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AIR MOBILITY COMMAND**

**AIR MOBILITY COMMAND INSTRUCTION
65-602**



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Financial Management

***TRANSPORTATION WORKING CAPITAL
FUND (TWCF) BUDGET GUIDANCE AND
PROCEDURES***

COMPLIANCE WITH THIS PUBLICATION IS MANDATORY

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This instruction implements Air Force Policy Directive (AFPD) 65-6, *Budget*, Department of Defense Financial Management Regulation (DoDFMR) 7000.14, Volume 2B, *Budget Presentation and Formulation* (Chapter 9), DoDFMR 7000.14, Volume 11B, *Reimbursable Operations, Policy and Procedures—Defense Working Capital Fund*, and Air Force Instruction (AFI) 65-601, Volume 1, *Budget Guidance and Procedures*, to provide guidance on the Transportation Working Capital Fund (TWCF) accounting and budgeting policies and procedures. This instruction is applicable to Air Mobility Command (AMC) TWCF-assigned organizations that budget and execute TWCF funds for their day-to-day operations, as well as all non-TWCF organizations that receive TWCF funds for the purpose of executing specific TWCF requirements and *not* for direct day-to-day operations (i.e., supplies, equipment, TDY, civilian pay, etc.) of those non-TWCF organizations (i.e., civil engineering, base supply, communications, security forces, services, safety, etc.) unless specifically authorized in this instruction. This instruction does not apply to the National Guard Bureau (NGB) or the Air Force Reserve Command (AFRC) with the exception of the following paragraphs: 4.3.4.2., 4.3.4.2.2., 5.4., 6.3.1.7.9.7. (including their subparagraphs), 6.3.1.7.8.7., 6.3.1.7.9.9.1., 6.3.2.4., 6.9.1., and 6.10.3. Additionally, this instruction does not apply to specific TWCF funding of the day-to-day operations of Headquarters, United States Transportation Command (USTRANSCOM), Defense Courier Service (DCS), or other non-AMC transportation components of USTRANSCOM. AMC base and unit supplements and local directives to this instruction will be submitted to HQ AMC/FM for review and coordination prior to publication. 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 with the Air

Force Records Information Management System (AFRIMS) located at <https://www.my.af.mil/gcss-af61a/afrims/afrims/>. 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 Form 847s from the field through the appropriate functional's chain of command. See Attachment 1 for a glossary of references and supporting information.

SUMMARY OF CHANGES

This revision incorporates Interim Change (IC) 2011-2 to AMCI 65-602 which made the following required changes: Revised the Minor Construction (MC) threshold throughout the publication from \$100,000 to \$250,000 (or deleted the former MC threshold entirely) based on guidance in the FY2011 National Defense Authorization Act (Public Law 111-383, sec 1403, 124 Stat. 4401) (paragraphs 2.4.6.2., 4.6.1., 6.3.1.6., 6.3.1.6.3., 6.3.1.6.4., 6.3.1.7.13.4., 6.3.1.7.13.5., 6.3.1.7.16., 8.2.6., 8.2.12., 8.3.1.7., 8.4.4., 8.4.6.1., 8.5.6.2.4., 8.5.7.1., 8.5.7.4., 8.6.4., 8.6.7., 8.7.1.3.2., 9.2.1., and 9.2.1.1.); paragraph 1.6. replaced the HQ AMC/FM Budget Policy CoP link; paragraph 2.3.1. updated the FM Data Quality Service web site; paragraphs 2.4. through 2.4.3.1. changed the referenced 3XX civilian pay EEICs to reflect the new 1XX civilian pay EEICs; paragraphs 2.4.4., 2.4.4.2, and 2.4.6. revised EEICs to reflect current SAF/FM Data Quality Service coding package; paragraph 2.4.4.3. delete the reference the DFAS-DE publication reference; paragraph 2.4.6.2.1. revised the title of AFI 32-1032; paragraph 2.4.10. changed the DoDFMR paragraph references; paragraphs 3.3.1. and 3.3.4. changed the AMCI 24-101, Volume 14 reference; paragraph 5.4.2. activated the referenced web link; paragraph 4.3.4.2. changed reference of “EEIC 58920 through 58939” to read “EEIC 58932”; paragraph 5.1. added AMCI 24-101, Volume 11; corrected DoDFMR number in paragraph 5.1.2.9.; paragraph 5.2.3.2. changed the 2nd sentence to read, “The cost of commercial augmentation in support of CJCS Exercises is based upon data provided by the USTRANSCOM contracting office (USTC/TCJ4) plus any administrative service charges.”; paragraph 5.2.6.2. changed “organic” to “military” in the 1st sentence; deleted paragraph 5.2.10. in the previous publication; revised head tax fund account in paragraph 5.3.5.; deleted paragraph 5.3.6. in the previous publication; paragraph 5.3.7. replaced “HQ AMC/FMAT” with HQ AMC/FMFAA” in the 4th sentence; paragraph 5.4. removed the extra “N” in the 1st sentence after “AFRC/NGB”; paragraph 6.3.1.4.6. added EEIC 61950; paragraph 6.3.1.6.6.4. added “...as well as energy conservation projects/assessments that are directed by the Air Force Civil Engineering Support Agency (AFCESA)” to the end of the 1st sentence; paragraph 6.3.1.7.8.9. added “Also included are surface shipments of any equipment assigned to TWCF organizations sent to the Depot for required maintenance and repairs.”; paragraph 6.3.1.7.14.3. changed EEIC 47101 to 47102; paragraph 6.3.2.2.9. changed EEIC 50200 to 75671; revised paragraph 7.1.3. in the previous publication by deleting “Budget Year +1” and the last sentence; paragraph 7.1.3.1. changed “years” to “year”; paragraph 8.4.4. changed the referenced DoDFMR paragraph number; paragraph 10.3.2.9. deleted PE 48535 – Collateral Equipment (MAF) and added PE 48560 – MILPERS Services (MAF) and PE 48561 – Civilian Personnel Services (MAF); A margin bar (|) indicates a change from the previous publication.

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Chapter 1

INTRODUCTION

1.1. General Information.

1.1.1. Title IV, Section 405, of the National Security Act of 1947, as amended (10 United States Code (U.S.C.), Section 2208), *Working Capital Funds*, authorizes the use of industrial funds to finance certain commercial-type activities in the Department of Defense (DoD). These funds finance investments in inventories, work in process, and other operating costs. These activities pay for full costs, including overhead, and are collected in the prices charged for the products and services provided to their customers.

1.1.2. Under the authority of the Act and U.S.C. referenced in paragraph 1.1.1 above, the Secretary of Defense, on 17 September 1957, established and approved a single manager position for airlift service entitled Airlift Service Industrial Fund (ASIF) and designated the Secretary of the Air Force as the single manager, with the present-day Air Mobility Command (AMC) as responsible for the airlift service.

1.1.3. Establishment of the Defense Business Operating Fund (DBOF). In FY92, the infusion of DBOF combined and incorporated all of the Services' stock and industrial funds under one umbrella. The result was the ASIF's consolidation along with the other Services' transportation industrial funds (Military Sealift Command (MSC) - Navy; and Military Surface Deployment and Distribution Command (MSDDC) - Army) into the Transportation Division of the DBOF, or more commonly known as Defense Business Operations Fund-Transportation (DBOF-T). The United States Transportation Command (USTRANSCOM) is now the single manager for all DoD transportation. In FY95, DBOF-T incorporated the DCS. Thus, the primary mission of USTRANSCOM is to provide air, land, and sea transportation for DoD, in peace and war. Within USTRANSCOM, AMC is the operating agency for common-use strategic air mobility assets.

1.1.3.1. AMC executes airlift missions employing air assets assigned to USTRANSCOM supporting DoD-wide users. Additionally, AMC organizes, trains, equips, and provides operationally ready airlift forces, both active and reserve, for these worldwide strategic missions.

1.1.3.2. AMC plans, coordinates, and manages the Civil Reserve Airlift Fleet (CRAF) program. Upon activation of the CRAF, AMC assumes mission control of these assets through the Tanker Airlift Control Center (TACC) at HQ AMC.

1.1.4. Establishment of the Defense Working Capital Fund (DWCF). On 11 December 1996, the Office of the Undersecretary of Defense (Comptroller) (USD(C)) signed a decision paper that replaced DBOF with DWCF, and granted the Services the authority to manage them. This act created five divisions of the DWCF, with the Air Force Working Capital Fund (AFWCF) designated as the responsible agency for DBOF-T, for administrative and cash purposes only. As a result of this change, USTRANSCOM/TCJ8 renamed DBOF-T the Transportation Working Capital Fund (TWCF). Under TWCF, the DCS reports to USTRANSCOM for budget submission and funding purposes. See AFI 65-601, Volume 3, *The Air Force Budget Corporate Process*, Attachment 1, for a brief description of the

AFWCF. Attachment 3 of this instruction is a copy of the charter that established the DoD AFWCF USTRANSCOM activity group.

1.1.4.1. All budget and accounting policies, practices, and procedures previously applicable to DBOF-T remain the same for TWCF. The military components of the TWCF and USTRANSCOM will continue to be responsible for managing the functional and financial aspects of their supported functions and activities. USTRANSCOM still remains the single manager for all DoD transportation.

1.1.4.2. Attachment 2 of this instruction is a copy of the charter approved by the DoD Comptroller on 12 April 1958, which authorized financing of the operations of the ASIF, the initial predecessor of the TWCF. This charter established an initial cash working capital authorization of \$75 million provided from the Air Force Industrial Fund (AFIF). The acronyms and terminology of this charter are reflective of the time of establishment.

1.1.5. General policy guidance for the financial operation and reporting and other related principles, policies, and procedures for industrial funds, or known today as working capital funds, is provided in Air Force Instruction (AFI) 65-601, Volume 1, Chapter 18 and the Department of Defense Financial Management Regulation (DoDFMR) 7000.14, Volumes 2B (Chapter 9) and 11B. The code structure required for managing and reporting is in the Air Force Data Dictionary (AFDD) for the various elements that comprise the TWCF accounting classification (see paragraph 2.2 below) and AFI 33-110, *Data Administration Program*. This regulation does not specify detailed instructions in areas related to appropriation accounting; however, there are cross-references to the Defense Finance and Accounting Service (DFAS)/Air Force manuals and instructions, which contain these procedures.

1.2. Funding, Budgeting, and Accounting System Overview.

1.2.1. The TWCF Operating Budget is exempt from apportionment and allotment controls. Financial control is kept by use of an operating budget based on revenue that provides authority to pay expenses of the DWCF. Chapter 7 of this instruction describes the TWCF budget process. **Note:** The acronym “TWCF” refers to the Transportation Component of the AFWCF throughout this publication.

1.2.2. The guidance referenced in paragraph 1.1.5 above sets broad policy guidelines on costs chargeable to an industrial fund (now referred to as a working capital fund) activity. Additionally, Chapter 6 of this instruction provides for those specific charges authorized for direct or reimbursable TWCF funding. Chapter 2 and Chapter 4 discuss accounting procedures for these costs.

1.2.3. Revenue (or reimbursement for airlift services) is received by the TWCF from authorized airlift customers by charging tariff rates based on the type of airlift services provided. These tariff rates are developed by USTRANSCOM/TCJ8, and approved by USD(C) through the President’s Budget cycle. (See AFI 65-601, Volume 1, Chapter 18, paragraphs 18.3.1., 18.3.4.2., and DoDFMR 7000.14, Volume 2B, Chapter 9, paragraph 090104.C.) Per AFI 65-601, Volume 1, Chapter 18, paragraph 18.2.1., revenue earned by TWCF recoups direct and indirect costs, general and administrative support provided by others, depreciation, and amortization costs incurred by AMC in providing airlift services. TWCF tariffs include:

1.2.3.1. Rates for TWCF airlift services are established based on identified output measures, as directed by DoDFMR 7000.14, Volume 2B, Chapter 9, paragraph 0900104.A.2. (see Chapter 5 of this publication for the types of airlift services). Airlift services furnished to authorized customers are chargeable to DoD funds, other federal funds, or allied air forces when a cooperative military airlift agreement exists. The annually published AMC rate guide, *US Government Airlift Rates and Non-US Government Airlift Rates* (see Chapter 6, paragraph 6.2.3 for web site address) provides the appropriate rates for the specific channel route (passenger/cargo service) or if chartering an entire aircraft (Special Assignment Airlift Mission (SAAM)). Additionally, tariff rates for these same airlift services applicable to the non-DoD federal users recover a portion of the unfunded cost. HQ AMC/FMA is responsible for the publication of these tariff rates in an annual publication (generally published in October of each fiscal year), as well as specific instructions and examples relating to their use. See paragraph 1.2.3.1.1 below for the web site link to access the TWCF tariff rate publication.

1.2.3.1.1. TWCF channel passenger and cargo tariff rates are set annually based on commercial competition or a standard rate per mile. As a result, they do not recover full costs due to AMC's requirement to maintain the wartime capacity of the airlift system. The difference between the revenue that TWCF receives and costs incurred for these airlift services is offset by an Air Force O&M-funded Readiness Account (see DoDFMR 7000.14, Chapter 65, paragraph D.4.a.). The individual channel rates are implemented 1 Oct each year and remain stable for the fiscal year. AMC's rates and business rules can be viewed on the AMC/FM Portal at <https://www.my.af.mil/gcss-af/USAF/ep/browse.do?programId=1135935&channelPageId=-1289035&portletId=-1645110>. **Note:** See individual files on this web site for the appropriate rates.

1.2.3.1.2. There are circumstances where a non-DoD United States (US) Government agency may be charged the DoD rate for airlift services. As a general rule, this is supported by congressional action in a U.S.C. Title or in specific USD(C) guidance. An example is 10 U.S.C., Section 2642, in which the Secretary of Defense may authorize DoD rates for airlift services provided to the Central Intelligence Agency, when the airlift services are "provided for activities related to national security objectives". Another example is 14 U.S.C., Section 3, when the US Coast Guard, which normally operates under the Department of Homeland Security, operates as a service in the Navy under a declaration of war or when directed by the President. Outside of these exceptions, the US Coast Guard will be charged the non-DoD US Government rate for airlift services.

1.2.3.2. Rates for airlift services furnished to non-US Government users (e.g., foreign governments, state and local governments, private corporations and entities, etc.). The AMC rate guide provides these airlift tariffs that are designed to recover total costs, including unfunded costs such as military labor, depreciation, and other administrative and overhead costs.

1.2.3.3. Revenue generated from sources outside of the tariff structure. Examples include the reimbursement of landing fees from the Government of Germany for TWCF chartered commercial aircraft, terminal services provided to non-TWCF aircraft by

TWCF aerial port operations, and the readiness costs paid by AMC Operations and Maintenance (O&M) funds for the amount of TWCF expenses that revenue earned from airlift customers and other revenue sources do not fully recoup (see paragraph 1.2.3.1.1. above). **Note:** Payments received from landing fees assessed to civil aircraft at AMC bases/en route locations with a TWCF mission are not collected into the TWCF account as a reimbursement. See AMC Supplement 1 (AMCS1) to AFI 65-601, Volume 1, *Budget Guidance and Procedures*, paragraph 7.12.4, for the proper collection of these fees.

1.2.4. The TWCF uses a double entry accrual basis accounting system that accumulates costs and revenues to provide accurate and timely data, used as follows:

1.2.4.1. Financial accounting and reporting (see paragraph 1.1.5 above).

1.2.4.2. Developing POM estimates, budget estimates, tariff rates, and cost factors.

1.2.4.3. Cost control and management decisions.

1.2.5. AMC O&M funds reimburse the TWCF for the following airlift services at the HQ AMC level:

1.2.5.1. Joint Airborne and Air Transportability Training (JA/ATT).

1.2.5.2. SAAM airlift missions, such as PHOENIX BANNER, PHOENIX SILVER, PHOENIX COPPER, etc.

1.2.5.3. Unallocated and restricted airlift capability.

1.2.5.4. Readiness costs not recouped by customer revenue. See Chapter 5, paragraph 5.1.2.10 of this instruction.

1.2.5.5. Household goods movement (Air Force civilian PCS only).

1.2.5.6. Group Travel.

1.3. Financial Administration. Under the TWCF, the use of the approved financial program and analysis of programmed activities determines financial administration and not actual performance.

1.3.1. USTRANSCOM/TCJ8 provides HQ AMC/FMA with fiscal guidance that shows approved operating budget and budget estimates to include the TWCF funding floor by category of service.

1.3.2. HQ AMC/FMA issues approved operating expense authority (to include facility maintenance and repair projects) and capital program authority to its subordinate funding points through the Automated Funds Management (AFM) system.

1.3.3. USTRANSCOM/TCJ8 authorizes working capital to meet operating needs of the TWCF. This authorization is for the minimum needs of the TWCF based on the review and approval of operating budget submissions.

1.3.4. The authority to incur obligations and accrue expenditures for the TWCF is the right of local management under the direction and supervision of HQ AMC/FM/FMA.

1.4. Disposition of Records. Dispose of accounting records as provided in the Air Force RDS located at <https://afrims.amc.af.mil>.

1.5. Operational Risk Management (ORM). AFI 90-901, *Operational Risk Management (ORM)*, defines ORM as “a logic-based common sense approach to making calculated decisions on human, material, and environmental factors before, during, and after Air Force operations. It enables commanders, functional managers, and supervisors to maximize operational capabilities while minimizing risk by applying a simple, systematic process appropriate for all personnel and Air Force functions.” ORM has 4 main principles: (1) accept no unnecessary risk; (2) make risk decisions at the appropriate level to establish clear accountability; (3) accept risk when the benefits outweigh the cost; and (4) integrate ORM into Air Force Doctrine and planning at all levels. HQ AMC/FM has directed the implementation of the ORM fundamentals and philosophy into all aspects of our financial management culture in accordance with AFI 90-901.

1.6. Distribution. This AMCI is accessible on the HQ AMC/FM Budget Policy Community of Practice (CoP) web site at the following address: <https://afkm.wpafb.af.mil/community/views/home.aspx?Filter=AM-FM-BH-01>. To access the link to the publication, select “AMC Policy Guidance” under “Action Items” and click on AMCI 65-602 from the menu. You may download the publication at any time and reproduce in sufficient copies to allow distribution to local financial managers, as determined by the local Comptroller. AMCI 65-602 is also directly available on the Air Force e-Publishing web site, located at <http://www.e-publishing.af.mil/shared/media/epubs/AMCI65-602.pdf>.

1.7. Updates. HQ AMC/FMA will provide changes by page replacements and inserts or interim message changes, and will also make them available on the HQ AMC/FM Budget Policy CoP. You may submit suggestions for updates to HQ AMC/FMA, Attn: Budget Policy and Procedures, 402 Scott Drive, Unit 1K1, Scott Air Force Base (AFB) IL 62225-5311. Please use the AF Form 847, *Recommendation for Change of Publication*, and be specific as to the purpose of your suggestion. Provide as much information as possible to include the benefits derived from your proposed change.

