend plan and forwards back to the PAWG for their prioritization.

16.16.4. The PAWG reviews and discusses the consolidated list, prioritizes requirements and forwards back to SGYB an agreed upon consolidated/prioritized requirements list.

16.16.5. AF/SGY prepares/coordinates this procurement spend plan through the MAJCOMs and AFMS Group for review/vote.

16.16.6. Once the MAJCOMs and AFMS Group approves the spend plan, SGY coordinates the procurement spend plan through the AFMS Council for review and approval, in accordance with the AFMS Corporate Structure process.

16.16.7. AF/SGY forwards the approved spend plan back to the PAWG as the official AFMS Procurement Spend Plan.

16.17. Air Force Medical Research, Development and Evaluation (RDT&E) Requirements Process. Approximately 6 months before POM submissions are due, the RMO should expect a data call from the MAJCOM soliciting inputs on capability needs requiring research and/or material solutions. The window for modernization will usually close 120 days after the data call is announced. However, a requirement may be submitted by the MTF to the Assistant Surgeon

General Requirements for Operational Capabilities Council (SGROCC) any time by accessing the AFMS Knowledge Exchange.

16.18. Payment for Occupational Health Exams of Civil Service Employees. Reference AFI 65-601 Vol 1, paragraph 10.26.17. This guidance is provided to facilitate understanding of the payment process for occupational medical examinations that exceed local Air Force MTF capabilities. This guidance was developed in collaboration with SAF/FMP, SAF/FMP (AFAFO), SAF/FMBOP, SAF/FMBMM, SAF/AQCA, and AFMSA/SG3PF.

16.18.1. Fitness for duty examinations (FFDEs) and medical surveillance examinations (MSE) shall be performed through an AF designated health care provider (HCP) at no cost to the employee. **(T-0).**

16.18.2. When the local MTF does not have the capability to provide an employer (AF) required medical examination (or a portion of the exam) that the AF is responsible for providing free of charge to the employee, the AF may arrange to have the examination (lab tests, etc.) in the civilian sector (non-DoD) healthcare community after receiving authorization from the employee's unit commander.

16.18.3. The employee's unit commander must also authorize payment for the examination. **(T-1).** Payment is made from the same appropriation that funds the employee's salary. The DHP appropriation may not be used for the examinations, unless the employee's salary is DHP-funded (e.g., an MTF employee).

16.18.4. The Installation Occupational Environmental Medicine Consultant (IOEMC) will provide clinical oversight of referrals/consults to ensure they are appropriate and justified.

16.18.5. The MTF provider's support staff notifies the MTF RMO that a private sector exam is needed for a civil service employee (the clinic must include the estimated cost of the exam/test).

16.18.5.1. The RMO sends a *Request for Commander's Authorization of Payment for Civilian Medical Exam* (Figure 16.2.) packet to the employee's Unit Commander. The packet contains two attachments: (1) Commander's Authorization of Payment for Civilian Medical Exam (Figure 16.3.), and (2) Instructions to Unit Resource Advisor (Figure 16.4).

16.18.5.1.1. Commander's Authorization of Payment for Civilian Medical Exam. This letter serves as the MTF's authorization to schedule the employee's referral. It also expresses the Commander's acknowledgement that his/her unit's funds will be used for payment of the exam.

16.18.5.1.2. Instructions to Unit Resource Advisor. This information sheet explains to the employee's Unit Resource Advisor the steps he/she must take in order to for payment to be made to the civilian healthcare provider. Payment will not be made until exam results are received by the MTF. **(T-1).**

16.18.5.2. Once the RMO receives the Commander's Authorization of Payment for Civilian Medical Exam from the employee's unit, a copy is provided to the MTF clinic. The clinic may then schedule the employee's exam.

16.18.5.2.1. The MTF clinic that schedules the employee's exam must emphasize to the civilian sector provider's office that results of the exam and the associated invoice

for full and final payment must be sent to the MTF's Referral Management Center (RMC). **Note: Be sure to provide the address, FAX, point of contact information. This is required in order to avert HIPAA and PHI violations and to ensure the provider receives payment.**

16.18.5.2.1.1. The RMC will forward the exam results to the MTF provider that requested the exam and also forward the invoice for the exam to RMO.

16.18.5.2.1.2. The RMO will:

16.18.5.2.1.2.1. Verify that the invoice contains "**Full**" or "**Final**" payment on the invoice. If the invoice does not state that it is for full/final payment, then RMO must contact the civilian provider's billing office in order to receive a revised bill. **(T-1).**

16.18.5.2.1.2.2. Process payment according to the option indicated by the employee's unit commander on the bottom of the Commander's Authorization of Payment for Civilian Medical Exam, and per the Instructions to the Unit Resource Advisor.

16.18.5.2.1.2.3. RMO will not proceed with payment until exam results are received by the MTF. **(T-1).**

16.19. Retired Pay, Physical or Mental Incapacitation while Inpatient. Per DoDFMR Vol 7B, Chap 16, para 1607, the commanding officer of any military hospital or the director of a VA hospital may designate an officer under the command to receive and receipt for a sum of money from the accrued pay of a retiree who, as a patient at the hospital, has been found to be physically or mentally incapacitated in a report of medical officers. This money may be used only for the purchase of comfort items for the use and benefit of that retiree when all of the following conditions exist: (a) A trustee has not been designated and a guardian or other legal representative has not been appointed by a court of competent jurisdiction. (b) There are no other funds available for use on behalf of the retiree. (c) Competent medical authority agrees that the items to be purchased will serve the comfort of the retiree.