Chapter 2

BASE-LEVEL ACCOUNTING FOR COSTS

2.1. General Information. Funding for TWCF operations at base-level includes C-5/C-17 aircraft operations organizations and C-5/C-17 aircraft maintenance organizations at AMC Wings, aerial port organizations (CONUS AMC Wings or overseas Air Mobility Operations Wings (AMOW), aircraft operations/maintenance organizations within the AMOWs, and certain elements of the AMC Contingency Response Wings (CRW) and the TACC (applicable to PE 41898), all which directly support the global airlift transportation mission for the purpose of providing airlift services to authorized customers. See paragraph 2.3.2. below for the program element (PE) codes applicable to TWCF-funded organizations. Costs chargeable to AMC TWCF airlift operations are described in further detail in Chapter 6 of this instruction. Specific procedures on the general accounting system for operations (e.g., accrual accounting, funds control, supporting documentation, etc.) are in the DFAS-DE 7000-series as well as the DoDFMR 7000.14-series publications. This chapter gives policy on accounting procedures unique to TWCF base-level operations. **Note:** All references to accruals in this chapter mean the accrued expenditures unpaid (AEU) stage of accounting.

2.2. Coding of Costs. Record all AMC TWCF airlift operations accounting transactions as a commitment (COMM), undelivered orders outstanding (UOO), AEU, or accrued expenditures paid (AEP), depending upon the stage of accounting at the time of the transaction. A debit or credit general ledger entry is made either mechanically or by manual input for each UOO, AEU and AEP transaction. Each cost transaction line of accounting for AMC TWCF reflects the following: Appropriation symbol/limit 97X4930.FD40; fund code (FC) 68; fiscal year (FY) X (insert the last numerical digit of the appropriate fiscal year); operating agency code (OAC) 65; operating budget account number (OBAN) XX (insert the appropriate OBAN designation); budget project account code (BPAC) XXXXX (insert the appropriate TWCF BPAC); element of expense and investment code (EEIC) XXXXX (insert the appropriate EEIC designation); responsibility center/cost center (RC/CC) XXXXXX (insert the applicable RC/CC code); and accounting and disbursing station (ADSN) XXXXXX (667100 for AMC TWCF locations which will change to 387700 when the Defense Enterprise Accounting Management System (DEAMS) becomes fully operational); for TWCF funding points at non-AMC locations, use the assigned DFAS Field Site ADSN applicable to the host base); and any other supporting data required to allow processing in the general accounting system (e.g., applicable Emergency and Special Program (ESP) code). Certification of fund availability is unnecessary on planning purchase request forms if the documents include the following certification statement: "The procurement requested by this document is included in the approved operating budget for FYXX." (**Note:** Insert the last two digits of the appropriate fiscal year in place of the "XX".)

2.2.1. Applicable BPACs for AMC TWCF include:

2.2.1.1. 101 (or 10100) – All Operating (except for Military Augmentation, Commercial Augmentation, and Maintenance and Repair). HQ AMC/FMAT assigns an additional 2-digit shred to identify each AMC centrally funded ADP system program under this BPAC, managed by HQ AMC/A6XR.

2.2.1.2. 102 – Operating, Commercial Augmentation (HQ AMC only).

2.2.1.3. 103 – Operating, Military Augmentation (HQ AMC only).

2.2.1.4. 131 – Operating, Depreciation (HQ AMC only).

2.2.1.5. 21XXX – Capital, Minor Construction. **Note:** HQ AMC/A7R establishes the 3rd through 5th positions of this BPAC, as follows:

2.2.1.5.1. The 3rd position will be a “C” for contract or “I” for in-house.

2.2.1.5.2. The 4th position represents the last digit of the applicable fiscal year of the project being funded. If the funds are for a current fiscal year project, then it will correspond to the last digit of the fiscal year in which the funds are issued. If the issue is for a project originally funded in a previous fiscal year, i.e., a change order, the BPAC will be the same as the BPAC for which the project was originally funded.

2.2.1.5.3. The 5th position represents the sequential assignment of an alphabetic character by HQ AMC/A7R unique to each project.

2.2.1.6. 220 – Capital, Automatic Data Processing Equipment (ADPE)/Information Processing Equipment (IPE) and Telecommunications Equipment (hardware). HQ AMC/FMAT establishes an additional 2-digit shred to identify each AMC centrally funded ADPE/IPE system program under this BPAC, managed by HQ AMC/A6XR.

2.2.1.7. 230 – Capital, Equipment, Other than ADPE/IPE and Telecommunications. A 2-digit shred may be established by HQ AMC/FMAT, as appropriate.

2.2.1.8. 240 – Capital, Software Development and Modernization. HQ AMC/FMAT establishes an additional 2-digit shred to identify each AMC centrally funded ADP system program under this BPAC, managed by HQ AMC/A6XR.

2.2.1.9. 3XXXX – Operating, Maintenance and Repair (MR). **Note:** HQ AMC/A7R establishes the 2nd through 5th positions of this BPAC, as follows:

2.2.1.9.1. The 2nd position represents the last digit of the applicable fiscal year of the project being funded. If the funds are for a current fiscal year project, then it will correspond to the last digit of the fiscal year in which the funds are issued. If the issue is for a project originally funded in a previous fiscal year, i.e., a change order, the BPAC will be the same as the BPAC for which the project was funded.

2.2.1.9.2. The 3rd through 5th positions represent a sequentially assigned number or number-alpha combination by HQ AMC/A7R unique to each project.

2.2.2. **Note:** The BPACs shown above are not listed in the AFDD.

2.3. Expense Classification.

2.3.1. EEICs identify the various cost elements in the base level operating budgets that finance TWCF operations. See DFAS-DE 7010.1-R, *General Accounting and Finance Systems at Base Level*, chapter 2, paragraph 2-1.f., for the definition of an EEIC. To see a list of EEICs see the FM Data Quality Service (DQS) web site at <https://dqs.afbudsys.disa.mil/DataDictionary/ElementChoice>. Use the drop down menu in the upper left corner of the web site to locate the EEIC data element and select —Open List as Excel. Use only those EEICs shown as current (not historical) on DQS.

2.3.2. Program Element (PE) codes. PE codes identify where the costs are tracked to the specific supporting weapon system or aerial port operations. For AMC TWCF, we still utilize the former ASIF PE codes (41119 – C-5, 41130 – C-17; 48542 – aerial port (including specific TWCF-coded aerial port functions assigned to the Logistics Readiness Squadron); and 41898 – for those TWCF functions whose costs that cannot be identified to a specific weapon system or are split between the C-5 and C-17 weapon systems) in lieu of the TWCF-assigned manpower PE codes (48010, with alpha suffixes H through Q in the 6th position). This is due to the current Air Force accounting system's inability to recognize the 6th position of the manpower PE code in order to distinguish costs for analysis purposes. Although PE codes are not included as a part of an accounting classification, they are by no means any less important than the various codes that comprise the complete accounting classification.

2.3.3. The use of correct TWCF PEs when establishing obligations or expenses in the accounting system is extremely critical when HQ AMC/FMAT personnel analyze expense execution to determine the appropriate budgetary aircraft hourly tariffs to charge TWCF customers who utilize AMC strategic aircraft to move their oversize cargo requirements or group travel passengers. If TWCF costs are incorrectly PE coded (e.g., using an incorrect O&M-assigned PE in lieu of the correct TWCF PE) or the PE field is blank in the accounting records, the HQ AMC/FMAT tariff rate analysts must speculate as to where these costs belong by prorating them to the various weapon systems based on actual TWCF PE coded expenses or some other artificial means. The end result is that aircraft hourly tariff rates may be erroneously overstated or understated in our TWCF budget submissions to USTRANSCOM, thereby incorrectly charging airlift customers for requested airlift services. Base FMAs should work with their respective DFAS Field Site and resource advisors to ensure validity of the PE code for all TWCF-related accounting transactions.

2.4. TWCF Funded Costs (Direct or Reimbursable). The following are specific procedures and policy clarification by expense category:

2.4.1. Civilian Payroll Costs (EEICs 11XXX – General Schedule (GS), 17XXX – Wage Grade (WG), 15XXX – Foreign National Direct Hire (FNDH), and 162XX – Foreign National Indirect Hire (FNIDH)). The automated civilian pay system (DFAS-DE 7072.1-M, *Defense Civilian Pay System (DCPS)*) interfaces with the general accounting system to give AEU and AEP data for TWCF assigned civilian personnel pay and benefits costs.

2.4.2. Civilian Personnel Annual Leave Liability. Keep the identity of the funded leave liability.

2.4.2.1. The funded leave liability AEU is the actual leave liability per leave records. It can change only for the following instances:

2.4.2.1.1. During initial or later capitalization (increase).

2.4.2.1.2. Upon correction of errors that occurred during capitalization (limited to the 3-month period after capitalization).

2.4.2.1.3. When the funded balance is in a negative position (decrease).

2.4.2.1.4. At times when there is a change in mission or organizational transfer (decrease). Mission change is defined as:

2.4.2.1.4.1. Organizational moves of people or activities directed by management. (**Note:** Includes sub-elements of an activity or groups of individuals (two or more)).

2.4.2.1.4.2. Reduction-in-force (RIF) actions associated with mission change or management action (formal personnel action).

2.4.2.2. Monthly, adjust the funded leave liability AEU for the estimated or actual amount of change in value that resulted from transfers in or out (individual employees) or from the difference between leave earned and taken.

2.4.2.3. When TWCF employee's transfer or separate under organizational changes or RIF actions, adjust the funded TWCF accrued civilian annual leave liability accounts. Record the appropriate severance payments and lump sum payments in the appropriate EEICs for GS, WG, and FNDH.

2.4.2.3.1. Determine the percentages of the funded accrued annual leave liability account balance of the TWCF liability as of the month-end preceding the month in which employees are transferred or separated.

2.4.2.3.2. For employee transfers, apply the percentage factor to the total value of the employee's accrued annual leave as of the date of transfer.

2.4.2.3.3. Reduce the annual leave liability for the amount computed by applying the funded annual leave percentage factor.

2.4.2.3.4. For employee separations, apply the percentage factor to the total value of accrued annual leave of the employees as of the date of separation.

2.4.2.3.5. Increase annual leave liability for the amount computed by applying the funded annual leave percentage factor. Charge the payment to TWCF.

2.4.2.3.6. All Voluntary Separation Incentive Payments (VSIP) should reflect EEICs 13012 (GS), 18012 (WG) or 16012 (FNDH). **Note:** In the event the VSIP for a TWCF-coded civilian is the result of a Base Realignment and Closure (BRAC) action, the appropriate BRAC account will find the VSIP (DoDFMR 7000.14, Volume 2B, Chapter 9, paragraph 090103.I.)

2.4.2.4. Each year change the civilian leave liability to agree with the leave records of the individual employee.

2.4.3. Non-US Citizen Employees' Separation Pay (Other than Severance Pay and Retirement Benefits Liability, EEICs 160XX, FNDH and 162XX, FNIDH). Amounts due non-US citizens TWCF employees for entitlements earned for separation and severance pay are TWCF accrued expenses.

2.4.3.1. When units activate into or deactivate from the TWCF, record entitlements due non-US government employees at the start of the FY, in which the transfer occurs, as adjustments to prior year AEU. If the transfers occur at other than the beginning of the FY, record entitlements earned during the current FY as adjustments to current FY AEU, and the additional entitlement owed as adjustments to prior year AEU.

2.4.3.2. Each month accrue one-twelfth of the total current year projected cost for basic benefit values, changes in pay and currency exchange rates, and differences in AEU

resulting from individual transfers. Funds do not exchange between gaining and losing organizations when transfers do not occur.

2.4.3.3. Apply payments (AEP) for entitlements due using prior year designation in total or as a split payment. Identify current year fund designation for entitlements earned during the current year, and prior FY fund designation for the remainder of the entitlement owed.

2.4.3.4. At least annually, before year-end closing, reconcile AEU amounts (current and prior FY) to the individual employee's entitlement records. Process required adjustments as current year transactions.

2.4.4. Costs and Advances for Travel and Transportation of Persons and Vehicle Rental (EEICs 409 through 435).

2.4.4.1. Instructions in the DFAS-DE *Interim Guidance on Procedures for Travel Accounting Operations*, govern recording accrued expense for TDY and PCS costs. Travel advances for authorized TDY or PCS require additional accounting actions. See AMCI 24-101, Volume 14, *Military Airlift Passenger Service*, section C, paragraph 25, for policy governing use of mission route support (MRS), mobility mission observer (MMO), mission essential ground personnel (MEGP), and additional crewmember (ACM) customer identification codes (CIC) that identify non-billable Outside the Continental United States (OCONUS) travel for authorized personnel on AMC organic aircraft. Contact HQ AMC/FMFA, Scott AFB IL, E-mail: <mailto:AMCTWCFISSUES@scott.af.mil> for guidance on constructing billable CIC codes or consult DoD 4500.9-R, *Defense Transportation Regulation, Part I, Passenger Movement*, Chapter 103, section J, paragraph 3.d for the appropriate military department CIC web site address.

2.4.4.2. Use EEIC 409 to record travel and per diem (to include individual rental vehicle and any other approved incidental charges) costs. SAF/FMPT has provided the following 5-digit TDY EEIC exceptions (not all inclusive): 40901 (travel – special projects), 40911 (emergency leave - member), 40913 (emergency leave – dependent), 40915 (schools and training), 40923 (maintenance training), 40924 (mission per diem), 40926 (travel and per diem for aircrews (used in conjunction with the AF Form 4327a, *Crew Flight (FA) Authorization*)), 40945 (travel – AFRC Man-day Support), and 40995 (contractor travel (when not specified in the other direct costs portion of the primary contract)).

2.4.4.3. Establish an AF Form 406, *Miscellaneous Obligation Reimbursement Document (MORD)*, on a monthly basis for TWCF-funded AF Form 4327a documents and a funding letter for TWCF-funded Blanket Travel Orders for the anticipated monthly operating expense, in order to minimize the impact on your TWCF Operating expense authority. Only obligate the amount of funds necessary to operate for that month. Submit an increase letter if additional funds are required. At the beginning of the following month submit a new AF Form 406 or funding letter for that month's anticipated operating expense.

2.4.5. Contract and Base Lodging Costs (EEIC 50504). Use the following procedures for aircrew members performing flying missions on a TWCF-funded AF Form 4327a, who occupy contract or base lodging at those locations listed in Table 2.1. and Table 2.2. below.

For all other locations, TWCF aircrew members will pay on-base or contract lodging charges and obtain reimbursement upon filing their travel settlement vouchers when returning to home station. **Note:** This procedure pertains only to TWCF-funded aircrews and AMC O&M-funded KC-10/KC-135 aircrews flying TWCF missions. Per AFI 11-401, *Aviation Management*, the definition of an aircrew includes a total compliment of rated aviators and non-rated aircrew personnel responsible for the safe ground and flight operation of the aircraft and on-board systems, or for airborne duties essential to accomplishment of the aircraft's mission (i.e., Phoenix Ravens, comptroller paying agents, stewards, and aeromedical personnel). All other TWCF-funded TDY personnel will pay for their lodging via check, cash, or personal credit card, regardless of the lodging location. See paragraphs 2.4.5.5. and 2.4.5.6. below for application of TWCF charge lodging procedures to AMC KC-10/KC-135 aircrews.

2.4.5.1. Air Force policy requires base lodging offices to request TDY travelers to provide proof of payment or to pay for their lodging in advance by check, cash, or credit card. This policy was driven due to the past numbers of large delinquent accounts receivables (past due billings) in Air Force lodging fund accounts and to prevent it from reoccurring. To comply with Air Force policy and in an effort to reduce the same for commercial contract hotels located near AMC Continental United States (CONUS) and en route locations, the US Bankcorp Government Purchase Card (GPC) is the payment mechanism for on-base and contract lodging charges of TWCF aircrews in lieu of receiving and submitting invoices for payment at the locations listed in Table 2.1. and Table 2.2. below.

2.4.5.2. The appropriate TWCF funds manager (appointed designee (e.g., the resource advisor) in the wing/group directorate of operations, not the FMA office) responsible for validating the lodging invoices for payment should obtain a GPC specifically designated for EEIC 50504 to pay these charges. (**Note:** This is authorized in the exception provided in AFI 64-117, *Air Force Government-Wide Purchase Program*, paragraph 2.4.2.) These cards are not to be used for any other types of purchases. Any Blanket Purchase Agreement (BPA) contract established with local hotels for lodging purposes should be modified to include the GPC account number and name of the cardholder point of contact (POC). If necessary, establish a memorandum of agreement between the base lodging office and the appropriate office/unit who maintains the responsibility to verify the on-base lodging charges that will also provide the GPC account number and cardholder POC. All other validation arrangements currently performed (e.g., reviewing copies of the flight authorizations to ensure they are TWCF funded) prior to submitting the GPC monthly statement to the supporting DFAS Field Site for payment should remain the same. For disputed charges, follow established procedures in AFI 64-117, paragraph 4.3.5.6.

2.4.5.3. The regional DFAS Field Site, as appropriate, forwards a check or electronic funds transfer (EFT) to US Bankcorp (GPC provider) for the verified amount. The TWCF on-base/contract lodging used by authorized AMC aircrews is not chargeable to their organization of assignment, but are validated and paid from the local TWCF account. AMC TWCF and applicable KC-10/KC-135 O&M-funded aircrews must not claim these lodging charges on their individual travel settlement vouchers for reimbursement as they are provided to the traveler without charge.

2.4.5.4. Table 2.1. provides the Air Force locations that authorized AMC TWCF aircrews may charge their on-base or contract lodging costs if they are traveling on a valid flight authorization (AF Form 4327a) citing appropriation symbol 97X4930.FD40 (Fund Code 68). Additionally, AMC KC-10 and KC-135 aircrew members flying TWCF missions with a valid AMC mission identifier on O&M-funded (57*3400) flight authorizations may also charge their lodging costs to the local TWCF account if the flight authorizations include the following statements: "This is a KC-10 [KC-135] mission being used to satisfy movement of TWCF cargo requirements. For lodging purposes, charge the costs of on-base and contract lodging to the local TWCF funds (AMC Aircrew Charge System)." Table 2.2. shows the applicable non-Air Force locations.

Table 2.1. Authorized Air Force Locations for TWCF Lodging Charge System.

CONUS LOCATIONS	PACIFIC LOCATIONS
Joint Base (JB) Charleston	Joint Region Marianas (formerly Andersen AFB Guam)
Dover AFB	JB Pearl Harbor/Hickam
JB Lewis/McChord	Kadena Air Base (AB)
JB McGuire/Dix/Lakehurst	Osan AB
Pope AFB	Yokota AB
Travis AFB	
EUROPE LOCATIONS	ALASKA LOCATIONS
Aviano AB	JB Elmendorf/Richardson
Incirlik AB	
Lajes AB	
RAF Mildenhall AB	
Ramstein AB	
Spangdahlem AB	

Table 2.2. Authorized Non-Air Force Locations for TWCF Lodging Charge System.