Figure 16.2. Memorandum, Request for Commander's Authorization of Payment for Civilian Medical Exam.

Date _____

MEMORANDUM FOR _____/CC

FROM: MDG/CC

SUBJECT: Request for Commander's Authorization of Payment for Civilian Medical Exam

A civil service employee from your organization, _____, requires an Occupational Health medical exam, consult, study or laboratory test that cannot be provided by the military Medical Treatment Facility (MTF). We will assist the employee in obtaining the required exam in the civilian healthcare sector. Subsequent to receiving the exam

results, we will finalize our medical determination. However, we need your assistance to secure payment for the examination prior to appointment scheduling. Please note, payment is for purposes of medical assessment only and does not cover provision of medical care.

Subject to 5 CFR § 339.301, individuals who have applied for or occupy positions which have medical standards or physical requirements, or which are part of an established medical evaluation program, may be required to report for medical examinations. Generally, exams are preventive efforts used to screen and monitor the employee's health for hazardous workplace exposures or for task requirements.

Per 5 CFR § 339.304, the Air Force must pay for all examinations ordered or offered to the employee, unless the purpose of the exam is to secure a benefit sought by the employee. Costs for these exams are borne by the same appropriation that funds the employee's salary.

a. Attachment 1 contains a *Commander's Authorization of Payment for Civilian Medical Exam* letter for your review and approval/signature. The bottom "Payment Information" section should be completed by your unit Resource Advisor (RA).

b. Attachment 2 contains payment instructions for your unit RA, along with an estimate of the cost for the employee's exam.

The MTF will schedule the exam employee's exam once your approval and method of payment is received. If you have any questions, please contact the pertinent office listed on the RA instruction sheet. Thank you for your prompt attention to this matter.

MTF Commander's Signature.

Attachments

1. Commander's Authorization of Payment for Civilian Medical Exam
2. Instructions to Unit Resource Advisor

Figure 16.2. Memorandum, *Commander's Authorization of Payment for Civilian Medical Exam*

Date _____

MEMORANDUM FOR XX MDG/SGSR (ATTN: MTF RMO)

FROM: _____

SUBJECT: Commander's Authorization of Payment for Civilian Medical Exam

You are authorized to schedule _____ for a required medical examination, consult, study, or laboratory test. I authorize my unit's funds be

used to pay for the exam; the method of payment is indicated below. This authorization is for purposes of medical assessment only and does not cover provision of medical care.

I understand that in order to avoid unauthorized disclosure of medical information under the *Health Insurance Portability and Accountability Act of 1996*, the civilian healthcare provider will send the results of the exam and the associated invoice to the military Medical Treatment Facility (MTF). The MTF will forward the invoice to my unit's Resource Advisor (RA). My RA will ensure payment is promptly remitted to the civilian healthcare provider.

Once the results are received by the MTF, I understand that the military MTF provider will complete the employee's examination and notify me/the supervisor of the employee's medical status, if warranted.

UNIT COMMANDER'S

SIGNATURE

PAYMENT INFORMATION (Completed by Unit RA – Please review “Instructions to Unit Resource Advisor”)

Method of Payment:

- Please reference our certified funding MORD. A copy of the MORD is attached.
- We will pay the invoice using our unit Government Purchase Card (GPC). A copy of the approved GPC purchase request is attached.

NOTE: GPC is the preferred method of payment (most cost-effective to the government).

Figure 16.2. Memorandum, Instructions to the Unit Resource Advisor.

INSTRUCTIONS TO UNIT RESOURCE ADVISOR

Note: Per the *Request for Commander's Authorization of Payment for Civilian Medical Exam* to your unit commander, please follow the steps delineated below in order to pay for an examination for a civilian employee assigned to your unit.

Employee's Name: _____ Estimated Cost of the Exam
(MORD Amount): \$ _____

MTF Provider/Clinic Requesting the Exam: _____

MTF Provider/Clinic Contact Info: _____

MTF Payment POC/Resource Management Office (RMO):

RMO POC: _____ E-mail:

Duty Phone: _____ FAX: _____

16.20. Government Purchase Card (GPC) Program. The GPC program is governed by AFI 64-117, *Air Force Government-wide Purchase Card (GPC) Program*. In addition to requirements set forth in AFI 64-117:

16.20.1. RMOs must verify the availability of funds via a certified AF Form 4009. **(T-1)**

16.20.2. GPC Approving Officials must verify that all cardholder transactions are for valid government requirements. **(T-1)**.

16.20.3. Cardholders must ensure that goods/services purchased via GPC agree with the quantity on the purchase request/receipt. **(T-0)**.

16.20.4. Cardholders and Approving Officials must verify that purchases reflected on bank statements are supported by a receipt. **(T-0)**. **Note:** Cardholders must file receipts together with the bank statement, receipts must be organized in the order in which they appear on the bank statement.