EUROPE LOCATIONS	PACIFIC LOCATIONS
Rota Naval Air Station (NAS)	
Sigonella NAS	

2.4.5.5. Whenever AMC KC-10 or KC-135 aircrews, whose TWCF mission terminates at any TWCF funded location listed above, remain at the location to perform local training missions, participate in tanker task force missions, or perform any other non-airlift mission, the lodging costs for the duration of their stay will be the individual aircrew's responsibility and not chargeable to local TWCF funds. For these instances, the local TWCF account will only be charged for the first night's lodging.

2.4.5.6. Only the actual lodging fees are chargeable to the local TWCF account. Aircrews are responsible to pay all other personal costs, such as telephone calls, in-room

snacks and beverages consumed, movie rentals, etc., prior to or during normal checkout procedures.

2.4.5.7. Even though on-base and contract lodging costs are chargeable, TWCF-funded and appropriate AMC KC-10/KC-135 aircrews who occupy the rooms should adhere to local checkout procedures. However, if adequate aircrew rest dictates that individual aircrew members remain beyond the normal checkout time, the TWCF may incur the cost of the additional day due to the nature of the airlift mission.

2.4.5.8. If any rooms reserved in advance are unused due to circumstances beyond the aircrew's control (e.g., the aircraft incurs maintenance problems en route, preventing the aircrew from making their reservation deadline on the reservation date and they are unable to notify the hotel in time to cancel the reservation) and the hotel bills for the unused room, the TWCF may also pay this charge. These costs incurred at the locations listed in Table 2.1. and Table 2.2. above may be charged against the local TWCF GPC account or a central billed account as described in paragraph 2.4.5.10 below.

2.4.6. Other Operating Costs (EEICs 461XX through 59800). Obtain these services from Air Force, other DoD components, or commercial vendors. The TWCF funds are direct cited or reimbursable to the base depending on the existing operating procedure for the service received. Exceptions from the normal procedures used by the general accounting system for operations are:

2.4.6.1. Purchased Utilities (EEIC 480XX). The Base Civil Engineer (BCE) determines the applicable TWCF charges per AFI 32-1061, *Providing Utilities to US Air Force Installations*. The BCE identifies reimbursable costs either by letter or by the Schedule of Reimbursements and Refunds.

2.4.6.1.1. The TWCF will reimburse Appropriated Fund (APF) activities for gas, electric power, water, and heat consumed, and for sewage facilities utilized by TWCF-designated facilities. For this purpose, TWCF facilities are airlift aerial ports, airlift operations centers, en route Airlift Mobility Squadron (AMS) facilities, CONUS Contingency Response Wings (CRW) (**Note:** Only those facilities or a portion of those facilities occupied by TWCF-assigned personnel are TWCF-funded; see paragraph 6.3.1.6.1 (et seqq.), of this publication.). TWCF organizations at base-level are exclusively AMC C-5/C-17 airlift flying squadrons, AMC C-5/C-17 aircraft maintenance squadrons, aerial port squadrons at AMC locations (excluding Andrews AFB MD aerial port whose mission primarily supports aircraft dedicated to the President and Vice-President of the United States and other DV aircraft), organizations within the CRWs that are TWCF-assigned, and AMC AMOW organizations, all which receive TWCF funding to support the day-to-day operations of the global transportation airlift mission. See Table 6.1. of this instruction for facility category codes that qualify for TWCF funding.

2.4.6.1.2. If a facility does not have a valid TWCF-assigned category code, do not charge the utilities costs to TWCF funds.

2.4.6.2. In-House Maintenance and Repair (MR) (EEIC 52720) and Minor Construction (MC) (EEIC 52800). Charge the TWCF for in-house costs relative to MR/MC of real property facilities used solely or partially by TWCF. See paragraph 2.4.6.1.1. above for

the definition of TWCF facilities. **Note:** Base facilities that are designated as common-use (e.g., runways, taxiways, roads, dormitories, etc.) do not qualify for TWCF funding (all or a portion thereof) for MR/MC costs. Refer to Table 6.1. of this instruction for a list of TWCF eligible real property category codes. The TWCF will also reimburse the O&M appropriation in total for all funded costs of MR/ MC projects for TWCF facilities when done with in-house capability. Charge in-house MC costs (less than \$250,000 of funded cost) against MR funding issued in EEIC 52720. Charge in-house MC costs (\$250,000 – up to and including \$750,000 of funded costs) against the Capital MC account funding issued for the work in EEIC 52800. Direct cite TWCF funds when work is performed by contract.

2.4.6.2.1. Project costs are subject to limitations shown in AFI 32-1032, *Planning and Programming Appropriated Funded Maintenance, Repair, and Construction Projects*, Chapters 1 and 4. Reimbursement for host Civil Engineering (CE) in-house costs incurred in support of TWCF units is accomplished by Standard Form 1080, *Voucher for Transfers Between Appropriations and/or Funds*. A copy of CE's Schedule of Reimbursements and Refunds should support the reimbursement. Accrue all project costs promptly.

2.4.6.2.2. Some TWCF facility work requirements are accomplished by contract. Contractors will submit invoices to CE construction managers and base contract administrators monitoring each contractor's work. Base contracting will submit validated invoices to the local Financial Services Office (FSO) for forwarding to the supporting DFAS Field Site for payment. (**Note:** The contract generally provides for invoice submission on a predetermined schedule.) You should base the accruals on documented estimates of work completed as determined by CE and the contract administrator.

2.4.6.2.3. The contract administrator must notify the appropriate accounting function upon completion of the project. Chapter 6 and Chapter 8 of this instruction contain additional MR/ MC guidance.

2.4.7. Supplies, Materials, and Equipment Costs (EEICs 602 through 699). The Air Force standard base supply system (SBSS) procedures apply (DFAS-DE 7077.10-M, *Automated Material Accounting System Integrated within Standard Base Supply System: D002A or GV Users Manual*). The SBSS interface updates the accrued expenditures unpaid accounting stage.

2.4.8. Prior Year Funding. The TWCF does not utilize prior year funds as is done for O&M 3400 funds. Unless an accrual or payable (AEU) was established in the accounting records prior to the end of the fiscal year in question, prior year expenses must be covered by current year funding authority.

2.4.9. UOO and Commitment Rollovers. At the end of the fiscal year, TWCF BPAC 1XX and 3XX records in with balance IDs "C" or "O" in the accounting system will retain fiscal year integrity and not roll over into the new fiscal year during the DFAS End of Year (EOY) conversion process. When they are later expensed (moved to AEU/AEP), these balances will be posted to the prior year in which they were obligated. Although transparent to base level financial reporting, these prior year balances are covered by current year funding authority managed by HQ AMC/FMAT. This recent change (effective FY09) in UOO "rollover"

policy does not alleviate responsibility to ensure that all valid TWCF expenses are in the AEU stage of accounting prior to year-end.

2.4.10. Bona Fide Need Rule Application. The bona fide need rule is not applicable to TWCF because it is a no-year fund in accordance with GAO: Principles of Federal Appropriations Law, Volume 1, Chapter 5, page 5-13. Because TWCF Operating and Capital programs are no-year appropriations, all change orders and upward adjustments arising in future years applicable to TWCF projects that commenced in prior years are funded with current year TWCF Operating or Capital funds, as appropriate. You may also use current year Operating and Capital authority to buy down future year requirements if current year funds are available. For example, a TWCF organization budgeted/programmed to replace stand-alone office computers in FY06 and they have the opportunity to purchase them using existing FY05 Operating funds. This is permissible provided the computers are received and expensed in the accounting system prior to 30 September 05. The same holds true on one-time contracts for unseverable services. However, keep in mind that any portion of the requirements that is not expensed by the end of the fiscal year will roll over into the new fiscal year and charged against the new year's authority (see paragraph 2.4.9. above). Note: You may not move the unexpensed part of the contracted requirements from UOO into the AEU stage of accounting at the end of the fiscal year unless the services or materials are actually received (reference DoDFMR 7000.14, Volume 4, Accounting Policy and Procedures, Chapter 9, paragraph 090201. and Volume 11B, Chapter 12, paragraph 1201.). Additionally, do not use current year TWCF funds to buy down/expense future year civilian pay, TDY requirements, or services that are provided on a monthly recurring basis (e.g., utilities, communications, rental of equipment, etc.).

2.4.11. Use of Air Force ESP Codes Assigned to Track TWCF Costs Relating to Other Contingency Operations (OCO) or Other Air Force Humanitarian or Contingency Requirements. TWCF organizations should use Air Force ESP codes to capture operating expenses in the accounting system that are in direct support of OCO (formerly called Global War on Terrorism (GWOT)), humanitarian, or other Air Force contingency requirements, for tracking purposes. Other Air Force non-JCS ESP codes and AMC ESP codes should also be used to capture expenses where applicable, or directed by HQ AMC/FMA. **Note:** If a TWCF organization incurs costs for a particular requirement that is in direct support of OCO, humanitarian, or other Air Force contingency for which an Air Force ESP code is assigned to capture costs and an AMC ESP code was assigned to normally capture these specific costs in a peacetime environment, the applicable Air Force ESP code takes priority over the AMC ESP code.

2.4.12. Application of Expense Authority for TWCF Operating Accounts in Lieu of Obligation Authority. As an overall part of the DWCF, TWCF Operating costs (this excludes TWCF Capital costs) work on an expense authority basis and not obligation authority, as generally found in other O&M-type accounts. Because TWCF is a specific Working Capital Fund, it must finance its operating costs through reimbursement from billing authorized customers for airlift services. In theory, these costs must be expensed in the accounting system (i.e., in the Accrued Expenditures Unpaid or Accrued Expenditures Paid accounting stages) before customers are to be billed for airlift services provided by TWCF organizations. This is generally supported by DoDFMR 7000.14, Volume 11B, Chapter 11, paragraph 110104. (Basis for Reimbursement), subparagraph A., which states:

“All orders accepted by a DWCF activity shall be in writing; for a purpose authorized by law; executed before cancellation of the issuing appropriation; and must call for specific goods, real property, work, or services”.

Chapter 3

BASE-LEVEL ACCOUNTING FOR REVENUE

3.1. Sale of Airlift Services (Traffic Revenue). AMCI 24-101, Volume 6, *Transportation Documentation, Data, Records, and Reports*, describes the integrated management and accounting system for airlift of passengers, cargo, and mail on TWCF controlled aircraft. No revenue billing/accounting for sales of airlift services (i.e., charging for passenger, cargo, and other airlift movements) is accomplished at base level except for occasional space required passenger reimbursement. HQ AMC/FMA and Defense Finance and Accounting Service Field Site accounts for all other sales of airlift revenue.

3.2. Sale of Services Other than Airlift. TWCF organizations may provide services other than transportation airlift to customers as required. Common examples of chargeable non-airlift services include but are not necessarily limited to servicing domestic commercial aircraft, foreign military/state aircraft (unless exempted by existing treaties or reciprocal/cooperative agreements (e.g., North Atlantic Treaty Organization (NATO) Standardization Agreement (STANAG)) and loading/unloading passengers and cargo on/off domestic commercial and foreign aircraft. HQ AMC/FMA does not issue TWCF Reimbursement Authority to AMC funding points to allow TWCF organizations to retain revenue received for miscellaneous services provided to customers for further expenditure. See AFI 10-1801, *Foreign Government Aircraft Landings at United States Air Force Installations*, paragraph 8. for further guidance regarding fees and charges for foreign military/state aircraft for routine airport services at Air Force locations.

3.2.1. For domestic commercial aircraft and foreign military/state aircraft servicing (where charging for services is authorized) and other miscellaneous services, the TWCF unit providing the service will submit a memorandum through their local Financial Services Office to the appropriate DFAS Field Site office. The memorandum should state the appropriate country to bill, the services provided, and the dollar amount to bill, in accordance with DoDFMR 7000.14, Volume 11A, Chapter 1, Addendum 2 (applicable cost categories, to include the cost of supplies consumed) and DFAS-DE7010.5-R. For revenue collection, use the following fund cite: 97X4930.FD40, 68* (* represents appropriate last digit of the current fiscal year) 6594 100515 45464 C90 (sales code) 667100 (which will change to 387700 when DEAMS becomes fully operational). For accounting records purposes, PE 41898 and FC (functional category) 03 apply. The DFAS Field Site will establish an accounts receivable based on the data provided by the TWCF servicing unit and submit documentation to DFAS-Denver for a consolidated billing to the applicable foreign country. When DFAS-Denver receives reimbursement they will, in turn, send the collection to the DFAS Field Site.

3.2.2. For processing passengers and cargo on/off domestic commercial aircraft and foreign military/state aircraft (where charging for services is authorized) by TWCF aerial ports, use the established passenger handling charge and cargo terminal charge provided in the SAAM, JCS Exercise, and Contingency Rates Guidance of the current USTRANSCOM rate guide, *US Government Airlift Rates and Non-US Government Airlift Rates*, Table 3, Part A, available on the AMC/FM portal at <https://www.my.af.mil/gcss-af/USAF/ep/browse.do?programId=1135935&channelPageId=-1289035&portletId=->

1645110. AMC aerial ports should follow accounting and revenue collection procedures outlined in paragraph 3.2.1. above, through their local Financial Services Office (FSO). For further instruction, refer to DFAS-DE 7010.1-R, Chapter 30, AFMAN 16-101, *International Affairs and Security Assistance Management*, Chapter 6, paragraph 6-16, and AMCI 24-101, Volume 9, *Military Airlift Air Terminal Operations Center*, paragraph 36.

3.3. Cash Collections of Traffic Revenue by Non-AMC Locations.

3.3.1. Travelers at non-aerial ports who want AMC services should report to the flight authorization issuing agent who will prepare the DD Form 1131, *Cash Collection Voucher*, and will normally accept the proper fare, surcharges, and taxes, and issue the flight authorization. At bases where the Transportation Management Office (TMO) does not collect funds for other services or payments (excess weight of household goods (HHG), refunds from airlines, etc.), the issuing agent prepares the DD Form 1131 and directs the traveler to the FSO with the completed form. The FSO collects the proper tariffs, surcharges, and taxes as shown on the collection voucher, and gives the traveler a signed copy of the form. The traveler exchanges the signed copy for a flight authorization at the TMO. The flight authorization is evidence of payment when processing the traveler at the Aerial Port of Embarkation (APOE). Prepare the DD Form 1131 and dispose of the funds per AMCI 24-101, Volume 14, Attachment 11.

3.3.2. Commercial Gateways. Use travel orders to accept and manifest passenger travelers arriving at a commercial gateway without a flight authorization.

3.3.3. Tariffs. The appropriate channel tariffs for movement of passengers and cargo for governmental and non-governmental travel are found in the AMC rate guide, *US Government Airlift Rates and Non-US Government Airlift Rates*.

3.3.4. Acceptance of Negotiable Instruments. The AMC terminal or flight authorization issuing agents may accept negotiable instruments for payments of tariffs per AMCI 24-101, Volume 14, Section F, paragraphs 44. through 46., and DoDFMR 7000.14, Volume 5, *Disbursing Policy and Procedures*, Chapter 10. The servicing Financial Services Office (FSO) or DFAS Field Site directs how to prepare and endorse negotiable instruments. At aerial ports where there is a large volume of cash sales, the FSO or DFAS Field Site may authorize the air terminal manager to make direct deposits to the on-base bank per DoDFMR 7000.14, Volume 5. The FSO or DFAS Field Site furnishes specific instructions.

3.4. Dishonored Checks. The FSO processes a negative DD Form 1131, using the same accounting data that is on the original collection voucher except the dollars are in brackets. A copy of the negative collection voucher with the check attached is sent immediately to the office or activity which first accepted the check.

3.4.1. Dishonored Check Causes. The FSO returns dishonored checks to the office first receiving the check for one or more of the following reasons:

3.4.1.1. Insufficient funds.

3.4.1.2. Numerical and written amounts do not agree.

3.4.1.3. Unsigned check.

3.4.1.4. Account closed.

3.4.2. Recovery of Dishonored Checks. The office or activity receiving the dishonored check and negative (minus) collection voucher from the FSO immediately takes aggressive action to have the check redeemed or deficiency corrected. When practical, contact the maker or sponsor by telephone; otherwise, send a letter. If the original check is correctable (i.e., signed) or sufficient funds are available and the local bank approves, redeposit the original check with the FSO using a new DD Form 1131. If a new check must be written or a different method of payment used (cash, traveler's checks, etc.), process a new DD Form 1131 like the one used to make the first deposit.

Chapter 4

AMC-LEVEL ACCOUNTING FOR COSTS

4.1. General Information. The DFAS Field Site keeps accounting records, makes payments, validates accounting balances and transactions, and prepares reports for centrally funded TWCF Operating and Capital costs/programs executed exclusively by HQ AMC, Scott AFB IL. The same accounting principles and standards for AMC base-level activities are also applicable to HQ AMC centrally managed accounts. Note: All references to expense accruals in this chapter mean the AEU stage of accounting.

4.2. Accrual Accounting. Follow policies and guidelines in DoDFMR 7000.14, Volume 4, Chapter 9, and Volume 11B, Chapter 12. Record expenditures based on the most appropriate documentation available. If actual amounts are not available, use the best estimate based on reasonable and uniformly applied techniques. Establish expense accruals for HQ AMC centrally funded TWCF programs and HQ AMC budget personnel based on receipt of the most accurate source documentation from accomplishing activities. Adjustments made after the close of the FY are processed as prior year adjustments.

4.3. Accounting for AMC Costs. Centrally funded TWCF programs are either direct charges or reimbursable to another appropriation. Depending on documentation available, accounting transactions are either recorded as a commitment (COMM), UOO, AEU, or AEP. Cross-service agreements between TWCF and the military departments list types of services to be received, rates to be charged, and method and frequency of payment. In accordance with Chapter 6 of this instruction, the DFAS Field Site accounts for the following categories of costs, applying the debit and credit General Ledger Accounting Code (GLAC) entries.

4.3.1. General and Administrative (G&A). This includes the cost of support for TWCF by non-TWCF-funded AMC organizations, the allocation of HQ USTRANSCOM overhead costs to the Transportation Activity Groups, and DFAS for accounting support. These types of expenses are budgeted for and executed at the HQ AMC level in EEICs 75100, 75200, and 75000 respectively. See Chapter 10 of this instruction for additional information regarding G&A costs.

4.3.1.1. Accruals. For AMC G&A, set up expense accruals based on population ratios, square footage, and other estimating techniques. USTRANSCOM/TCJ8 and DFAS-DE will provide the annual amounts for their portion of TWCF G&A costs.

4.3.1.2. Payments. Process central reimbursements to AMC O&M, USTRANSCOM, and DFAS-DE, adjust expense accruals, and liquidate the accounts payable accordingly.

4.3.2. Communications. This includes the cost of communications services (leased long line circuits, etc., EEIC 44100) furnished TWCF under contract administered by the Defense Information Technology Contracting Organization (DITCO) and the Air Force Network Integration Center (AFNIC).

4.3.2.1. Accruals. Set up expense accruals based on contract information received from DITCO and AFCA. Prepare monthly costs on an estimated use basis.

4.3.2.2. Payments. Actual charges are either cross-disbursed or processed as for-self transactions. Verify receipt of service, adjust expense accruals, and liquidate the accounts payable accordingly.

4.3.3. Terminal Services Reimbursement. This includes the cost of aerial port services furnished by non-TWCF activities.

4.3.3.1. Accruals. Set up expense accruals based on negotiated costs.

4.3.3.2. Payments. Process central reimbursements to AMC O&M, adjust expense accruals, and liquidate the accounts payable accordingly.

4.3.4. Airlift Augmentation. Cost for airlift support is as follows:

4.3.4.1. Commercial Augmentation. This includes costs for categories A and B, EEIC 58910.

4.3.4.1.1. Accruals.

4.3.4.1.1.1. Undelivered Orders Outstanding (UOO). During first month of each quarter, establish a UOO for the total of all contracts for that quarter, plus applicable cancellation penalties for the fixed buy contracts for all remaining quarters. Each month, increase UOO for service orders and change orders. Use data from the commercial augmentation financial management subsystem and from HQ AMC/FMAT support entries.

4.3.4.1.1.2. Accrued Expenditures Unpaid (AEU). Establish expense accruals monthly for all services performed but unpaid. Decrease UOO accordingly. Use data from the commercial augmentation financial management subsystem to support entries.

4.3.4.1.2. Payments. Verify billings from commercial carriers to certificates of services done, adjust expense accruals, and liquidate liabilities accordingly.

4.3.4.2. Military Augmentation. This includes flying hour reimbursements for the following: PACAF C-130, C-17, and KC-135 aircraft; USAFE C-130 and KC-135 aircraft; AETC KC-135, C-5, C-130, and C-17 aircraft; AFRC KC-10, KC-135, C-5, C-130 (all models), WC-130, and C-17 aircraft; NGB KC-135, C-5, C-17, and C-130 aircraft; and AMC KC-10, KC-135, and C-130 aircraft flying TWCF missions in the airlift transportation system. EXCEPTION: Beginning FY10, TWCF will directly reimburse owning MAJCOMs for KC-10 and KC-135 TWCF missions. TWCF costs for these reimbursements are recorded against AMC EEICs 58932 in the accounting system. Refer to the respective comptroller addendums or the basic Command to Command Memorandum of Agreements (MOA) for specific terms provided. Flying hour reimbursement rates specific to all MAJCOM-assigned aircraft are contained in AFI 65-503, US Air Force Cost and Planning Factors, Section C, Table A15-1. For all MAJCOM's hourly reimbursement aircraft hourly rates which are based on the AFCAIG, HQ AMC/FMAT includes an additional overhead factor to cover other miscellaneous non-AFCAIG mission-related aircraft costs (e.g., landing fees, border clearances, ground services, aircrew TDY, etc.). Note: The overhead factor for AFRC and NGB flying hour reimbursement rates is currently 1 percent (excludes aircrew TDY, effective FY09). For MAJCOMs with C-17, C-130J, and WC-130J aircraft that fly TWCF missions, TWCF

reimbursement for Contract Logistics Support (CLS) is in addition to the AFCAIG hourly rate. The C-17, KC-10, C-130J, and WC-130J CLS reimbursement rates are developed using the contract brochure. Note: Effective FY08, TWCF directly reimburses HQ AFMC for the MAJCOM aircraft flying hour factors: Depot Maintenance, General Support Division Supplies, Depot Level Repairables, AVPOL (fly/non-fly) and Contractor Logistics Support. EXCEPTION: TWCF will directly reimburse AFRC and NGB for Depot Maintenance, AVPOL (fly/non-fly), and Contractor Logistics Support flying hour factors. TWCF will directly reimburse all MAJCOMs above for the Government-Wide Purchase Card aircraft flying hour factor as well as the applicable overhead factor.

4.3.4.2.1. Accruals. Each month, HQ AMC/FMAT provides the DFAS Field Site an expense accrual based on Reliability and Maintainability Information System (REMIS) Flying Hour Report for military airlift augmentation.

4.3.4.2.2. Payments. HQ AMC/A3T verifies flying hour billings from NGB, AFRC, AETC, PACAF, USAFE, and AMC (KC-10, KC-135, and C-130 aircraft); HQ AMC/FMAT approves payments; the DFAS Field Site remits payment, adjusts expense accruals, and liquidates liabilities accordingly.

4.3.5. Billings for Non-TWCF Assigned Airlift. Installations performing non-TWCF airlift services submit all supporting documentation to the DFAS Field Site for central TWCF billing and collecting action. Billing and collecting are recorded based on for-others and by-others procedures.

4.3.6. Other Operating Costs. This includes HQ printing costs, depreciation, centrally managed automated data processing (ADP) programs, contractor technician services, bad debt expense (projected uncollectable non-US Government revenue only) and other miscellaneous expenses.

4.3.6.1. Accruals. Set up expense accruals based on purchase orders, contracts, invoices, management reports, or statistical information.

4.3.6.2. Payments. Verify charges, adjust expense accruals, and liquidate the accounts payable accordingly. Bad debt and depreciation accruals are not liquidated via a payment transaction, as they are methods of capturing necessary TWCF expenses in which a commercial vendor or government agency does not provide an actual billing.

4.4. Statistical Transactions. DWCF activities will maintain the necessary accounts to record statistical assets and costs. The value of TWCF-assigned aircraft is based on the current inventory information at the standard price. The DFAS Field Site accomplishes the recording of depreciation costs for TWCF-assigned aircraft as well as other statistical costs.

4.5. Military Pay and Allowances. Costs for military personnel assigned to TWCF organizations are calculated at civilian equivalency rates. The DFAS Field Site records these costs as an operating expense that is a non-recoverable Net Operating Results (NOR) item. See DoDFMR 7000.14, Volume 2B, Chapter 9, paragraph 090103.E. and Volume 11B, Chapter 12.

4.6. 1. Develop depreciation schedules for all TWCF assets with a value equal to or greater than \$250,000 (including Minor Construction projects), with a useful life of 2 years or more. Use residual values and life expectancies shown in Chapter 8, paragraph 8.6.9. of this instruction.

4.6.1. Develop depreciation schedules for all TWCF assets with a value equal to or greater than \$250,000 (\$100,000 for Minor Construction), with a useful life of 2 years or more. Use residual values and life expectancies shown in Chapter 8, paragraph 8.6.9. of this instruction.

4.6.2. Depreciation expenses are captured under BPAC 131. EEICs 705 through 709 apply, depending on the type of capital asset depreciated. During a transitional phase into DEAMS implementation, the DFAS Field Site records monthly depreciation as an expense to TWCF based on a Journal Voucher, as provided by USTRANSCOM/TCJ8-DEAMS.

4.6.2.1. Once fully implemented, DEAMS will be used to report Plant, Property, and Equipment (PP&E) depreciation on TWCF financial statements with the exception of real property. Real property will be reported using data extracted from the Automated Civil Engineering System (ACES). Any discrepancy in data reported by ACES will be resolved by the base civil engineer.

4.6.2.2. DEAMS strategy to project depreciation expense for budgeting recognizes three life stages of capital assets; (1) planned; (2) work in-progress; and (3) capitalized asset. Projected depreciation for assets in each life stage is calculated separately and the results are combined to determine the total projected depreciation for future years.

4.6.2.3. See DoDFMR 7000.14, Volume 4, Chapter 6, Volume 11B, Chapters 12 and 58, and Chapter 8 of this instruction for additional guidance concerning depreciation criteria and schedules.

Chapter 5

AMC-LEVEL ACCOUNTING FOR REVENUE

5.1. General Information. The TWCF receives reimbursement for the costs of airlift services either by airlift customers or the AMC O&M appropriation in those instances where airlift is an Air Force mission responsibility. DoD 4515.13-R, *Air Transportation Eligibility*, and AMCI 24-101, Volume 11, *Cargo and Mail Policy*, and Volume 14, provide additional guidance on airlift customer reimbursements to TWCF. All billings and accounting for TWCF traffic revenue are accomplished by the DFAS Field Site.

5.1.1. The TWCF generates revenue by providing airlift services through the following:

5.1.1.1. Transport aircraft (military aircraft assigned to TWCF), commercial aircraft with contracts to TWCF, and other Air Force command's aircraft tasked to fly TWCF missions.

5.1.1.2. Opportune Airlift. Opportune airlift occurs when a non-TWCF airlift mission (e.g., missions generated from NGB & AFRC O&M training opportunities, Army & Navy aircraft, etc.) moves TWCF cargo or passengers manifested at AMC aerial ports across an AMC established channel. The TWCF incurs no cost for this airlift and the movement is transparent to the airlift customer, who pays the current channel tariff rate for the cargo or passengers moved, even though AMC did not generate the airlift mission. For TWCF purposes, passenger and cargo workload moved in the airlift system that is not manifested by AMC aerial ports are not considered opportune airlift.

5.1.2. Sources of TWCF Revenue.

5.1.2.1. Passenger. Revenue earned from the air movement of people on a space-required basis through the channel traffic system (see paragraphs 2.4.4.1., 5.4.2.1., and 5.4.2.3. for exceptions).

5.1.2.2. Cargo. Revenue earned from the air movement of cargo on a space-required basis through the channel traffic system, to include land bridge movement for Strategic Distribution (SD).

5.1.2.3. Military Mail - Military Aircraft. Revenue earned from the air movement of military mail through the channel traffic system on TWCF aircraft or by opportune airlift.

5.1.2.4. Special Assignment Airlift Mission (SAAM). Revenue from unique airlift customer designated missions to move special requirements or fly to locations that are not normal channel stops.

5.1.2.5. Chairman Joint Chiefs of Staff (CJCS) Exercises. Revenue from airlift missions flown by TWCF owned or contracted assets to maintain the operational readiness of AMC forces with DoD agencies and other authorized users.

5.1.2.6. Joint Airborne and Air Transportability Training (JA/ATT). Revenue earned from airlift missions flown by AMC TWCF aircraft to satisfy aerial delivery training requirements between AMC and military airborne units.

5.1.2.7. Associate Reserve Program. Revenue earned from flying hours flown for the training of AMC Associate Reserve aircrews on AMC TWCF aircraft.

5.1.2.8. Crew Proficiency Training, Test, & Ferry. Revenue earned from the Air Force for local active proficiency training, test, and ferry hours flown on AMC TWCF aircraft.

5.1.2.9. Readiness Costs (Airlift Readiness Account (ARA)). Per DoDFMR 7000.14, Volume 2B, Chapter 9, paragraph 090103.D.3.4., USTRANSCOM must maintain sufficient airlift capability to respond to transportation requirements for a wide variety of mobility conditions. Readiness costs are a direct Air Force O&M payment (administered by HQ AMC/FM) to the TWCF that finances the cost of airlift readiness (surge and mobilization capacity). It is defined as the difference between total command-wide TWCF operating costs less the revenues earned from customers through tariffs (some of which are capped based on what the commercial sector charges) and other revenue sources, in order to achieve a break-even NOR. Additionally, Readiness costs recover Accumulated Operating Result (AOR) losses. Revenue relating to readiness is collected at the HQ AMC level.

5.1.2.10. Contingency. Revenue from airlift missions in direct support of humanitarian, natural disaster, and other emergency requirements, and Operation Plans or non-exercise Operation Orders. See DoDFMR 7000.14, Volume 2B, Chapter 9, paragraph 090103.G. for additional guidance.

5.1.2.11. Other Revenue. TWCF revenue earned from miscellaneous services provided, based on direct costs incurred.

5.2. Revenue Accounting Procedures. Record sales of TWCF services in accordance with the reimbursement policies and accrued revenue procedures established in the guidance provided in Chapter 1, paragraph 1.1.5. of this publication. Categories of revenue are:

5.2.1. Channel Traffic (Passenger, Cargo, Mail). Airlift services provided to the users are in accordance with those rates specified in the HQ AMC/FMAT annual rate guide, *US Government Airlift Rates and Non-US Government Airlift Rates*. The AMC channel revenue data subsystem accumulates accounting and billing information for all traffic moved on TWCF channels. AMCI 24-101, Volume 6, *Transportation Documentation, Data, Records, and Reports* provide data collection and processing requirements and the Air Force Records Information Management System (AFRIMS) procedures for data retention requirements.

5.2.1.1. Category A Air Line of Communications (ALOC) and Medical Express (MEDEX). Category A channel cargo missions accomplishes the movement of airlift requirements of less than planeload lots. The DFAS Field Site will submit monthly billings to the Defense Logistics Agency for ALOC and MEDEX shipments. Revenue is based on the commercial contract carrier's cost plus an added surcharge.

5.2.2. SAAM Revenue Accounting.

5.2.2.1. The Department of Defense (DoD), non-DoD governmental organizations, and national/international air organizations send the SAAM requirements to USTRANSCOM/TCJ3-ODJ. The customer's SAAM airlift request will include a line of accounting that identifies the agency responsible for payment (reimbursement) of the appropriate flying hour costs for the mission.

- 5.2.2.1.1. SAAM charges for airlift missions are provided by HQ AMC/FMFAB, DSN 779-2291. HQ AMC/FMFAB gathers mission information from the Global Decision Support System (GDSS) and Consolidated Air Mobility Planning System (CAMPS), upon completion of the SAAM mission. Commercial SAAM missions are billed based upon data provided by the USTRANSCOM contracting office (USTC/TCJ4) plus any administrative service charges. Billing is submitted to the DFAS Field Site for disbursing to the appropriate paying agency.
- 5.2.2.1.2. If there is a variance in any mission flow from the planned mission, HQ AMC/FMFAB works with USTRANSCOM/TCJ3-ODJ and TACC/XOO to resolve the discrepancies. Organic missions are calculated by multiplying the aircraft tariff rate by the flying hours, plus any minimum activity rate (MAR), less any discount incentives.
- 5.2.2.2. *The SF 1080, Voucher for Transfers Between Appropriations and/or Funds, and a Statements of Special Assignment Airlift Mission Charges are sent to the DFAS Field Site. The SF1080 provides whom to bill and the customer line of accounting data. The statement has the SAAM number, aircraft, aircraft tariff rate, total flying hours, incentive discount, stand down cost, total mission cost, and applicable remarks.*
- 5.2.2.3. The SAAM mission information provided to the DFAS Field Site in paragraph 5.2.2.1.1. above includes the SAAM directive, AMC mission number, and customer fund cites.
- 5.2.2.4. Since all SAAM missions may not be billed during a particular calendar month, account for the unbilled SAAM revenue of the reporting month as follows:
- 5.2.2.4.1. HQ AMC/FMFAA downloads GDSS to match what has been billed to all missions and established a revenue accrual from the billed SAAM missions versus all SAAM missions.
- 5.2.3. CJCS Exercises Revenue Accounting. The Joint Chiefs of Staff designates CJCS Exercises and provides airlift flying hour funding through the issuance of a DD Form 448, Military Interdepartmental Purchase Request (MIPR).
- 5.2.3.1. AMC publishes an operations plan for each identified CJCS Exercise, for distribution to all offices of responsibility, to include HQ AMC/FMA.
- 5.2.3.2. CJCS airlift billings are computed on the exercise flying hours reported in REMIS multiplied by the approved flying hour rate. The cost of commercial augmentation in support of CJCS Exercises is based upon data provided by the USTRANSCOM contracting office (USTC/TCJ4) plus any administrative service charges. HQ AMC/FMAT furnishes the DFAS Field Site preliminary billing information based on the REMIS monthly flying hour report. Any adjustment to the current month flying hours will be included in the subsequent month's billing. Process monthly billings against the Joint Chiefs of Staff MIPR line of accounting.
- 5.2.4. Strategic Aeromedical Evacuation. The Air Force Medical Service is responsible for providing Defense Health Program (DHP) funds for Aeromedical Evacuation (AE) provided by AMC's transport aircraft to the user MAJCOM/SGs (AMC, PACAF, and USAFE). The user MAJCOM/SGs use these DHP funds to reimburse the TWCF for specific AE missions

identified by the TACC. Non-TACC validated moves are billed to the appropriate Theater Command or MAJCOM.

5.2.4.1. Charges for the gross cost of dedicated AMC AE TWCF missions are based on the approved rate per hour of the aircraft. Use the approved DoD SAAM flying hour tariff rate, multiplied by the AE hours flown, to determine the amount of reimbursement.

5.2.4.2. Compute charges for DoD AE patients moved on scheduled channel missions by multiplying the number of seats occupied by the AMC annual rate guide, channel passenger rate, for the specific channel on which the patient moves. For patient support pallets (PSP), compute the charge based on the 5th weight-break of the applicable channel cargo rate at the minimum target 2.5-ton/pallet rate for each leg of the channel.

5.2.4.3. For other US Government-sponsored AE passengers moved as patients and non-US Armed Forces AE patients, aerial ports will provide documentation for billing per DoD 4515.13-R, Chapter 11.

5.2.5. Training Revenue Accounting.

5.2.5.1. JA/ATT Revenue. The JA/ATT missions are flown to support aerial delivery and static loader training requirements between AMC and military airborne units. Airlift provided for JA/ATT is an Air Force mission responsibility and charged to AMC O&M funds. HQ AMC/FMAT provides the DFAS Field Site the JA/ATT hours flown and charges calculated at the approved flying hour rates. The DFAS Field Site monthly bills the AMC O&M (Fund Code 30) account managed by HQ AMC/FMAO, based on the hours provided.

5.2.5.2. Active Force Aircrew Proficiency Training, Test, and Ferry (TTF). HQ AMC/FMAT develops for the DFAS Field Site the amounts of reimbursement TWCF earns from AMC O&M (Fund Code 30) for costs associated with TTF flying hours required for active force aircrew proficiency training. The DFAS Field Site receives monthly from HQ AMC/FMAT the amount of TTF hours flown and bills these costs monthly to HQ AMC/FMAO at the approved flying hour rates.

5.2.5.3. HQ AMC/A4MQ provides the REMIS Flying Hour Report to HQ AMC/A3T/FMAT identifying each month's flying hours flown by category.

5.2.6. Contingency Revenue Accounting.

5.2.6.1. Most contingency operations are planned and executed on short notice as directed by Chairman of the CJCS to the supported Commander in Chief (CINC) and the Joint Planning and Execution Community (JPEC) which consists of the Joint Staff, the Services, their MAJCOMs, Defense Agencies, USTRANSCOM, HQ AMC, and the TACC. The operation order (OPORD) or execution order (EXORD) is completed by the supported CINC for the approved course of action, forces identified, equipment and supplies for movement, and transportation scheduled. The EXORD is the CJCS direction to carry out the plan. The supported CINC submits the validated unit line number (ULN) and Time-Phased Force and Deployment Data (TPFDD) to USTRANSCOM via the Joint Operation Planning and Execution System (JOPES), which is the automated system to support all CJCS/CINC sponsored contingencies for approval and scheduling by the appropriate transportation component command. JOPES provides the ULN data, size of

movement, locations, and dates to allow the TACC to identify and assign the aircraft to the mission(s). The mission is built using the 4th mission character to identify the branch of service being moved, as indicated in the JOPES data.

5.2.6.2. HQ AMC/FMFAB gathers mission information from GDSS upon completion of the contingency mission for total hours flown on military airlift missions to include all legs of the mission, i.e., positioning, active, divert (maintenance or weather), and depositioning, all multiplied by the appropriate aircraft contingency flying hour billing rate. Commercial contingency missions are billed based upon data provided by the USTRANSCOM airlift contracting office (USTC/TCJ4). Billing is accomplished based on the appropriate Service being supported and ULN data assigned to the airlift contingency mission.