16.20.5. Approving Officials must verify that Cardholders review, reconcile, sign and date the monthly purchase card statements within 3 business days of each cycle's end date. **(T-1)**.

16.20.6. Approving Officials must review and approve the Statement of Account within 15 days after the billing cycle. **(T-1)**.

16.20.7. RMO must collaborate with Approving Officials to ensure GPC statements match the amounts paid in the accounting system. **(T-1)**.

Chapter 17

FINANCIAL IMPROVEMENT AND AUDIT READINESS

17.1. Financial Improvement and Audit Readiness (FIAR). The DoD is required to conduct ongoing assessments of compliance with federal financial management laws and regulations per the Chief Financial Officer Act of 1990 and subsequent federal financial management legislation, and Office of Management and Budget (OMB) Circular A-123, *Management's Responsibility for Internal Control*.

17.2. FIAR Framework. The AFMS is committed to improving internal controls and processes through identifying and evaluating any risk of financial material misstatements, designing and implementing control activities that limit the risk of material misstatements, and through supporting financial statements with sufficient and appropriate evidentiary documents down to the transaction level.

17.3. Audit Documentation to Support AFMS Financial Statements. AF/SGY in collaboration with DFAS prepares quarterly AFMS financial statements. By law, these financial statements must be auditable. When financial statements are audited, the underlying transactions that constitute the numbers reflected on the financial statement may be examined.

17.3.1. Audits conducted at the transaction level require well-organized supporting documentation (evidentiary matter) such as travel receipts, signed WAWF invoices, certified funding documents, signed contracts, signed civilian and contractor time sheets, well-maintained contract binders and MIPR folders, thorough GPC records, thorough reimbursement documents (i.e., supporting MSA, MAC, and TPC billed and collected amounts). In support of AFMS audit readiness, MTFs must assure these documents are audit-ready, and available on short notice, at all times.

17.3.2. Business Processes. In addition to being able to produce all required audit documentation on short notice, MTFs must be able to demonstrate sound business processes. For example:

17.3.2.1. Does the person who signs the WAWF invoice actually know the goods and services were received? How? Are contractor invoices and contractor timesheets validated prior to approving invoices for payment? Do the dollar amounts on contracts awarded match the obligation amounts in CRIS? Based on the amounts viewed in AEP, did DFAS pay the contractor the amount that the MTF certified for payment?

17.3.2.2. Do TDY voucher approvers ascertain that all required receipts are included with the travel voucher before approving it for payment? Are DD Form 577's maintained for individual authorized to approve TDY orders and vouchers?

17.3.2.3. Do civilian timesheets appropriately reflect civilian time-off requests and holidays?

17.3.2.4. Are certified MIPRs reconciled with invoices charged to the MIPR? Are the invoices on file? Is the MIPR acceptance on file?

17.3.2.5. Are GPC binders well-organized to include filing the monthly bank statements together with all associated receipts?

17.4. A-123 Testing. OMB Circular A-123 defines responsibilities for internal control within Federal agencies. AF/SGY periodically tests financial internal controls through internal reviews. SGY internal reviews serve multiple purposes, for example, it is the AFMS CFO's responsibility to test whether internal controls are sufficiently robust to mitigate fraud, waste, abuse or material financial misstatements; to prepare the AFMS for financial statement audits; to identify financial improvement opportunities; to identify gaps in policies, procedures and RMO training; and to identify best practices.

17.4.1. A-123 Testing Focus. Focus areas for FIAR assessments are directed by OUSD(C). Generally, the assessments focus on programs and business processes that represent appropriations received, collections and disbursements reflected on AFMS financial statements. For example, assessments would entail reviews of budget authority, contracts for supplies and services, MIPRS, patient and staff travel, civilian pay, GPC purchases, and Uniform Business Office programs (MSA, MAC, and TPC).

17.4.2. A-123 Test Samples. Prior to A-123 internal review team site visits by AF/SGY, which are sometimes referred to as "FIAR reviews" or "FIAR audits," the MTF is provided a list of "sample" transactions that are intended to be random, representative transactions for each of the aforementioned focus areas. The SGY internal review team concentrates its efforts on reviewing all documents and business processes that support these sample transactions to determine the overall compliance levels of each program sampled.

17.4.3. A-123 Test Attributes. For each of the focus areas, auditors will seek to affirm the presence of "key controls" through pre-determined program test "attributes." Most test attributes can be posed as objective "yes" or "no" questions. For example, for a WAWF transaction, one test attribute may question, "Was the invoice approved by an authorized official within seven days of receipt?" If the answer is "yes," the attribute is met. Though AF/SGY may occasionally update the test attributes to improve A-123 testing efforts, the test attributes selected will always aim to verify the organization has strong internal controls in place to avoid fraud, waste and abuse, and to avoid material misstatements on financial reports.

17.4.4. Toward that end and to compel the AFMS' audit readiness posture, the audit elements explained in [paragraph 17 5 \(Focus Areas\)](#) **will be available within the Manager's Internal Control Tool (MICT) in the form of a self-assessment checklist.**

17.4.4.1. FIAR self-inspections using this checklist will be conducted quarterly (at the end of each quarter). **(T-1)**. This requirement may only be waived by AF/SGY.