5.2.6.3. The billing is submitted to the DFAS Field Site for disbursing to the appropriate paying agency via a SF 1080. This provides whom to bill (airlift customer) and the collection line of accounting data. The airlift customer provides a line of accounting to DFAS to charge against. The SF 1080 billing also contains the following applicable data: Contingency mission number, aircraft, aircraft tariff rate, total flying hours, mission locations, date/time of movement, total mission cost, and appropriate remarks.

5.2.6.4. Since all contingency missions may not be billed during a particular calendar month, account for the unbilled revenue of the reporting months as follows:

5.2.6.4.1. HQ AMC/FMFAA downloads GDSS and matches what has been billed to all missions to establish a revenue accrual from the billed contingency missions versus all contingency missions.

5.2.7. Courier Services. Authorized airlift customers reimburse TWCF for the exact amount of expense incurred or disbursements made to commercial carriers for flights operated only for movement of courier material.

5.2.8. Domestic Charters. Domestic charter missions are full planeload charters flown within the CONUS. The DFAS Field Site will bill the user monthly. Revenue is based on the carrier's invoice plus administrative service charges.

5.2.9. Other HQ AMC Non-Airlift Sources of Revenue.

5.2.9.1. Associate Reserve Program. HQ AMC/FMAT develops for the DFAS Field Site the amount to be billed to the Air Force Reserve (HQ AFRC/FM) for the cost of aviation fuel and depot maintenance relating to applicable flying hours for AMC TWCF aircraft training. Billing is based on a percentage (determined by HQ USAF) of the Approved Reserve Associate Flying Hour Program, multiplied by the hourly rate in the USD(C) approved budget for the current year. The DFAS Field Site bills each month and collects revenue using cross-disbursement procedures.

5.2.9.2. Readiness Costs. HQ AMC/FMAT develops for the DFAS Field Site the amounts of reimbursement TWCF earns from AMC O&M (Fund Code 30), managed by HQ AMC/FMAO, for readiness costs not covered by customer revenues. See paragraph 5.1.2.9. above.

5.2.9.3. Reciprocal Airlift Agreements. These agreements between the airlift agency (AMC) and other U.S. and foreign military transportation agencies require special accounting procedures as directed by the terms of the specific agreements.

5.2.9.4. Unused and Unoffered Capability. HQ AMC/FMAT develops for the DFAS Field Site the amounts of reimbursement for costs associated with unused and unoffered airlift capability, if applicable.

5.2.9.5. Other Revenue. HQ AMC/FMAT develops for the DFAS Field Site the amounts of other non-tariff revenue for direct reimbursement, as required.

5.2.10. DELETED.

5.2.11. Stars and Stripes. A memorandum of understanding (MOU) between the Departments of Army and Air Force determines how Stars and Stripes charges are allocated. The DFAS Field Site submits airlift bills to DFAS-IN for airlift transportation support for European and Pacific theater Stars and Stripes activities.

5.3. Billing and Collecting Revenue.

5.3.1. Apply the appropriate rate structure in accordance with DoD 4515.13-R.

5.3.2. Charges are based on the AMC annual rate guide in effect at the inception of the airlift transportation services.

5.3.3. The DFAS Field Site cross-disburses for airlift services provided to DoD components.

5.3.4. The DFAS Field Site submits billings for airlift services in accordance with the documentation requirements of DoDFMR 7000.14, Volume 5 and billing procedures contained in DFAS-DE 7010.5-R.

5.3.5. Charge US transportation tax per the AMC annual rate guide and AMCI 24-101, Volume 14. Do not collect these amounts into TWCF (Fund Code 68); collect them into deposit fund account 57F3875.0153 387700.

5.3.6. DELETED.

5.3.7. The DFAS Field Site collects and records the differences between TWCF DoD-established rates and the TWCF rates charged to non-DoD US Government or non-US Government and Foreign Military Sales (FMS) customers in accordance with DoDFMR 7000.14, Volume 5. These collections are not retained in the TWCF. The AMC annual rate guide, specifically the SAAM rate section, shows amounts to be returned to Air Force appropriations and US Treasury receipt accounts 573041.**** (asterisks indicate the applicable appropriation limit). HQ AMC/FMFAA develops appropriate ratios and coordinates them with DFAS for distributing the difference in revenue collected between the TWCF DoD and non-DoD rates to the applicable appropriations. HQ AMC/FMAT annually reviews the ratios to ensure validity.

5.3.8. Mission Cancellation Fees. If a transportation customer cancels an organic airlift mission (e.g., SAAM) within 24 hours of operation, HQ AMC/FMFAA checks with the SAAM directors or barrelmasters in the TACC to determine if an aircrew was placed in crew rest. If so, the customer is charged the applicable MAR (4 hours for C-17 aircraft; 2 hours for all other AMC TWCF aircraft). If the mission is launched from home station prior to cancellation, the customer is charged all the hours logged in the AHS SAAM Departure

Report, subject to the applicable MAR. No MAR is assessed for organic airlift mission cancellations greater than 24 hours notice. For commercial mission cancellations, the airlift customer is charged if the commercial airline assesses HQ AMC a cancellation fee.

5.4. AFRC/NGB Non-Permanent Change of Station (PCS) Passengers Transported on AFRC/NGB Aircraft. The following policy guidance is provided:

5.4.1. AMC will bill for all AFRC/NGB personnel moved on an AFRC/NGB aircraft flying a reimbursable TWCF mission and processed through AMC terminals on billable customer identification codes (CICs). AFRC/NGB units will reimburse AMC TWCF for the movement of these passengers in accordance with the current established passenger rates located at the web site referenced in paragraph 6.2.3. of this publication.

5.4.2. When AFRC/NGB personnel are moved over TWCF established routes (**Note:** AMC Air Channel Sequence Listing at <https://tacc.scott.af.mil/directorates/xog/analysis.asp> provides established TWCF routes; an account is required to view this web site.), but the AFRC/NGB aircraft is not flying a TWCF reimbursable mission, AMC TWCF will not charge for the personnel moved. This pertains only to those personnel assets owned by the AFRC/NGB and for the specific purpose of the mission. All non-AFRC/NGB personnel on the mission are considered billable for TWCF purposes and will be charged accordingly, based on the assigned CIC code on their travel orders.

5.4.2.1. AFRC/NGB personnel that qualify under this policy, a non-billable CIC code, 4RES for reservists, 4GUR for guardsmen, and GCGU for Coast Guard Auxiliary personnel, will be reflected on their travel orders or other approved travel authorization, to ensure AMC terminals manifest them without charge. The member's unit of assignment is responsible for the proper application of the non-billable CIC.

5.4.2.2. AFRC/NGB aircrew members who fly the aircraft should never be billed for movement on AFRC/NGB missions, whether the missions are TWCF reimbursable or not.

5.4.2.3. Public Law 106-65 provides for Guard and Reserve personnel performing inactive duty training (IDT) to travel on DoD aircraft on a space-required basis, worldwide, free of charge. AMC TWCF will not charge for IDT travel regardless of mission parameters. AMCI 24-101, Volume 14, paragraph 25.7.5., provides the non-billable CIC codes used for these travelers.

5.4.3. This policy is not applicable to AFRC/NGB cargo manifested in the Defense Transportation System by AMC terminals and transported on NGB non-TWCF reimbursable missions.

5.5. TWCF Support for the Commercial Entertainment-Oriented Motion Picture, Television, and Video Production Industry. When AMC TWCF C-5/C-17 aircraft are requested to support motion picture, television, and video entertainment products and Secretary of the Air Force (SAF)/Public Affairs (PA) grants approval, AMC will bill the customer for all flying hour costs and daily minimum activity rate to hold the aircraft at the appropriate US Government fixed-wing aircraft hourly reimbursement rate as provided in AFI 65-503, Table A15-1 and not the TWCF SAAM DoD flying hour rate. **Note:** The minimum activity hourly rate is 2 hours for the C-5 and 4 hours for the C-17. Reimbursement received from the authorized customer will be collected as revenue into the TWCF SAAM Business Area. Refer to DoDI

5410.16, *DoD Assistance to Non-Government, Entertainment-Oriented Motion Picture, Television, and Video Productions*, paragraph 5.4. and AFI 35-101, *Public Affairs Policies and Procedures*, Chapter 6, section 6J, for additional guidance with regard to DoD support for the commercial entertainment industry.

5.6. TWCF Support for United Service Organizations (USO) Tours. In accordance with the January 08 MOU between the Department of Defense and the USO, paragraph 4.2., TWCF airlift service support will be billed at the DoD rate.

Chapter 6

BUDGETING AND FUNDING POLICES AND PROCEDURES – OPERATING COSTS

6.1. General Information. The TWCF finances the operating costs of the Air Force portion of the Transportation Activity Group of the AFWCF. Airlift customers reimburse the TWCF for these costs. In the budget process, the TWCF funding commences with the development of the recommended minimum flying hour program required for system readiness for each aircraft type.

6.2. Concept of Operations.

6.2.1. The TWCF initially finances all costs associated with its flying hour programs. These flying hour programs allow the aircrew and system readiness to respond to wartime missions. The airlift capability resulting from these training programs helps to satisfy the transportation needs of the DoD users. The TWCF receives reimbursement from funds appropriated either to the Air Force for mission-directed activities or to the DoD and non-DoD users for the airlift services provided. Management under TWCF is a buyer-seller relationship between the airlift user and the airlift producer (AMC).

6.2.2. The TWCF, as a management tool, applies only to the customer-funded portion of the programmed flying hour program (Channel, SAAM, CJCS Exercise, and Contingency) that makes airlift capability a by-product of AMC wartime readiness. This organic capability, supplemented by commercial aircraft and other commands' transport aircraft (military augmentation), is available to satisfy logistics movement requirements of DoD.

6.2.3. AMC/CC approves the TWCF expense and revenue budget submission based on the recommendations of the HQ AMC Group/Budget (AMCG/B), to include the recommended airlift tariff rates. The TWCF budget is then submitted to USTRANSCOM/TCJ8-T, who reviews and makes necessary changes (referred to as budget marks), and then forwards it to USD(C) for final approval and inclusion in the AFWCF justification material sent to Congress. USTRANSCOM/TCJ8-T publishes the OSD-approved airlift tariff rates in the annual USTRANSCOM rate guide, *Non-US Government Airlift Rates and US Government Airlift Rates*, available on the AMC/FM portal at <https://www.my.af.mil/gcss-af/USAF/ep/browse.do?programId=1135935&channelPageId=-1289035&portletId=-1645110>. **Note:** See individual files on this web site for the appropriate rates.

6.2.4. All TWCF funded units must comply with the Air Force financial management policy in AFI 65-601, Volume 1 (particularly Chapters 4, 7, 10, and 18), and AMC financial management policy outlined in AMCI 65-601, *AMC Headquarters Financial Management Procedures*, as well as this instruction.

6.2.5. Transfer of Funds. The transfer of funds between TWCF budget accounts, (i.e., from TWCF Operating Maintenance and Repair (MR) (BPAC 3XX) to TWCF Operating (A-E Design or other Operating account (BPAC 1XX) or vice versa), is not authorized without prior consent. Any transfer of funds to, from, or between these TWCF accounts or budgets must be requested by the wing/group commander or HQ AMC director through HQ AMC/FMA and approved by HQ AMC/FMA.

6.3. Costs Chargeable to TWCF. The TWCF incurs two major categories of costs in its daily operations: (1) Costs initially financed by the TWCF and (2) costs initially financed from other military department funds and reimbursed by the TWCF under an interservice or host-tenant support agreement or some other supplier-receiver arrangement with other DoD/non-DoD entities. Consult this chapter for details on when to use or not to use TWCF funds.

6.3.1. Costs Financed by the TWCF. The TWCF incurs costs directly financed by TWCF operating units/functions. HQ AMC and its Numbered Air Force (NAF) (18 AF), while not direct TWCF generating functions, administers contracts and incurs costs paid by TWCF. Types of costs are:

6.3.1.1. Pay of Civilians. This includes salaries and benefits of Air Force civilians and foreign nationals coded to TWCF PEs in the unit manning document (UMD). It also includes employer's share of the Federal Group Life Insurance (FEGLI) fund, Civil Service Retirement (CSR), Federal Employee Retirement System (FERS), Federal Income Contribution Act (FICA), Federal Employees Health Benefit (FEHB), cash awards to federal employees, and other personnel benefits. See Chapter 2 of this instruction for detailed guidance, paragraphs 2.4.1. through 2.4.2.4.

6.3.1.1.1. DoD policy requires that the Services budget for expenses of separation allowances for direct hire foreign national employees in the full amount of the liability that accrues during the year, whether or not the amount is currently payable. See Chapter 2, paragraph 2.4.3. (et seqq.) of this instruction for costing procedures.

6.3.1.2. AMC Base-Level Maintenance by Contract. This includes contract support of base maintenance organizations for the performance of below depot-level maintenance of TWCF aircraft at home station and en route locations. Also included is emergency maintenance obtained through SF 44, *Purchase Order-Invoice-Vouchering*, procedures. **Note:** This does not include the transient maintenance functions – in-house or contract – at AMC TWCF bases. Transient maintenance is an O&M funding responsibility, under PE 48532 (new PE effective FY10).

6.3.1.3. Aviation Petroleum Oil and Lubricants (AVPOL) Issues to TWCF-Assigned Aircraft.

6.3.1.3.1. This represents AVPOL consumed on TWCF aircraft (including SF 44 and Aviation Into-plane Reimbursement Card (AIR Card) transactions). The Defense Energy Support Center (DESC) initially pays for all such fuel purchases and TWCF reimburses for AVPOL issues at the wing level. DESC, Ft Belvoir VA, bills directly to the user.

6.3.1.3.2. The AMC bases maintain the funding responsibility for non-fly AVPOL used by TWCF organizations to test TWCF aircraft engines (AFMAN 23-110, Volume 1, Part 3, *Air Force Stock Fund and DPSC Assigned Item Procedures*, Chapter 1) and for use in TWCF-assigned support equipment.

6.3.1.4. Supplies and Materiel. Supplies and materiel are charged on issue to a TWCF funded organization from the appropriate stock fund division of the Air Force Working Capital Fund (AFWCF - EEIC 60X) . Issues must adhere to the program and procedures set up for the AFWCF. The TWCF also funds for initial procurement of non-stock fund supplies and materials (EEIC 61X). The following paragraphs depict examples (not

necessarily limited to) of stock fund and non-stock fund supply and material purchases authorized with TWCF funds:

6.3.1.4.1. TWCF-assigned organizations' funded purchases direct from the Defense Logistics Agency (DLA), General Services Administration (GSA), and other supply working capital funds.

6.3.1.4.2. Contractor-operated and government-operated on-base parts store operations (i.e., Contractor-Operated Civil Engineering Supply Store (COCESS), Contractor-Operated Vehicle Parts Store (COPARS), and Government-Operated Civil Engineering Supply Store (GOCESS). Record these charges to EEICs 61910, 61920, and 61930 respectively.

6.3.1.4.3. US Bankcorp Government Purchase Card (GPC) requisitions made by authorized individuals assigned to TWCF organizations. Record costs of routine supply purchases from the GPC to EEIC 61950. For purchases that pertain to the purchase of flying hour related supplies, use EEIC 61952. See AMCPAM 65-603, Chapter 20, for additional GPC financial guidance.

6.3.1.4.4. Aircraft modifications limited to materials associated with temporary (T-1/T-2) modifications when performed on TWCF assigned aircraft. TWCF does not pay for those aircraft modifications and associated support identified as 3010 (aircraft procurement) funding requirements in AFMAN 65-604, *Appropriation Symbols and Budget Codes*.

6.3.1.4.5. Depot Level Repairables (DLR) for TWCF aircraft and equipment. Effective 1 Oct 07 (FY08), TWCF DLR requirements are reimbursed by HQ AMC/FMAT to HQ AFMC under the Consolidated Asset Management (CAM) Program. HQ AMC/FMAT will not issue funding to AMC TWCF bases for new DLR requirements after 30 Sep 07.

6.3.1.4.6. Complimentary snacks and beverages (excluding alcoholic beverages) purchased by TWCF organizations (aerial port units) for passenger consumption while flying aboard AMC TWCF organic airlift aircraft per AMCI 24-101, Volume 14, paragraph 54. Record these costs to EEIC 61990 (or EEIC 61952, if using GPC) and AMC ESP code AK (Alpha Kilo) in the accounting system. (See also AFI 11-2C-5, Volume 3, *C-5 Operations Procedures*, paragraph 13.4.2.4., AFI 11-2C-17, Volume 3, *C-17 Operations Procedures*, paragraph 13.4.2.3., and AFMAN 34-240, *Food Service Program Management*, paragraph 8.16. (et seqq.).)

6.3.1.4.7. Supplies and linens for dormitories that support TWCF personnel. For AMC bases, O&M 3400 (PE 48553) will direct fund these costs. For AMC TWCF tenants on other commands' bases/installations, these costs are normally reimbursed by TWCF to the host in accordance with local support agreement procedures; however, if the support agreement is not specific to reimbursement for dormitory supplies and linens, the TWCF tenant organization may purchase them direct. Support agreements should be written to indicate if TWCF will direct fund or reimburse the host for these requirements. If the costs are negligible, the host and tenant may agree to waive reimbursement.

6.3.1.4.8. Medical supplies required by AMC TWCF units, to include atropine injectors and other medical requirements for deployment purposes. Additionally, TWCF may fund for soft contact lenses and associated supplies required by aircrews assigned to TWCF-funded units in the performance of their flying duties (e.g., using night vision goggles required for combat mission performance), as directed by AFI 48-123, *Medical Examinations and Standards*, paragraph 6.28.6. (**Note:** This does not extend to obtaining soft contact lenses for other than official mission requirements.)

6.3.1.4.9. Replacement issues for A, B, and E mobility bags and mobility equipment listed on the TWCF organization's Unit Tasking Code (UTC).

6.3.1.4.10. Uniform clothing issued as individual equipment to TWCF personnel (e.g., desert camouflage uniforms, desert flight suits, regular flight suits, and other Allowance Standard 016 clothing not included as regularly issued uniforms paid by the military members), to include all associated rank insignia, name tapes, and accouterments, and the sewing on of these items (at the commander's discretion), as authorized in AFI 65-601, Volume 1, Chapter 10, paragraph 10.55.7. This also includes any requirements for distinctive uniforms and functional clothing, as authorized in AFI 36-2903, *Dress and Personal Appearance of Air Force Personnel*, and justified by the organizational commander, in accordance with AFI 65-601 V1, paragraph 10.56.

6.3.1.4.11. Systems furniture requirements for newly constructed MILCON-financed facilities and newly renovated facilities that are/will be TWCF-assigned and occupied by TWCF organizations/personnel when completed.

6.3.1.4.12. Office Décor Items. You may use TWCF funds to purchase office décor items for facility areas occupied by TWCF-assigned organizations. See AMCS1 to AFI 65-601, Volume 1, paragraphs 4.81.1. through 4.81.3. for funding guidance.