17.4.4.2. For each of the focus areas listed (nine total), you will need a Selective Transaction History (STH) from CRIS along with supporting documents for each transaction selected for the review. Please refer the sample CRIS queries located under the FIAR section of the Medical Fiscal Policy Knowledge Exchange website, or consult an experienced budget analyst who can assist with obtaining the CRIS reports needed.

17.4.4.3. Once you have the CRIS reports you'll need to identify which transactions to review for the self-inspection. For each focus area:

17.4.4.3.1. Select the top 2 transactions with the highest dollar values

17.4.4.3.2. Select the bottom 1 transaction with the lowest dollar value

17.4.4.3.3. Select 2 transactions from the middle-range of the report

17.4.4.4. In total, you should have selected 5 transactions to review for each focus area. On the CRIS reports, highlight those transactions you've selected for the review. You will need to attach the CRIS report with the highlighted transactions to the completed checklist, and retain both on file.

17.4.4.5. Occasionally there may not be 5 transactions for review in each focus area (e.g., no transactions have occurred, so there are none or fewer than 5 to review). If there are less than 5, then review what you do have. If there are no transactions, then annotate it on the checklist.

17.4.4.6. The completed & signed self-inspection checklists (with the corresponding CRIS reports containing the highlighted transactions that were reviewed) should be maintained in the RMO's office and be available for review by external reviewers upon request. Retain the documents for two (2) Fiscal Years.

17.5. Focus Areas. The subsequent paragraphs identify areas on which heightened attention to detail is required due to the nature of the transactions and their susceptibility to fraud, waste, and abuse, and the necessity to minimize the risk of material financial misstatements. **The audit elements explained below are available within the MICT in the form of self-inspection checklists.** The checklists may be modified based on noted audit and AF/SGY FIAR assessment trends in order to strengthen internal controls and auditability.

17.5.1. Budget Authority. The purpose of this focus area is simply to verify that the organization's budget authority is accurately posted in the financial system. Budget authority is transmitted via PBAS. A Funds Authorization Document (FAD) is generated from PBAS and sent to the MTF/organization along with a "cut-sheet."

17.5.1.1. Organizations that execute or distribute Defense Health Program (DHP) appropriations (i.e., AF/SGY, AFMOA/SGAR, MTF RMOs) retain copies of all Funding Authorization Documents (FADs) on file for 6 years and 3 months.

17.5.1.2. For each funding document received (or for a sample based on the number of documents received) verify each funding document is recorded in the accounting system at the correct amount, valid document ID, appropriation, fund type, years of availability, and reporting entity. If the values do not agree, investigate and resolve the differences.

17.5.1.3. Verify each funding line loaded in the accounting system is traceable to supporting documentation maintained by the organization such as the AF Form 1269, *Request for Load or Change in Fund Targets* or equivalent, at the detailed level and the FAD at the summary level. All budget authority loaded in the accounting system must be supported by the appropriate funding documentation.

17.5.2. Contracts. Tracking financial events completely through the lifecycle of a contract process provides commanders with valuable information to make informed decisions on maximizing their resources. To support audit readiness, each organization must maintain oversight of and access to documentation that supports the obligation and expenditure throughout the contract's lifecycle.

17.5.2.1. "Samples" for this focus area are drawn from contract payments reflected on AFMS financial records. It is vital that signed contracts and modifications, and that all

four pages of the WAWF 2-in-1 receiving report are available. Auditors will typically want to:

17.5.2.1.1. Verify contracts are supported by legally executed, written documentary evidence (a contract signed by an authorized Government agent, i.e., a warranted Contracting Officer, along with a certified Purchase Request signed by an authorized official). Ref: DoDFMR V3, Chap 8, para 080302; and V5, Chap 11, para 110202.

17.5.2.1.2. Obligations must be recorded accurately based on the amount stated on the contract/modification, to the appropriate line of accounting as determined by the RMO. RMOs must verify that DFAS posts each contract accurately and timely (DFAS should posts obligations within 10 calendar days of the contract/modification being signed (reference DoDFMR V3, Chap 8, para 080301(A)).

17.5.2.1.3. A process exists to verify the goods or services invoiced are accepted by an authorized official (government personnel who are in a position to know whether goods/services were actually received per contractual requirements).

17.5.2.1.4. Receiving Reports (DD Form 250 or Invoice 2-in-1) are received by an authorized official, validated for accuracy (rates/contract terms), and are timely submitted to DFAS for payment.

17.5.2.1.5. Verify that all disbursements (AEP) are recorded accurately and reflect the correct Line of Accounting (as stated on the contract/modification).

17.5.2.1.6. Verify that if a prompt payment discount is offered on the contract or invoice, determine if DFAS applied it to the transaction. Ref: DoDFMR V10, Chap 7, para 070207(A).

17.5.2.1.7. Verify Tri-Annual Reviews are properly conducted. Ref: DoDFMR V3, Chap 8, para 0804 (i.e., Tri-Annual Reviews), and DFAS 7220.4-I, *Triannual Review Program*.

17.5.3. MIPRs. Samples for this focus area are drawn from MIPR entries in AFMS accounting system records.

17.5.3.1. For this program, auditors typically focus on, reviewing the MIPRs for proper line of accounting, verifying funds for the MIPR were certified by base finance, comparing dollar amounts on MIPRs to obligation amounts in the accounting system for accuracy and understanding the organization's processes for validating goods and services paid for with MIPRs.

17.5.3.1.1. Verify that the Base Accounting and Finance Office has certified that funds are available and that funds are committed.

17.5.3.1.2. Verify that DFAS obligates funds per the amounts reflected on the DD Form 448-2, MIPR Acceptance for Reimbursable (Cat I) MIPRs, or using the contract for direct cite (Cat II) MIPRs.

17.5.3.1.3. Ensure a process exists to verify the goods or services invoiced are reviewed and accepted by government personnel who are in a position to know whether goods/services were actually received per MIPR/contractual requirements.

17.5.3.1.4. Ensure that invoiced amounts are properly reflected in the accounting system.

17.5.3.1.5. Verify that invoiced amounts are charged to the proper Line of Accounting (reflected on the MIPR).

17.5.3.1.6. Verify that payments are supported by approved invoices and that invoices are on file together with a certified copy of the MIPR and MIPR acceptance form (DD Form 448-2).

17.5.3.1.7. Verify Tri-Annual Reviews are properly conducted. Ref: DoDFMR V3, Chap 8, para 0804 (i.e., Tri-Annual Reviews), and DFAS 7220.4-I, Triannual Review Program.

17.5.4. Patient and Staff Travel. Samples for this focus area are drawn from completed travel orders/vouchers recorded in accounting system records.

17.5.4.1. For this program, auditors will typically want to:

17.5.4.1.1. For Staff Travel, verify that the TDY was approved and directed by an authorized supervisor. For Patient Travel, verify the TDY was directed by Competent Medical Authority.

17.5.4.1.2. Validate documentation evidencing that the Resource Advisor has certified that funds for the specified travel is available.

17.5.4.1.3. Verify the amounts on the travel voucher are valid and are supported by receipts (NOTE: All expenses above \$75 must have a valid receipt). Receipts for lodging, airline and rental cars are always required.

17.5.4.1.4. Verify the travel voucher is approved and signed by an authorized official with a valid DD 577 on file.

17.5.4.1.5. Verify the amount authorized for payment matches the amount posted in CRIS.

17.5.4.1.6. Verify Tri-Annual Reviews are properly conducted. Ref: DoDFMR V3, Chap 8, para 0804 (i.e., Tri-Annual Reviews), and DFAS 7220.4-I, *Triannual Review Program*.

17.5.5. Civilian Pay. Transaction samples for this focus area are drawn from civilian pay entries in accounting system records.

17.5.5.1. For this focus area, auditors will typically want to:

17.5.5.1.1. Verify civilian leave requests are approved by an authorized person (timekeepers and approving officials are appointed in writing).

17.5.5.1.2. Verify the civilian's supervisor reviews and certifies timesheets.

17.5.5.1.3. Verify Hours on timesheets match hours recorded in CRIS.

17.5.5.1.4. Verify Overtime hours are approved by an authorized official before the overtime hours are worked.

17.5.5.1.5. Verify that the PEC of the position to which the employee is assigned is the same PEC from which the person is paid

17.5.5.1.6. Verify that gross pay is correct by comparing the PCR SF50s to the R60 Report

17.5.5.1.7. Verify that the unit has a process to ensure the Line of Accounting on the AF 3821 for newly assigned employees is completed by RMO

17.5.6. GPC. Transaction samples for this focus area are drawn from GPC entries in accounting records.

17.5.6.1. For this focus area:

17.5.6.1.1. RMOs must verify the availability of funds via a certified AF Form 4009.

17.5.6.1.2. GPC billing/approving officials must verify that all cardholder transactions are for valid government requirements.

17.5.6.1.3. Cardholders must ensure that goods/services purchased via GPC agree with the quantity on the purchase request/ receipt.

17.5.6.1.4. Cardholders and Approving Officials must verify that purchases reflected on bank statements are supported by a receipt. **Note:** Cardholders must file receipts together with bank statements, receipts should be organized in the order in which they appear on the bank statement.

17.5.6.1.5. Approving Officials must verify that Cardholders review, reconciles, sign and date the monthly purchase card statements within 3 business days of each cycle's end date.

17.5.6.1.6. Approving Officials must review and approve the Statement of Account within 15 days after the billing cycle.

17.5.6.1.7. RMO must provide a CRIS report to Billing Officials/Cardholders on a monthly basis to enable them to verify that the approved GPC statements match the amounts paid in the accounting system. 17.5.7. MSA Program. Transaction samples for this focus area are drawn from MSA entries in accounting system records.

17.5.7.1. For this program, auditors will concentrate on verifying:

17.5.7.1.1. Cash Collection Vouchers are properly reconciled with checks and cash.

17.5.7.1.2. Cash Collection Vouchers are validated by the bank and base Finance Office.

17.5.7.1.3. All Cash Collection Vouchers are periodically reconciled with CRIS.

17.5.7.1.4. All MSA documentation is properly maintained.

17.5.7.1.5. Check-in clerks verify that patients are eligible for care.

17.5.7.1.6. A process exists to accurately update patient information (i.e. address, phone numbers, etc.).

17.5.7.1.7. Verify that the SF 215 is supported by DD Form 1131s (i.e. do the DD Form 1131s add up to the total reflected on the SF 215).