6.3.1.4.13. Common-use tools (e.g., hammers, screwdrivers, pliers, crescent wrenches, etc.) required for typical routine use within an organization. See paragraph 6.3.1.7.17.5. of this instruction for examples of equipment tool items that are excluded from TWCF funding.

6.3.1.5. Commercial Augmentation Cost.

6.3.1.5.1. Commercial augmentation is airlift (channel, SAAM, CJCS Exercise, and Contingency) purchased to enhance the overall military airlift capability where required (U.S. flag carriers and approved foreign flag carriers). Included in the contracted cost are transportation taxes, customs and immigration fees, if applicable. Augmentation includes planeload purchases of passenger movement and planeload or less-than-planeload purchases of cargo and main space.

6.3.1.5.2. The airline contractor has no responsibility for the care of passengers awaiting transportation at origination, en route, turn-around, or return en route stations during uncontrollable delays. However, passengers on board the aircraft (after the aircraft has blocked out, including duration of any operational stops) are the airline contractor's responsibility.

6.3.1.5.3. The contract carrier shall not be in default due to any failure to perform the contract under its terms if the failure arises from causes beyond the control and without the fault or negligence of the carrier. Examples of these causes are (1) acts of God or of the public enemy, (2) acts of the government in either its sovereign or contractual capacity, (3) fires, (4) floods, (5) epidemics, (6) quarantine restrictions, (7) strikes, (8) freight embargoes, and (9) severe weather.

6.3.1.5.4. Passengers aboard AMC contracted commercial missions who experience an uncontrollable delay beyond the control of the carrier will receive lodging and transportation to and from the hotel at TWCF expense. If the commercial aircraft delay is at a location where TWCF funds are available, payment for lodging and transportation (if applicable) of affected passengers (excluding space available) will be made by the local accounting liaison office or servicing DFAS Field Site, citing local TWCF funds. At those overseas locations where lodging or transportation arrangements are not feasible and local TWCF funds are not available, the carrier should provide the required passenger care on a reimbursable basis.

6.3.1.5.5. If the contracted commercial mission delay is due to the fault of the carrier, all necessary transportation and lodging support of all manifested passengers is the carrier's responsibility.

6.3.1.5.6. When passengers are off-loaded short of destination at the direction of the government, the carrier is not responsible for the care or further transportation of such passengers.

6.3.1.5.7. De-icing fluid and liquid oxygen provided at AMC en route locations to commercial CRAF carriers will be on a reimbursable basis. See paragraph 6.3.1.7.3. of this chapter for additional guidance.

6.3.1.6. Facility Maintenance and Repair. All MR projects and those MC projects with funded costs less than \$250,000 accomplished on TWCF facilities are chargeable to the operations portion of TWCF against the MR account whether done by contract or by the BCE. Reimbursement for work accomplished by the BCE includes the cost of direct materials used plus the predetermined shop rate less the military factor. **Note: A facility, or portion of a facility, that qualifies for TWCF funding must meet all of the following criteria: (1) be assigned to a TWCF designated unit; (2) be operated/utilized by military and/or civilian personnel reflected on the UMD against a TWCF-assigned PE (i.e., 48010 with alpha suffixes D through Q in the 6th position), or be assigned to a contractor operation in circumstances where an AMC TWCF-funded contract specifically authorizes AMC to provide contractor space at AMC locations, to include office, warehouse, and storage space for contractors' representatives; and (3) be assigned to one of the Real Property Category Codes identified in Table 6.1 below.** Facilities occupied by TWCF-funded organizations include airlift aerial port facilities, airlift operations centers, squadron operations facilities, and aircraft maintenance facilities at AMC bases and overseas en route locations that receive TWCF funding to support the global transportation airlift mission (reference paragraph 2.3.2. of this publication for the PE codes applicable to TWCF-designated organizations). See Table 6.1. below for the real property category codes that qualify for TWCF funding on those DoD installations that have TWCF-assigned organizations. Also, TWCF funds facility

sustainment, restoration and modernization work, required by contract, in support of TWCF contractor operations (when specified by the contract). **Note:** All Civil Engineering work requirements (including self-help work) will be requested and approved through the BCE (reference AFI 32-1001, *Operations Management*). Additionally, Civil Engineer materials and Real Property (installed equipment) require prior authorization from the BCE (reference AFI 64-117, paragraph 2.2.11.).

6.3.1.6.1. Process all reimbursements for BCE in-house work based on the Schedule of Reimbursements and Refunds, PCN: SF022-451, produced from the Interim Work Information Management System (IWIMS). Obtain supplies and materials for self-help projects from the Civil Engineering squadron. These costs will be reflected in the Schedule of Reimbursements and Refunds and reimbursed accordingly. In those instances where a TWCF activity shares a TWCF-eligible facility with an O&M 3400 or other fund source user, the following guidance is provided for funding determination of payment of the in-house or direct cite contract work:

6.3.1.6.1.1. If the work solely benefits the designated TWCF area, use TWCF funds.

6.3.1.6.1.2. If the TWCF activity occupies a significant majority (90 percent or more) of a facility and the work is not specifically for the O&M 3400 or other fund source activity/user, use TWCF funds.

6.3.1.6.1.3. If a TWCF activity occupies less than 10 percent of a joint use (TWCF and O&M units) facility, O&M 3400 funds (or other applicable fund source) will pay for the work unless it is specifically in support of the TWCF area.

6.3.1.6.1.4. If a TWCF activity occupies 10 percent to 90 percent of a joint use (TWCF and O&M units) facility, the cost of a mutually beneficial project (in-house or contract) is prorated between TWCF and O&M funds based on the number of personnel assigned to the facility. However, there may be circumstances where the square footage of the facility floor space is more appropriate to use in determining the prorated split between TWCF and O&M rather than the number of assigned personnel. **Note:** The guidelines outlined in paragraphs 6.3.1.6.1.1. through 6.3.1.6.1.4. also apply to funding of CE Service contract requirements.

6.3.1.6.2. Do not use TWCF MR funds to pay for the cost of repair due to extensive damage (\$750,000 and over) resulting from those catastrophes or Acts of God, listed in paragraph 6.6.3. of this chapter.

6.3.1.6.3. For TWCF MC equal to or exceeding \$250,000 per project, use Capital Budget (BPAC 21X) funds.

6.3.1.6.4. All TWCF MR projects, regardless of the dollar amount, and TWCF MC projects under \$250,000 funded costs must use Operating Budget funds under BPAC 3XXXX. See Chapter 9 of this instruction for additional guidance concerning MR funding.

6.3.1.6.5. Real property facility MR projects, in support of real property and funded under BPAC 3XXXX, pertain to all real property and associated components. This

includes CE service contracts to inspect, service, and sustain components such as motors, cables, sensors, etc., associated with real property components such as hanger doors, cranes and hoists, and elevators. It does not include the inspection and refill of fire extinguishers/bottles in TWCF-assigned facilities/areas, aircraft, or vehicles.

6.3.1.6.6. MC and alterations are chargeable to TWCF, BPAC 21X, provided:

6.3.1.6.6.1. Such projects do not exceed a total funded cost of \$750,000. **Note:** In accordance with DoDFMR 7000.14, Volume 2B, Chapter 9, paragraph 090103.E.2., MC projects intended solely to correct a deficiency that is life, health, or safety threatening may exceed the \$750,000 threshold up to and including \$1.5 million. See also Chapter 8, paragraph 8.4.4. of this instruction and AFI 32-1032, paragraph 5.1.2.1.

6.3.1.6.6.2. A project is not subdivided to circumvent complying with the \$750,000 MC limitation.

6.3.1.6.6.3. Each project is necessary to maintain or improve TWCF operating efficiency.

6.3.1.6.6.4. Table 6.1. below provides the Real Property Category Codes *authorized for TWCF facilities specifically assigned to and utilized by those AMC Wings and AMC en route locations with TWCF-assigned organizations, for the purpose of TWCF funding and/or reimbursement of CE-related costs (e.g., utilities, facility maintenance/repair, minor construction (MC), and other CE services), as well as energy conservation projects/assessments that are directed by the Air Force Civil Engineering Support Agency (AFCESA).* Do not use TWCF funds for CE-related costs of facilities with Real Property Category Codes other than those listed below or for any facilities or portions of facilities that are not occupied by TWCF-designated organizations. All requests by AMC locations to add new TWCF-assigned Real Property Category Codes to Table 6.1. must be submitted to HQ AMC/A7P for consideration and subsequent approval/disapproval. HQ AMC/A7P/A7R will coordinate the request with HQ AMC/FMA prior to their response. The request must contain a justification for reclassifying the facility as TWCF-eligible; simply stating the facility “benefits” TWCF is not sufficient justification. It must be absolutely clear that a TWCF-assigned organization is the sole user/occupier and operator of the facility or a portion of the facility in question. **Note:** Table 6.1. does not apply to unit-equipped NGB/AFRC bases. Using TWCF funds for AFRC/NGB-assigned facility projects and other CE-related costs of AFRC/NGB-assigned facilities, as well as any CE-related costs of facilities at other MAJCOMs’ Air Force bases not otherwise assigned to or occupied by TWCF-designated organizations constitutes an augmentation of appropriations and is a direct violation of the Purpose Statute (Title 31 U.S.C., Section 1301(a)).

Table 6.1. TWCF Eligible Facilities by Category and Description (See Note 5 Below).

CAT CODE	FACILITY DESCRIPTION
113-321	Apron Parking (only that portion of the overall apron dedicated for TWCF-assigned aircraft parking)

116-672	Pad Aircraft Wash Rack
116-945	Blast Deflectors (deflectors dedicated to TWCF-assigned aircraft parking spots only)
121-122	Fuel Hydrants (hydrant refueling only at TWCF-assigned aircraft parking positions)
141-232	Aerial Delivery Facility
141-459	Aircrew Alert Facilities (JB Charleston only)
141-461	Air Force Command Post (see Note 1 below)
141-182	Protective Aircraft Shelter (applicable to Ramstein AB GE only – NOTE: used exclusively by the 723 Airlift Mobility Squadron (AMS) Aerial Port to store in-transit munitions)
141-753	Squadron Operations (see Note 3 below)
141-782	Air Freight Terminal
141-783	Air Freight or Passenger Terminal
141-784	Air Passenger Terminal
141-785	Fleet Service (excludes In-Flight Kitchen)
211-111	Maintenance Hangar
211-124	Reclamation Shop (see Note 2 below)
211-152	General Purpose Aircraft Maintenance Shop
211-153	Shop, Non-Destructive Inspection
211-154	Organizational Aircraft Maintenance Shop
211-157	Engine Inspection & Repair Shop
211-159	Corrosion Control Facility
211-161	Corrosion Control Utility Storage
211-173	Large Aircraft Maintenance Dock
211-174	Consolidated Aircraft Maintenance Facility
211-175	Medium Aircraft Maintenance Dock
211-179	Fuel System Maintenance Dock
211-183	Test Cell Facility
211-193	Test Stand Facility
214-422	Vehicle Service Rack (JB Pearl Harbor/Hickam and Joint Regions Marianas (Anderson AFB Guam) only)
214-425	Vehicle Maintenance Shop (applicable only to JB Pearl Harbor/Hickam, Osan AB, Kadena AB and Ramstein AB for AMC-assigned facilities where minor vehicle maintenance of AMC TWCF assets is performed by AMC Aerial Port personnel)
214-426	Vehicle Operations Heated Parking (includes only those facilities which exclusively house TWCF-assigned vehicles)
214-428	Vehicle Operations Parking Shed (includes only those facilities which exclusively house TWCF-assigned vehicles)
217-712	Shop Avionics
218-712	Aerospace Ground Equipment or Storage Facility (only the part that directly supports TWCF-assigned aircraft)
218-852	Shop, Parachute & Dinghy Repair (only the part that directly supports TWCF aircraft)

422-258	In-Transit Munitions Facility (applicable only to RAF Mildenhall)
422-264	Storage Igloos (Aerial Port buildings 809 and 810 – applicable only to JB Lewis/McChord)
442-257	Hazardous Storage Facility (applicable to Kadena AB only)
442-258	Cryogenics Facility (liquid oxygen storage required strictly in support of TWCF dedicated aircraft only – applicable only to JB Lewis/McChord, Dover AFB, JB Charleston, Travis AFB, JB McGuire/Dix/Lakehurst, JB Pearl Harbor/Hickam, and Kadena AB), to include storage tanks
442-758	Warehouse and Equipment, Base (this category code is TWCF-eligible for Forward Supply Locations (FSL) at OCONUS AMC (515 AMOW/521 AMOW) en route locations provided the facility complies with paragraph 6.3.1.6. above; it also applies to any supply warehouse dedicated to a TWCF-assigned unit for storage of organizational supplies/equipment <u>operated and managed by TWCF-assigned personnel</u> , i.e. , Bldg 3403 at JB McGuire/Dix/Lakehurst) (see Note 4 below)
452-258	Open Storage, Air Freight or Traffic Management Surface Freight (includes only those portions of the facility that are dedicated exclusively to TWCF cargo operations)
610-129	Aircraft Maintenance Control Office (including Deputy Chief of Maintenance Administrative Functions)
610-243	Operations Support Squadron (see Note 3 below)
723-242	Auto Garage (applicable to Ramstein AB for only that portion dedicated to the 723 AMS Aerial Port mission)
811-149	Electric Power Station (Osan AB only)
812-926	Apron Floodlighting or Apron Staging Floodlights or Exterior Lighting (supporting TWCF facilities for parking areas, staging areas, or TWCF-qualified facilities)
833-354	Aircraft Sewage or Waste Disposal (McGuire AFB and Charleston AFB only)
833-356	Solid Waste Repository (Yokota AB only)
843-316	Water Fire Pump Station (applicable to JB Charleston, Dover AFB, JB Lewis/McChord, JB McGuire/Dix/Lakehurst, and Travis AFB only for those aircraft maintenance hangers that directly support TWCF-assigned aircraft)
843-319	Fire Protection Water Storage (applicable to JB Lewis/McChord, JB McGuire/Dix/Lakehurst, and Travis AFB only for those aircraft maintenance hangers that directly support TWCF-assigned aircraft)
852-273	Aircraft Support Equipment Storage Yard (only the part that directly supports TWCF-assigned aircraft)
890-136	Air Compressor Facility (applicable to Kadena AB only)
890-152	Staging or Storage Yards (only freight terminal storage or other areas where security is necessary to protect TWCF cargo)
890-197	Truck Scale (applicable to JB Pearl Harbor/Hickam, Ramstein AB, and Spangdahlem AB only)

NOTES:

1. TWCF Command Posts only. Excludes HQ AMC and NAF (to include TACC) designated Command Posts or Alternate Command Post sites. Include only the facility area that is occupied by a TWCF organization (see paragraph 6.3.1.6.1. (et seqq.) above).
2. Includes only those reclamation shops that are located within the TWCF organizational maintenance function.
3. Excludes Airfield Operations, Airfield Management, Control Tower, Flight Simulator Management, Weather, and Radar Approach Control (RAPCON).
4. Applicable to Forward Supply Locations and/or TWCF organizational warehouse and storage facilities occupied/operated by TWCF-assigned manpower at noted locations only. See paragraph 6.3.1.6.1. (et seqq.) above for applicable guidance concerning TWCF-shared facilities.
5. Base facilities that are designated as common-use (e.g., runways, taxiways, roads, dormitories, etc.) do not qualify for TWCF funding (all or a portion thereof) for MR/MC or any other CE-related costs.

6.3.1.7. Other Operating Costs. Costs most frequently incurred by designated TWCF organizations and initially financed by the TWCF include:

6.3.1.7.1. Contract support of base aircraft maintenance organizations for performance of below depot maintenance of equipment assigned to TWCF organizations.

6.3.1.7.2. Border clearance charges, i.e., overtime, Sunday, and holiday pay for US Bureau of Customs inspectors and personnel of the US Department of Agriculture, US Public Health Service, and US Immigration and Naturalization Service, for services performed in direct support of TWCF operations (TWCF organic airlift aircraft inspections) at Air Force and non-Air Force installations in the US. See AFI 65-601, Volume 1 Chapter 7, paragraph 7.23.4. Reimbursement of these overtime charges performed at AMC TWCF-funded bases is chargeable to local TWCF funds, using EEIC 55912. However, the cost of these AMC TWCF aircraft inspections at non-TWCF bases and commercial airports are the responsibility of the aircraft's home station through SF 44 or AIR Card procedures. Record these costs to EEIC 55912 and the appropriate aircraft squadron's RC/CC. **Note:** TWCF does not reimburse for any border clearance inspection services accomplished during normal duty hours.

6.3.1.7.3. Contracts for fleet and traffic service in support of the airlift transportation mission (EEIC 55613). Submit requirements for approval as directed in AFI 38-203, *Commercial Activities Program*. Included also are services procured under SF 44 or AIR Card procedures.

6.3.1.7.4. ADPE/IPE lease, maintenance, and contract support used in providing air terminal services and aircraft maintenance data collection. Budgeting and funding responsibilities of the centrally managed ADPE/IPE programs stay at the command level, under the auspices of HQ AMC/A6.

6.3.1.7.5. Communications services specific to TWCF organizations, including telephone service (i.e., toll calls), radios, leased long haul communications (to include International Maritime Satellite (INMARSAT), Iridium airtime services (see AMCS1 to AFI 65-601, Volume 1, paragraph 4.84.1.), video teleconferencing, mission-

essential cable television accounts, and CJCS Exercise or contingency requirements). Services that do not warrant TWCF funding are common user voice and data services such as DSN (except for dedicated circuits). Normal host base communications support provided under AFI 25-201, *Support Agreements Procedures*, and host-tenant agreements are not proper charges to TWCF unless otherwise shown in this instruction. Short-term needs not covered by AFI 25-201 and host-tenant agreements for a TWCF organization's participation in exercises or contingencies are chargeable to TWCF. **Note:** Excluded from TWCF communications funding is the outside connectivity between a TWCF-assigned facility and the base communication distribution system unless the connectivity requirement is unique to the operations of the assigned TWCF unit occupying the facility (i.e., the requirement to keep the connectivity to the facility will no longer exist if/when the TWCF organization ceases to occupy the facility, and the connectivity is transferred along with the TWCF organization to a new location). The installation of communications connectivity for DMS and SIPRNET purposes does not constitute a unique TWCF requirement.

6.3.1.7.6. Laundry and dry cleaning (EEIC 55915 if purchased by contract or EEIC 59300 if purchased through a working capital fund entity) used in direct support of AMC TWCF operations are properly chargeable to TWCF, except for items associated with temporary housing, which is a common service provided by the base lodging office.

6.3.1.7.7. Landing and parking fees at commercial airports assessed by certain foreign countries on TWCF military aircraft (EEIC 55616). Included is the cost of such fees under SF 44 or AIR Card procedures, if applicable. Per SECSTATE guidance, these fees are not applicable to any US Government aircraft that land at foreign military airfields. See AFI 65-601, Volume 1, Chapter 4, paragraph 4.50.