17.5.7.1.8. Verify that the SF215 has corresponding (supporting) DOV Voucher numbers (from the DD Form 1131s) annotated on the front or reverse of the 215.

17.5.7.1.9. Verify that the Lines of Accounting on the DD Form 1131 accurate.

17.5.7.1.10. Verify that the monthly audits of deposits and refunds are being conducted and recorded on the “*Monthly Audit of Deposits & Refunds Form*” (per Chapter 11) .

17.5.7.1.11. Verify Cash Collection Vouchers (DD Form 1131s) are accurately posted in CRIS (including Sales Code)

17.5.7.1.12. Verify that the MTF Commander has appointed an MSA Officer in writing per explicit instructions stated in DoD 6010.15-M, para C3.2.1. through C3.2.3.

17.5.7.1.13. MTFs with dining halls (i.e., inpatient MTFs) annually calculate surcharge percentages per para 11.4.3.2. of this AF Manual.

17.5.7.1.14. There is clear segregation of duties between the MSA Officer and the cashier.

17.5.8. MAC Program. Transaction samples for this focus area are drawn from MAC entries in accounting system records.

17.5.8.1. For this program, auditors typically concentrate on verifying:

17.5.8.1.1. The MAC clerk properly completes the AF Form 438.

17.5.8.1.2. The MCRP is providing copies of the DD 1131s to the MTF MAC Clerk for every deposit made to the MTF’s line of accounting.

17.5.8.1.3. All funds are collected to the correct Line of Accounting and fiscal year.

17.5.8.1.4. All Cash Collection Vouchers are periodically reconciled with CRIS reports.

17.5.8.1.5. Verify that a process is in place for the MAC Clerk to train all MTF Staff on the MAC program, and that the process and the training is documented.

17.5.8.1.6. Verify that there is a process in place to identify potential MAC claims, and that the process is documented.

17.5.8.1.7. Verify that the MAC Clerk maintains a log of all claims transmitted to the MCRP.

17.5.9. TPC Program. Transaction samples for this focus area are drawn from TPC entries in accounting system records.

17.5.9.1. For this program, auditors typically seek to verify:

17.5.9.1.1. The TPC clerk properly posts payments and write-offs in the billing system.

17.5.9.1.2. All funds are collected to the correct line of accounting and Sales Code.

17.5.9.1.3. All Cash Collection Vouchers are periodically reconciled with CRIS reports.

17.5.9.1.4. All Cash Collection Vouchers are validated by the bank and the base Finance Office.

17.5.9.1.5. Check-in clerks verify that patients are eligible for care.

17.5.9.1.6. Registration procedures accurately update patient information, and all services rendered are properly documented (i.e., address, phone numbers, etc.).

17.5.9.1.7. A process exists whereby check-in staff is querying patients on whether they currently have Other Health Insurance (OHI).

17.5.9.1.8. Patient check-in staff are capturing patient OHI info.

17.5.9.1.9. UBO staff reconcile payments received with EOBs and TPC postings (NOTE: In the absence of the MTF's access to the billing system, the TPC Clerk will reconcile EOBs to the batch reports received from the TPC Contractor).

17.5.9.1.10. The SF 215 is supported by DD Form 1131s (i.e., do the 1131s add up to the total reflected on the SF 215). NOTE: A good business practice is to have UBO staff annotate the DOV Voucher numbers (from the DD Form 1131s) onto the reverse of the SF 215.

17.5.9.1.11. Verify that monthly audits of deposits and refunds are being conducted and recorded on the "*Monthly Audit of Deposits & Refunds Form*".