6.3.1.7.8. Transportation (Commercial or Organic). Use TWCF funds for the following requirements:

6.3.1.7.8.1. Shipments of TWCF equipment and material delivered outside of the normal supply and transportation channels, but limited to operational emergencies.

6.3.1.7.8.2. Forward lost or misrouted passenger baggage and diverting or forwarding passengers and cargo to or from alternate on-load and off-load points, as a result of unforeseen mission changes.

6.3.1.7.8.3. Surface transportation across the CONUS for intertheater cargo shipments (e.g., a shipment that originates in the airlift transportation system at a PACAF location, destined for a location in USAFE, which is off-loaded at the Travis APOE awaiting further transportation to an East Coast APOE to complete the airlift shipment) is also the responsibility of the TWCF.

6.3.1.7.8.4. Dedicated airlift costs associated with the deployment and redeployment of AMC TWCF personnel and equipment in support of service sponsored exercises or contingencies.

6.3.1.7.8.5. PCS moves of civilian personnel, the overwater (air or surface) transportation of household goods is chargeable to the TWCF (gaining

organization pays) if a TWCF organization gains the individual and is filling a TWCF PE authorization, or if a TWCF PE-coded employee is returning to the US (losing organization pays) for retirement or separation.

6.3.1.7.8.6. Transportation cost from an AMC APOE to a commercial gateway in instances where an individual traveler receives a port call to the APOE and an overbooking occurs on the AMC scheduled flight. Costs of transportation to the port call APOE and from the Aerial Port of Debarkation (APOD) are the responsibility of the traveler.

6.3.1.7.8.7. Transportation of Aircraft Parts from NGB/AFRC Bases to MRTs Supporting NMC Aircraft Flying AMC TWCF Missions. There may be circumstances where the closest aircraft parts required to repair a NMC aircraft flying a TWCF mission reside at an AFRC/NGB base, as determined by HQ AMC or the 618 TACC. In this event, the resource advisor of the tasked TWCF AMC MRT unit will contact the appropriate NGB/AFRC base transportation office and obtain an estimated cost of transportation and will, in turn, provide them with a certified fund cite or AF Form 616 to pay for any shipping costs to move aircraft parts from the AFRC/NGB base to the MRT location. Use AMC ESP code CS (Charlie Sierra) with the appropriate transportation EEIC to record these costs in the accounting system. See paragraph 6.3.1.7.9.9. of this instruction for additional funding guidance.

6.3.1.7.8.8. Surface shipments of C-5/C-17 aircraft engines and parts for special requirements (excluding MRT support), through the TMO function of the Logistics Readiness Squadron (LRS), at AMC bases that have a primary TWCF flying mission. These requirements are funded by the applicable aircraft maintenance organization. Use AMC ESP code CT (Charlie Tango) with the appropriate transportation EEIC to record these costs in the accounting system.

6.3.1.7.8.9. Surface shipments of AMC TWCF-assigned C-5/C-17 maintenance equipment as well as TWCF-assigned aerial port equipment, processed through the TMO function of the LRC at AMC CONUS bases that have a primary TWCF flying mission, when HQ AMC directs the redistribution of these assets in order to adjust to airlift transportation mission requirements. Also included are surface shipments of any equipment assigned to TWCF organizations sent to the Depot for required maintenance and repairs. These requirements are funded by the respective TWCF aircraft maintenance and aerial port organizations that owns or possesses the equipment. Use AMC ESP code FN (Foxtrot November) with the appropriate transportation EEIC to record these costs in the accounting system.

6.3.1.7.8.10. Transportation of Aircraft Parts at AMC Bases in Association with MRT Support. See paragraph 6.3.1.7.9.9. of this instruction for funding guidance.

6.3.1.7.8.11. Same day service (SDS) or expedited delivery service (e.g., weekends and holidays) specifically requested by TWCF organizations. Shipments must meet the guidelines prescribed in AFI 24-203, *Preparation and Movement of Air Force Cargo*, paragraph 3.6.

6.3.1.7.8.12. See paragraph 6.6.5.14. of this instruction for transportation costs

excluded from TWCF funding.

6.3.1.7.9. Travel, Per Diem, and Other Incidental Costs of Temporary Duty (TDY).

6.3.1.7.9.1. The TWCF pays for TDY costs (per diem, lodging, transportation, incidentals, and vehicle rental) of personnel assigned to TWCF organizations, except when TWCF personnel augment non-TWCF organizations. An example would be if a member assigned to a C-17 airlift squadron were tasked to augment a KC-10 aircrew in performance of its flying mission. In this case, you should charge the TDY costs against the funds of the augmented organization (the KC-10 aircraft squadron). Excluded are travel and per diem costs directly funded by AETC for formal training requirements.

6.3.1.7.9.2. The TWCF pays for TDY costs of personnel assigned to AMC non-TWCF units (including HQ AMC and 18 AF) or to other commands when augmenting a TWCF squadron or unit in the performance of their airlift mission, or directly performing a TWCF function (not a Headquarters/Numbered Air Force function). An example of augmentation is if a military member who is assigned to the supply squadron (O&M funded unit) provides TDY augmentation support to a C-5 or a C-17 aircraft maintenance squadron specifically as an aircraft mechanic and not in a supply role. **Note:** TDY requirements of non-TWCF AMC personnel who, in the performance of their assigned duties, provide indirect support for TWCF (e.g., a military member or civilian employee assigned to a CE unit who is required to inspect TWCF-assigned facilities within AMC, or to participate in studies that may indirectly impact TWCF operations), the individual's unit of assignment funds the TDY costs. TWCF does not pay for these types of indirect TDY support.

6.3.1.7.9.3. Civilian PCS. TWCF pays for PCS movements of civilians assigned to fill AMC TWCF PE authorizations, or when an overseas AMC TWCF PE-assigned employee returns to the US for retirement or separation. See paragraph 6.3.1.7.8.3. above.

6.3.1.7.9.4. Excess Baggage. The unit commander or the tasking authority must authorize any excess baggage and it should reflect in the individual's travel orders. When excess baggage is authorized, use EEIC 409 to record these charges. If the tasking authority that is funding the TDY does not authorize excess baggage with their fund cite, the unit commander of the individuals tasked may pay the charges by adding their unit fund cite to the orders.

6.3.1.7.9.5. Security Forces Phoenix Raven Teams. Security forces personnel accompany AMC TWCF aircraft (C-5/C-17) under the Phoenix Raven program, for the purpose of providing force protection to the aircraft at locations where security is inadequate or unknown. The airlift squadrons should include these individuals on the aircrew flight orders (AF Form 4327a), as Mission Essential Ground Personnel (MEGP). As a general rule, the originating TWCF flying squadron will fund the Phoenix Raven personnel TDY costs while providing force protection to the aircraft or any other aircraft flying an AMC mission before returning to home station. The DD Form 1610, *Request and Authorization of TDY Travel of DoD Personnel*, issued by the Phoenix Ravens' organization will

reflect the airlift squadron's TWCF fund cite, to include EEIC 40926. If force protection support is required for a particular TWCF mission departing from a CONUS AMC base and the AMC Phoenix Raven Personnel are sourced from other than the departing location, the flying squadron will provide their TWCF fund cite to the supporting Phoenix Raven organization to cover all travel and per diem costs, to include transportation to/from the location where the airlift mission departs/terminates. **Note:** TWCF will not fund the TDY costs to stage Phoenix Raven personnel.

6.3.1.7.9.5.1. For occasions where PACAF/USAFE-owned Phoenix Raven teams are tasked to shortfall an AMC requirement within their respective theaters, a TWCF fund cite, to include EEIC 409 (not 40926), will be provided by the 515 AMOW/Financial Management Analysis (FMA) or 521 AMOW/FMA, as appropriate, for the theater-asset Phoenix Raven support. (**Note:** This guidance, with respect to PACAF/USAFE Phoenix Ravens, is also reflected in the Financial Management and Comptroller sections (H) of the current AMC/PACAF Command-to-Command Agreement (CCA), paragraph 1.a.(1)(f) and the current AMC/USAFE CCA, paragraph 4.a.(1)(g).)

6.3.1.7.9.5.2. For occasions where PACAF/USAFE-owned Phoenix Raven teams are tasked to support a force protection requirement for PACAF/USAFE assigned aircraft (C-130/KC-135) flying TWCF missions, a TWCF fund cite, to include EEIC 409 (not 40926), will also be provided by the 515 AMOW/FMA or 521 AMOW/FMA, as appropriate, to the tasked PACAF/USAFE Security Forces organization.

6.3.1.7.9.6. In-Flight Aeromedical Crews and Stewards. When aeromedical crews and stewards support an AMC TWCF aircraft (C-5/C-17) flying an aeromedical or DV SAAM mission, include them on the AF Form 4327a. The TWCF flying squadron tasked to perform the mission will fund the TDY costs of the required aeromedical crews and stewards.

6.3.1.7.9.7. AFRC or NGB Augmentation. AFRC and NGB personnel or units are frequently called upon by the TACC to augment active AMC units or to backfill a mission that an active AMC unit cannot accomplish, at the local or command level. HQ AMC/A1XR issues Military Personnel Appropriation (MPA) Man-days to the tasked AFRC or NGB unit to support the AMC requirement. Whenever AFRC or NGB assets tasked to augment an active AMC unit, MPA Man-days are requested through the appropriate AMC functional manager for approval.

6.3.1.7.9.7.1. Charge TDY costs of AFRC/NGB personnel who directly augment TWCF units to the TWCF organization that requests the support.

6.3.1.7.9.7.2. AFRC Augmentation Funding. HQ AMC/FMA issues TWCF funding to HQ AFRC/FMA through OAC/OBAN 6510. HQ AFRC/FMA sub-allocates these funds to their unit-equipped locations through established AMC sub-OBANs whenever MPA Man-day taskings are received. Associate Reserve units (e.g., strategic aircraft operations and maintenance) will obtain the appropriate TWCF fund cite from their parent wing organization. The

AFRC units direct cite TWCF funds on the individual travel orders in accordance with the assigned sub-OBAN. AFRC O&M funds (57*3740, Fund Code 54) are not used to support MPA Man-day taskings. HQ AFRC/FMA establishes and distributes official funding procedures (called Procedural Information Messages, or PIMs) to their units regarding the use of AMC TWCF funds for TDY costs relating to MPA Man-day requirements. See AMCS1 to AFI 65-601, Volume 1, *Budget Guidance and Procedures*, paragraphs 10.2.1.1. and 10.2.1.2. (et seq.) for additional detailed guidance concerning TDY funding for AFRC augmentation relating to Individual Mobilization Augmentee (IMA) personnel, MPA Man-days (voluntary call-up to active duty), and non-voluntary partial/full mobilization.

6.3.1.7.9.7.3. NGB Augmentation Funding. HQ AMC/FMA issues TWCF funding to NGB/FMA through OAC/OBAN 6515. NGB units direct cite their O&M funds on the travel orders and reports the costs to NGB/FMA through FM channels. NGB/FMA reimburses their units by charging the AMC OBAN and collecting the reimbursement as a negative direct into their headquarters account. NGB/FMA will then issue their O&M funds (57*3840, Fund Code 58) to NGB units based on the validated costs incurred. See AMCS1 to AFI 65-601, Volume 1, paragraphs 10.2.1.1. and 10.2.1.2. (et seq.) for additional detailed guidance concerning TDY funding for NGB augmentation relating to MPA Man-days.

6.3.1.7.9.8. Comptroller Paying Agents. Comptroller personnel frequently accompany AMC TWCF aircraft (C-5/C-17) for the duration of the mission to provide financial services in the form of cash payments for aircraft ground services, landing fees, AVPOL purchases, and other miscellaneous charges levied by overseas locations that do not accept any other method of payment for services rendered. TDY costs for these paying agents will be funded by the TWCF airlift squadron tasked to fly the mission. Paying agents should be listed on the AF Form 4327a as MEGP personnel. The DD Form 1610 issued by the paying agent's organization will reflect the airlift squadron's TWCF fund cite, to include EEIC 40926. **Note:** This guidance is not applicable to Comptroller personnel tasked to perform temporary duty at contingency locations in order to provide financial services to deployed personnel. Additionally, TWCF funds will not be used to purchase flight suits or any other special equipment requirements for paying agents who accompany TWCF aircraft for the purpose of providing financial services to the airlift mission. Funding for flight suits is the responsibility of the paying agent's unit of assignment.

6.3.1.7.9.9. Maintenance Recovery Team (MRT) Support for Not Mission Capable (NMC) Aircraft (AMC, Other Air Force/DoD, or Austere Locations). These MRT taskings to AMC TWCF units are command directed through 18 AF/618 TACC/XOCL and will be funded by the tasked unit (TDY costs for the MRT and/or surface/air transportation costs to ship required aircraft parts and support equipment, if necessary), even when the NMC aircraft being supported is not assigned to the base of the tasked unit. Use AMC ESP code CS (Charlie Sierra) to track these costs in the accounting system. **EXCEPTION:** If the

TWCF-assigned MRT is tasked to provide support to another command's NMC aircraft flying their mission requirements on their flying time, the unit who owns the NMC aircraft will provide a TDY fund cite to the tasked TWCF MRT, through 18 AF/618 TACC/XOCL.

6.3.1.7.9.9.1. When AMC TWCF NMC aircraft are supported by another command's MRT, the base to which the aircraft is assigned will provide 18 AF/618 TACC/XOCL, upon request, a TDY fund cite and if required, a surface/air transportation fund cite, with applicable ESP code to forward on to the tasked MRT unit. Where the base elects to source TWCF funding within the wing/group is their discretion.

6.3.1.7.9.9.2. PACAF/USAFE MRTs tasked to recover their NMC C-17/C-130/KC-135 aircraft flying TWCF missions at locations within their respective theater, the 515 AMOW/FMA or 521 AMOW/FMA, as appropriate, will provide a TWCF TDY fund cite and, if required, a TWCF surface/air transportation fund cite, utilizing ESP code CS, to the theater Air Mobility Operations Control Center (AMOCC). Maintenance recovery efforts of PACAF/USAFE aircraft flying their O&M missions is the theater's funding responsibility. (**Note:** This guidance is also reflected in the Financial Management and Comptroller section (H) of the current AMC/USAFE and AMC/PACAF Command-to-Command Agreements, paragraphs 4.a.(1)(e) and 1.a.(1)(d) respectively.)

6.3.1.7.9.9.3. AMC will reimburse PACAF/USAFE for any additional flying hour support required to transport an MRT along with any required parts/support equipment to repair a PACAF/USAFE NMC aircraft flying a TWCF mission. These missions will be TWCF-coded and billed to HQ AMC/FMAT as per paragraph 6.3.2.4. below. (**Note:** This guidance is also reflected in the Financial Management and Comptroller section (H) of the current AMC/PACAF CCA, paragraph 1.a.(1)(d)3, and the current AMC/USAFE CCA, paragraph 4.a.(1)(e)2.

6.3.1.7.9.10. Aeromedical Evacuation Crew Members. Follow procedures in paragraph 6.3.1.7.9.5. above to fund TDY costs of aeromedical evacuation crew members when they are required to support TWCF missions on AMC C-5/C-17 aircraft. See also paragraph 2.4.5. of this instruction for the AFI 11-401 aircrew definition.

6.3.1.7.9.11. Funding TDY Training Costs of Aircrew Members Assigned to TWCF Attachment Units. Use TWCF funds for aircrew members assigned to TWCF attachment flying units (without regard to their assigned organization's funding) to fulfill formal currency training requirements (reference AFI 11-401, paragraph 2.20. and AMCS1 to AFI 65-601, Volume 1, paragraph 10.2.20.).

6.3.1.7.10. Rental of Vehicles. The TWCF funds for the contracting of rental vehicles to support airlift operations at locations where government-owned passenger vehicles are unavailable or nonexistent (e.g., bare base or minimal military presence locations supporting contingency or CJCS Exercise operations). This does not include rental vehicles authorized and funded on travel orders of TWCF-assigned personnel.

Record these charges to the appropriate 43X EEIC in the accounting system. The local deployed commander should use prudent judgment to ensure the number of passenger vehicles rented is kept to a minimum necessary to meet only the airlift mission requirements. Additionally, TWCF funds for rental of unique vehicle requirements of TWCF organizations in the performance of their day-to-day global transportation airlift mission (e.g., forklifts, aircrew buses). Record these charges to EEIC 47330. See paragraph 6.6.5.13. of this instruction on exclusion of TWCF funding for GSA leasing of general purpose vehicles (passenger vehicles, “follow-me” trucks, etc.).

6.3.1.7.11. Commercial Lodging. Costs of commercial lodging at AMC TWCF CONUS and en route locations listed in Chapter 2 of this instruction (Table 2.1. and Table 2.2.), for TWCF-funded aircrew members and applicable AMC KC-10/KC-135 O&M-funded aircrew members are chargeable to TWCF under the following conditions:

6.3.1.7.11.1. The TWCF reimburses commercial hotel vendors via the GPC process for the cost of lodging used by AMC TWCF aircrew members traveling on TWCF-funded flight authorizations (AF Form 4327a). Charges are also acceptable for C-5 and C-17 Associate Reserve aircrew members’ use of contract lodging when the member is a part of a basic aircrew or augmenting a TWCF aircrew beyond prescribed AFRC training requirements. Associate Reserve units will fund contract lodging for its members required in excess of a basic aircrew (mission-specified aircrew augmentees) if within AFRC training requirements. The TWCF will pay for all contract lodging charges for aircrew members (active duty, Associate Reserve, AFRC/NGB unit-equipped airlift aircrew members, or other members whose airborne duties are essential to accomplishment of the aircraft’s mission) who perform flight duty under the TWCF appropriation symbol 97X4930.FD40 (Fund Code 68), and EEIC 40926. **Note:** See Chapter 2, paragraph 2.4.5. (and subparagraphs) of this instruction for additional guidance.

6.3.1.7.11.2. Additionally, the TWCF will also pay for all commercial lodging charges for AMC KC-10 and KC-135 aircrew members flying TWCF missions who are funded by appropriation symbol 57*3400 (Fund Code 30) on their flight authorization (AF Form 4327a) with the following statements in the remarks section: "This is a KC-10 [KC-135] mission being used to satisfy movement of TWCF cargo requirements. For lodging purposes, charge the costs for on-base and contract lodging to the local TWCF funds (AMC Aircrew Charge System)." **Note:** See Chapter 2, paragraph 2.4.5. (and subparagraphs) of this instruction for additional guidance.

6.3.1.7.12. Contract CE Refuse Collection and Disposal, Grounds Services, and Custodial Services. In accordance with USD(C) guidance, TWCF reimburses O&M (locations with in-house capabilities) or direct cites for grounds services, refuse collection and disposal, and custodial service costs incurred in support of TWCF facilities. Use EEIC 53310 when recording contract grounds services costs, EEIC 53330 for contract refuse collection and disposal costs, and EEIC 53100 for custodial services when they are included as part of the base custodial contract. See Table 6.1. for applicable TWCF facility category codes. If the required custodial service, i.e.,

carpet cleaning, is not included as part of the base custodial contract, use EEIC 53116 to record the costs. **Note:** Proration of these costs for joint facilities (TWCF and non-TWCF units) utilize the same process as reflected in paragraph 6.3.1.6.1. of this instruction.