THOMAS W. TRAVIS, Lieutenant General,
USAF, MC, CFS
Surgeon General

Attachment 1

GLOSSARY OF REFERENCES AND SUPPORTING INFORMATION

References

3 USC §102, *Compensation of the President*

10 USC §2109, *Practical military training*

10 USC §166a, *Combatant commands: funding through the Chairman of Joint Chiefs of Staff*

10 USC §401, *Humanitarian and civic assistance provided in conjunction with military operations*

10 USC §1100, *Defense Health Program Account*

10 USC §1071, *Purpose of this chapter*

10 USC §1079, *Contracts for medical care for spouses and children: plans*

10 USC §1086, *Contracts for health benefits for certain members, former members, and their dependents*

10 USC §1091, *Personal services contracts*

10 USC §1092, *Studies and demonstration projects relating to delivery of health and medical care*

10 USC §1094(d), *Licensure requirement for health-care professionals*

10 USC §1095, *Health care services incurred on behalf of covered beneficiaries: collection from third-party payers*

10 USC §1096, *Military-civilian health services partnership program*

10 USC §1097, *Contracts for medical care for retirees, dependents, and survivors: alternative delivery of health care*

10 USC §2012, *Support and services for eligible organizations and activities outside Department of Defense*

10 USC §2015, *Payment of expenses to obtain professionals credentials*

10 USC §2208, *Working-capital funds*

10 USC §2210, *Proceeds of sales of supplies: credit of appropriations*

10 USC §9344, *Selection of persons from foreign countries*

31 USC §1301(a), *Application*

31 USC §1341(a), *Limitations on expending and obligating amounts*

31 USC §1342(a), *Limitation on voluntary services*

31 USC §1349, *Adverse personnel actions*

31 USC §1350, *Criminal penalty*

31 USC §1501, *Documentary evidence requirement for Government obligations*

31 USC §1502(a), *Balances available*

31 USC §1512, *Apportionment and reserves*

31 USC §1513, *Officials controlling apportionments*

31 USC §1514, *Administrative division of apportionments*

31 USC §1517(a), *Prohibited obligations and expenditures*

31 USC §1518, *Adverse personnel actions*

31 USC §1519, *Criminal penalty*

31 USC §1535, *Agency agreements [Economy Act]*

31 USC §1552, *Procedure for appropriation accounts available for definite periods*

31 USC §1553, *Availability of appropriation accounts to pay obligations*

31 USC §1555, *Closing of appropriation accounts available for indefinite periods*

31 USC §1557, *Authority for exemptions in appropriation laws*

31 USC §1558, *Availability of funds following resolution of a formal protest or other challenge*

37 USC §310, *Special pay: duty subject to hostile fire or imminent danger*

37 USC §481a, *Travel and transportation allowances: travel performed in connection with convalescent leave*

37 USC §481h, *Travel and transportation: transportation of designated individuals incident to hospitalization of members for treatment of wounds, illness, or injury*

41 USC §3903, *Multiyear contracts*

5 CFR 339.301, *Medical Qualification Determinations – Coverage*

5 CFR 339.303, *Medical Qualification Determinations – Examination procedures*

5 CFR 339.304, *Medical Qualification Determinations – Payment for examinations*

5 CFR 1315.9(b)(1), *Prompt Payment – Required documentation*

5 CFR 2635.101, *Standards of Ethical Conduct for Employees of the Executive Branch – Basic obligation of public service*

29 CFR 1910, *Occupational Safety and Health Administration, Department of Labor – Occupational Safety and Health Standards*

32 CFR 220, *Collection from Third Party Payers of Reasonable Charges for Healthcare Services*

Government Performance and Results Act of 1993 (Public Law 103–62, as amended)

Government Performance and Results Modernization Act of 2010 (GPRMA)

The Chief Financial Officer and Federal Financial Reform Act of 1990, or CFO Act, signed into law on November 15, 1990

The Budget and Accounting Act

DoDI 4000.19, *Interservice and Intragovernmental Support*, 25 April 2013

DoD 5500.7-R, *Joint Ethics Regulation*, 17 November 2011

DoDD 1100.20, *Support and Services for Eligible Organizations and Activities Outside the Department of Defense*, 12 April 2004

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DoDI 6040.40, *Military Health System Data Quality Management Control Procedures*, 26 November 2002

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AFI 40-301, *Family Advocacy*, 30 November 2009

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AFI 41-104, *Professional Board and National Certification Examinations*, 18 February 2014

AFI 41-106, *Unit Level Management of Medical Readiness Programs*, 1 July 2011

AFI 41-117, *Medical Service Officer Education*, 19 October 2011

AFI 41-126, *Department of Defense/Veterans Affairs Health Care Resource Sharing Program*, 11 May 2011

AFI 41-201, *Managing Clinical Engineering Programs*, 25 March 2003

AFI 41-209, *Medical Logistics Support*, 13 August 2013

AFI 41-210, *TRICARE Operations and Patient Administration Functions*, 6 June 2012

AFI 44-107, *Air Force Civilian Drug Demand Reduction Program*, 7 April 2010

AFI 44-119, *Medical Quality Operations*, 16 August 2011

AFI 44-120, *Military Drug Demand Reduction Program*, 3 January 2011

AFI 44-121, *Alcohol and Drug Abuse Prevention and Treatment (ADAPT) Program*, 11 April 2011

AFI 33-360, *Publications and Forms Management*, 25 September 2013

AFMAN 33-363, *Management of Records*, 1 March 2008

AFI 63-138, *Acquisition of Services*, 21 May 2013

AFI 65-116, *Air Force Purchases Using Military Interdepartmental Purchase Requests (MIPRS)*, 29 September 2008

AFI 90-501, *Community Action Information Board and Integrated Delivery System*, 15 October 2013

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Joint Travel Regulation

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Prescribed Forms

None

Adopted Forms

AF Form 847, *Recommendation for Change of Publication*

Abbreviations and Acronyms

A&AS—Advisory & Assistance Services

AAR—After Action Report

AC—Active Component

ACES—Automated Civil Engineer System

ADA—Antideficiency Act

ADAPT—Alcohol and Drug Abuse Prevention and Treatment

AE—Aeromedical Evacuation

AEP—Accrued Expenditures Paid

AEU—Accrued Expenditures Unpaid

AF—Air Force

AFI—Air Force Instruction
AFLOA—Air Force Legal Operations Agency
AFMOA/SGAL—Air Force Medical Logistics Office
AFMS—Air Force Medical Service
AFSAT—Air Force Security Assistance Training
AFSC—Air Force Specialty Code
AFWCF—Air Force Working Capital Fund
ASD(HA)—Assistant Secretary Of Defense For Health Affairs
ATAAPS—Automated Time Attendance and Production System
BAG—Budget Activity Group
BCO—Base Contracting Office
BID—Balance Identifier
BSC—Buyer Side Code
CAIB—Community Action and Information Board
CDM—Constant Deployer Model
CFO—Chief Financial Officer
CCMD—Combatant Command
CHCS—Composite Health Care System
CHE—Continuing Health Education
C-NAF/SG—Combatant Numbered Air Force/Surgeon General
CONS—Contracting Office
COR—Contracting Officer Representative
CRA—Continuing Resolution Authority
CRIS—Commander’s Resource Integration System
DCMO—Debts and Claims Management Office
DCO—Debt Collection Officer
DCSP—Defense Civil Service Payment System
DEAMS—Defense Enterprise Accounting and Management System
DHA—Defense Health Agency
DHP—Defense Health Program
DMLSS—Defense Medical Logistics Standard Support
DOD—Department of Defense

DODD—Department of Defense Directive
DODFMR—Department of Defense Financial Management Regulation
DQS—Data Quality Service
DWCF—Defense Working Capital Fund
EEIC—Element of Expense Investment Code
EOY—End of Year
ERP—Enterprise Resource Planning
FAD—Funding Authorization Document
FAP—Family Advocacy Program
FC—Fund Code
FCOC—Filled Customer Orders Collected
FCOU—Filled Customer Orders Uncollected
FHI—Family Health Initiative
FIAR—Financial Improvement and Audit Readiness
FICA—Federal Employees Contribution
FMS—Foreign Military Sales
FOA—Field Operating Agency
FY—Fiscal Year
GAFS—Government Accounting and Finance System
GME—Graduate Medical Education
GSA—General Services Administration
HAF—Headquarters Air Force
IAPS—Integrated Accounts Payable System
IAW—In Accordance With
IDS—Integrated Delivery System
IHS—International Health Specialists
IMET—International Military Education & Training
IMS—International Military Student
IPAC—Intragovernmental Payment and Collection System
IRT—Innovative Readiness Training
ITO—Invitational Travel Order
JCS—Joint Chief Of Staff

JIF—Joint Incentive Fund
LAF—Line of the Air Force
LOE—Level of Effort
MAC—Medical Affirmative Claims
MAJCOM—Major Command
MC—CBRN—Medical Counter-Chemical, Biological, Radiological and Nuclear
MDD—Medical-Dental Division
MEDRETE—Medical Readiness Training
MEFPAK—Manpower & Equipment Force Packaging
MEPRS—Medical Expense and Performance Reporting System
MERHCF—Medicare Eligible Retiree Health Care Fund
MILPERS—Military Personnel
MIPR—Military Interdepartmental Purchase Request
MOA—Memorandum of Agreement
MPA—Military Personnel Appropriation
MPPG—Medical Planning and Programming Guide
MPPT—Manpower Planning and Programming Tool
MR—Medical Readiness
MSA—Medical Services Account
MTF—Military Treatment Facility
NDAA—National Defense Authorization Act
NGO—Non-Governmental Organization
NMA—Non-Medical Attendant
O&M—Operations and Maintenance
OAC—Operating Agency Code
OARS—Obligation Adjustment Reporting System
OASD/RA—Office of the Assistant Secretary of Defense, Reserve Affairs
OBAD—Operating Budget Authority Document
OBAN—Operating Budget Account Number
OCO—Overseas Contingency Operations
ODL—Open Document List
OEF—Operation Enduring Freedom

OHI—Other Health Insurance
OMB—Office of Management and Budget
OND—Operation New Dawn
OUS(D)—Office of the Undersecretary of Defense, Comptroller
PBAS—Program Budget Accounting System
PC—Processing Center
PCS—Permanent Change of Station
PDS—Permanent Duty Station
PEC—Program Element Code
PEM—Program Element Manager
POC—Point of Contact
POM—Program Objective Memorandum
PPBE—Planning, Programming, Budgeting & Execution
PPS—Prospective Payment System
PSR—Program Summary Record
RC—Reserve Component
RCCC—Responsibility Center/Cost Center
RDT&E—Research, Development, Test & Evaluation
RMO—Resource Management Office
RSA—Resource Sharing Agreement
RTOC—Readiness Training and Oversight Committee
SFIS—Standard Financial Information Structure
SG—Surgeon General
SMAG—Supply Management Activity Group
SMAS—Standard Material Accounting System
SRM—Sustainment, Restoration & Modernization
SSN—Social Security Number
STH—Selective Transaction History
TAR—Triannual Review
TDY—Temporary Duty
TIGERS—The Integrated Global Equipment Request System
TL—Transmittal Letter

TOA—Total Obligation Authority
TPC—Third Party Collections
TPOCS—Third Party Outpatient Collection System
TRO—Tricare Regional Office
UBO—Uniform Business Office
UFCO—Unfilled Customer Orders
UFR—Unfunded Requirements
UMD—Unmatched Disbursement
UMD—Unit Manpower Document
UOA—Upward Obligation Adjustment
UOO—Undelivered Orders Outstanding
USC—United States Code
UTC—Unit Type Code
VA—Veterans Administration
WAWF—Wide Area Workflow