6.3.1.7.13. Funding for Carpet Installation, Replacement, or Repair in TWCF-Designated Facilities. The following guidance conveys the various methods in which the base civil engineer (BCE) funds for the installation, replacement, and repair of wall-to-wall carpet or carpet tile in TWCF-designated facilities:

6.3.1.7.13.1. When furnishing government material, but a service contractor provides the installation, fund the materials with TWCF MR in-house funds, BPAC 3XX, EEIC 52720, and fund the installation from TWCF operating funds, BPAC 101, EEIC 533, to include the appropriate 2-digit shred.

6.3.1.7.13.2. When using in-house or self-help labor to accomplish the repair or replacement, including materials, pay for all relevant costs using TWCF MR in-house funds, BPAC 3XX, EEIC 52720.

6.3.1.7.13.3. When repairing or replacing carpet as part of a MR project accomplished by contract, fund all costs with TWCF MR funds, BPAC 3XX, EEIC 52200.

6.3.1.7.13.4. When installing carpet as part of a MC project, accomplished with in-house or self-help labor, with funded costs of \$250,000 or more, use TWCF MC in-house funds, BPAC 21X, EEIC 52800. When funded costs are less than \$250,000, fund the project with TWCF MR in-house funds, BPAC 3XX, EEIC 52720.

6.3.1.7.13.5. When installing carpet as part of a MC project by contract, with funded costs of \$250,000 or more, use TWCF MC funds, BPAC 21X, EEIC 52900. When funded costs are less than \$250,000, use TWCF MR funds, BPAC 3XX, EEIC 52900.

6.3.1.7.13.6. Fund installed carpet for a TWCF organization housed in a facility that does not qualify for TWCF MR funding with O&M 3400 funds. The BCE approves all installed carpet, regardless of funding source.

6.3.1.7.13.7. The cost of wall-to-wall carpet or carpet tiles are funded from TWCF BPAC 3XX (replacement) or BPAC 2XX (new installation), as appropriate, regardless if the installation is concurrent with the purchase or if it will be installed at a later date.

6.3.1.7.14. Leases and Rentals. The TWCF funds for leases and rentals (excluding land) under the following conditions:

6.3.1.7.14.1. Rental/lease of special or unique equipment requirements for TWCF-assigned organizations (EEIC 473XX).

6.3.1.7.14.2. Lease of counter space at designated commercial international airports or gateways to process passengers on AMC commercial contracted charter flights (EEIC 47101).

6.3.1.7.14.3. Contract lease of apartments or other housing for assigned TWCF personnel performing duty at the designated commercial international airports or gateways geographically separated from a military installation, where it is not feasible to commute to/from the assigned duty location, due to the traveling distance and traffic congestion encountered (EEIC 47102).

6.3.1.7.14.4. Lease of information processing equipment requirements of TWCF organizations (EEIC 47200).

6.3.1.7.15. Indirect hire foreign national personnel labor contracts with foreign governments provided that the host government assumes the responsibility for meeting the needs of the US Air Force from the local national population.

6.3.1.7.15.1. Rates of pay normally conform to rates established and paid by the host government for comparable work in the geographic area. Charge the pay raises to the current fiscal year.

6.3.1.7.15.2. DoD policy requires the Services to charge current year appropriations the full amount of the separation allowance liability that accrues during the year, whether or not the amount is currently payable. In other words, you should record the full effect of pay raises on separation allowance accruals as a current year expense, even if retroactive to the prior fiscal year.

6.3.1.7.16. Architect-Engineering (A-E) Services. The TWCF funds A-E services (contract – EEIC 53200 or in-house - EEIC 527ZE or 52800) for TWCF-funded MR/MC projects. You must fund MC A-E design costs from the Capital Budget, BPAC 21CXX and consider it a Capital Budget cost if the total funded cost of the MC project (excluding the A-E costs) is \$250,000 or greater. Exclude A-E costs for MC capital projects from the total project cost determination in complying with the \$750,000 statutory ceiling. However, A-E costs are included in the depreciation of the MC capital project in accordance with USD(C) policy. Fund A-E costs associated with MC projects under \$250,000 funded costs and MR projects, regardless of the dollar amount, from the Operating Budget, BPAC 101.

6.3.1.7.17. Operating Equipment. This primarily consists of tools and other accountable or expense equipment applicable to TWCF organizations that are necessary to accomplish the organization's direct support of the airlift mission, as determined by base supply, having a unit cost of less than \$250,000 and locally purchased (EEIC 63X) or issued from the AFWCF (EEIC 62X) to a TWCF organization. Also included is replacement issues for mobility bags and mobility equipment listed on the organization's Unit Tasking Code (UTC) and closed circuit television (CCTV) systems specifically unique to TWCF security requirements only. Exclusions to this policy are:

6.3.1.7.17.1. Initial collateral equipment associated with a construction project or a mission change.

6.3.1.7.17.2. Allowance Source Code 410 Items - special services and physical training equipment.

6.3.1.7.17.3. Allowance Source Code 414 Items - quarters' furniture and

equipment.

6.3.1.7.17.4. Initial issue and replacement of items for obsolescence of War Reserve Material (WRM) kits, and Chemical Warfare Defense Equipment (CWDE).

6.3.1.7.17.5. Any centrally managed/centrally procured item (funded from 3010, 3011, 3020, and 3080 appropriations), regardless of unit cost (e.g., firearms, ammunition, material handling equipment). See AFMAN 65-604 for procurement-funded items and associated Budget BPACs or direct inquiries to the local base supply office to determine if unit funds qualify to purchase a particular stock-listed equipment item.

6.3.1.7.17.6. Equipment items that are not exclusive to the operation of a TWCF organization (e.g., Low Speed Vehicles,) which should be purchased and managed by a base operating support function.

6.3.1.7.17.7. Equipment items used primarily for construction or remodeling purposes (e.g., hand/electric saws of any type, paint sprayers, drills, etc.) unless they are specifically required for the day-to-day operations of the TWCF organization. For self-help MR projects, these types of equipment tools should be available on loan from the local BCE to accomplish any in-house work required (reference AFPAM 32-1098, *Base Civil Engineer Self-Help Guide*, paragraph 1.8.6.).

6.3.1.7.18. Engineering technical services, as explained in AFI 21-110, *Engineering and Technical Services*. These costs are properly chargeable in connection with equipment assigned to a TWCF organization. HQ AMC will program and fund for these services at the command level.

6.3.1.7.19. Costs pertaining to basic research, study, exploratory development establishing feasibility and practicality of proposed solutions, rough order of magnitude estimates, etc., that relate to the pre-development, fielding, and implementation of TWCF-funded Capital projects are treated as operational expenses in accordance with DoDFMR 7000.14, Volume 2B, *Budget Formulation and Presentation*, chapter 9, section 090103, paragraph C.5.c.

6.3.1.7.20. Hazardous Materials (HAZMAT) Spill/Environmental Contamination. TWCF organizations that are directly responsible for a HAZMAT spill or environmental contamination will fund all associated clean-up costs from its Operating (BPAC 101) funds, to include any subsequent environmental fines and penalties assessed due to non-compliance with Environmental Protection Agency (EPA) standards. **Note:** This does not include clean-up efforts resulting from TWCF-assigned aircraft crashes. See paragraph 6.6.25. below that prescribes when TWCF funds are not authorized for this purpose.

6.3.1.7.21. Operating costs for new command-level (HQ AMC) initiatives that are directly attributable to the TWCF peacetime mission. For those initiatives that involve both TWCF and O&M, the costs must be properly segregated in the POM/budget process. If the initiative creates a new staff function within HQ AMC and the

function will involve both TWCF and O&M-funded operations, allocate the funding as follows:

6.3.1.7.21.1. Day-to-Day Operations. Funding for day-to-day operations will be based on a split of the assigned manpower authorizations on the UMD. This includes, but is not limited to, operating supplies/equipment, systems furniture, TDY, special contracts (excluding contract employees or centrally managed ADPE/IPE requirements, e.g., GATES, GDSS, etc.). Manpower authorizations will be assessed at the 2-digit level to determine the overall TWCF/O&M funding split for these requirements.

6.3.1.7.21.2. New Civilian Manpower Authorizations. Authorizations will be assigned based on the requirements of the positions (i.e., is each new manpower authorization primarily performing TWCF or O&M work—do not split-fund the individual positions).

6.3.1.7.21.3. Contractor Support. Contractor support will be split-funded based on the overall requirements of the contract. The statement of work should specifically identify the percentage of TWCF and O&M requirements.

6.3.1.7.21.4. Common User Requirements. Common user requirement (telephone services, custodial services, utilities, facility MR/MC, etc.) will be 100 percent O&M-funded unless it is determined that any of the requirements are exclusively in direct support of the TWCF peacetime mission. These circumstances will be evaluated on a case-by-case basis prior to inclusion in the TWCF budget or release of TWCF funds. **Note:** No portion of HQ AMC-assigned facilities will be redesignated to a TWCF-assigned facility as a result of any new staff (HQ AMC) functions that acquire TWCF funding responsibility.

6.3.1.7.22. Awards, specifically mission accomplishment, military/civilian performance, and Innovative Development Through Employee Awareness (IDEA) awards as outlined in AFI 65-601, Volume 1, Chapter 4, paragraph 4.29, for personnel assigned to TWCF-funded organizations. For mission accomplishment awards, this includes trophies, plaques, emblems, certificates, organizational coins, and similar items designed for display purposes as well as merchandise items (e.g., belt buckles, jackets, with a nominal cost) which meet the qualifications in AFI 65-601, Volume 1, Chapter 4, paragraph 4.29.2. For recipients of substantial competitive Air Force (national) awards (e.g., 12 Outstanding Airmen) or command-wide regional awards (e.g., Command Officer, NCO, Airman, or Civilian of the Year), you may use TWCF funds to purchase refreshments at the award ceremony in accordance with AFI 65-601, Volume 1, Chapter 4, paragraph 4.31., provided the award recipients are TWCF personnel. This would also apply to Air Force medals for heroism, gallantry, outstanding achievement, or special meritorious service (e.g., Bronze Star or higher) as well as significant unit milestone awards (e.g., a TWCF-assigned flying unit that achieves 100,000 hours flown without a mishap) authorized in AFI 36-series instructions or AMC supplements thereto. Local individual awards do not qualify for TWCF-funded refreshments.

6.3.1.7.23. Training courses and course development (including web-based requirements) for users of unique TWCF systems (e.g. Global Air Transportation

Execution System (GATES), Air Transportation Computer Based Training (ATCBT), etc.), where TWCF receives direct benefit from the training.

6.3.1.7.24. The TWCF will fund for training costs of all TWCF military and civilian personnel assigned to TWCF organizations unless specifically provided from other appropriations, to include required professional credentials for TWCF-assigned civilian employees, as directed by HQ USAF/DP memorandum, Subject: *Policy Memorandum – Payment of Expenses to Obtain Professional Credentials (DASD (Civilian Personnel Policy) Memo, 17 Aug 02, Payment of Expenses to Obtain Professional Credentials)* and AFI 65-601, Volume 1, paragraph 4.47.1. Do not use TWCF funds to pay for training of personnel assigned to non-TWCF organizations.

6.3.1.7.25. Purchase and refilling/recharging of fire extinguishers (any type) that reside in TWCF-assigned areas or on board TWCF-assigned aircraft, and portable fire extinguishers placed within TWCF-assigned facilities and vehicles, as directed by AFOSH 91-501, *Air Force Consolidated Occupational Safety Standard*, paragraph 6.2.4.4. Funding for these requirements is a unit of assignment responsibility.

6.3.2. Costs Initially Financed by Other Military Department Appropriations. The TWCF obtains certain services from other DWCF agencies, through interservice agreements with the Army and Navy and through host-tenant reimbursement procedures from the Air Force. These services are initially financed from appropriated funds available to the Air Force, Army, and Navy and from other DWCF expense authority. Description of these services and the principles governing the reimbursable costs are as follows:

6.3.2.1. Services from Depot Management Activity Group (DMAG). For cost of maintenance performed by the DMAG on TWCF aircraft and aircraft systems, TWCF is charged on the basis of DMAG published rates for the type of work performed (Programmed Depot Maintenance (PDM), drop-in, field team, etc.). Program management costs and transportation expenses are not reimbursable (e.g., warehousing, supply administration, procurement of spaces, and incentives). DMAG labor costs associated with the installation of modifications or TCTOs on TWCF aircraft are allowable charges to TWCF. HQ AMC programs for these requirements at the command level and distributes funding to the various Air Logistics Centers (ALCs).

6.3.2.1.1. Contract Logistics Support (CLS) for TWCF-assigned C-17 aircraft or other major TWCF-assigned assets.

6.3.2.2. Other Services Obtained from the Air Force or DMAG through Reimbursement.

6.3.2.2.1. Depot-Level Maintenance Performed on Engines and Gas Turbine Units by Contract or Depot Personnel. Reimbursement depends upon the actual number of units removed during the FY from TWCF aircraft and processed to depot facility for overhaul. Rate of reimbursement is on the basis of DMAG published rates for the type of work accomplished. HQ AMC programs for these requirements at the command level and distributes funding to the various ALCs.

6.3.2.2.2. Field-Level Maintenance Performed on TWCF Aircraft and Related Equipment by Depot (Organic) or Contract Personnel. This support, when requested by AMC, is reimbursable to the DMAG on the basis of organic depot cost incurred as established by the DMAG rates or the actual contract cost incurred by the DMAG.

HQ AMC programs for these requirements and distributes funding to the various ALCs.

6.3.2.2.3. General and Administrative (G&A) Cost. The TWCF reimburses AMC O&M for their fair share of common base support costs. This reimbursement occurs at the command level and does not include incremental support costs. Common base support costs include costs incurred in the daily operations of groups and above, as well as O&M funded squadrons. The base-level TWCF accounts do not fund these common support costs. HQ AMC/FMA programs and reimburses AMC O&M, managed by HQ AMC/FMAO, for G&A expenses at the command level. Daily operation costs for TWCF squadrons and below (aerial port, aircraft maintenance, flying squadrons, and mobility squadrons) are directly funded by TWCF at base level. See Chapter 10 of this instruction for additional information relating to G&A costs and the calculation of these costs for TWCF.

6.3.2.2.4. Dedicated Leased Line Communications Services. The cost of these services, specifically in support of the TWCF mission, is reimbursable to DITCO. Other specific communications services (to include air time charges for International Maritime Satellite (INMARSAT) equipment owned and controlled by TWCF units) in support of the TWCF mission are available through AFCA or other agencies with reimbursement provided through cross-service or other agreements. Budget and funding for these centrally managed leased long lines reside at the command level.

6.3.2.2.5. Utilities. The TWCF reimburses O&M for utilities (electricity, gas, water, sewage disposal, steam heat) consumed by TWCF facilities (AFI 32-1061). It does not include cable TV (a communications expense). The TWCF facilities are limited to those occupied by TWCF functions and assigned a qualifying category code reflected in Table 6.1. (see also paragraph 6.3.1.6.6.4. above). **Note:** TWCF utilities funding is centrally funded. These funds cannot be moved out of the TWCF utilities account (EEIC 480XX) without HQ AMC/A7R/FMA approval.

6.3.2.2.5.1. If non-TWCF activities share the same area or buildings, TWCF is charged only for the appropriate pro-rata share (see paragraph 6.3.1.6.1.4. of this instruction).

6.3.2.2.5.2. See Chapter 2, paragraph 2.4.6.1. for determination of charges and billings. See Table 6.1. for TWCF facility category codes.

6.3.2.2.6. Maintenance of Vehicles and Equipment. Maintenance provided by O&M funded organizations on all vehicles and equipment assigned or dispatched to a TWCF organization (excluding GSA base-wide leased general purpose vehicles at AMC bases) on a permanent or continuing basis is reimbursable under the On-Line Vehicle Interactive Management System (OLVIMS). Costs charged under OLVIMS are direct civilian labor, supplies, and materials. This also includes repairs for damage (performed in-house or by contract) due to accidents or mishaps while under the operation and control of a TWCF organization. **Note:** Vehicles eligible for TWCF reimbursement of required maintenance must be utilized solely by a TWCF organization and operated by TWCF-assigned personnel in the performance of their day-to-day operations. Fuel trucks, snowplows, crash fire and rescue vehicles, and

other support vehicles not assigned to and operated by TWCF organizations do not qualify for TWCF funding of their maintenance costs.

6.3.2.2.7. Military Pay and Allowances. See Chapter 4, paragraph 4.5. of this instruction.

6.3.2.2.8. Postage. Postage for TWCF units located on non-AMC bases is a proper charge to the TWCF, in accordance with SAF/AAIA memorandum dated 11 Jul 94. At AMC bases that maintain a predominant TWCF mission, do not charge postage costs to TWCF units as these costs are captured at HQ AMC through PE 41896 and reimbursed to the bases through the G&A distribution. **Note:** See Chapter 10, paragraph 10.2.2. of this instruction for AMC G&A costs.

6.3.2.2.9. Printing and Reproduction. The TWCF funds for aircraft decals, drop zone photos, forms used in direct support of airlift operations, etc., through the Defense Automated Printing Service (DAPS), EEIC 75671, via a DD Form 448, *Military Interdepartmental Purchase Request (MIPR)*. The host funds all other DAPS printing and reproduction costs not specifically required by TWCF units. Decals are only funded and purchased at the HQ AMC level. The use of GPC is also authorized for local DAPS requirements. See AMCPAM 65-603, Chapter 20, for additional information on GPC procedures.

6.3.2.2.10. Ground Fuels. The TWCF reimburses the stock fund for ground fuels (EEICs 641 and 642) purchases of its assigned vehicles and support equipment.

6.3.2.2.11. Severance pay for TWCF-assigned civilian employees, under the Federal Employees Salary Act of 1965, is chargeable to the TWCF.

6.3.2.2.12. Damage repair to TWCF-assigned aircraft as a result of accidents or mishaps is funded by TWCF, regardless of where the accident occurred. **Note:** This excludes repair to TWCF aircraft for damage as a direct result of war (see paragraph 6.6.30.).

6.3.2.2.13. Other direct incremental costs above common base-line service levels established by the commander or wing commanders, in support of TWCF operations.

6.3.2.3. Cross-Service Agreements with the Army, Navy, or other Federal Agencies.

6.3.2.3.1. Interservice support and cross-service agreements are developed between the Agency (AMC) and the Departments of the Army and Navy for reimbursement of direct incremental support costs for the TWCF, in accordance with DoDI 4000.19.

6.3.2.3.2. AMC is authorized to negotiate and sign agreements with the Departments of the Army and Navy.

6.3.2.3.3. Cross-service agreements may also provide for payment from O&M funds for other items mutually agreed upon between AMC and the Departments of the Army and Navy.

6.3.2.3.4. DFAS-DE should coordinate on all cross-service agreements applicable to accounting procedures before finalizing the agreement.

6.3.2.4. Military Augmentation. HQ AMC/FMAT, through the DFAS Field Site, records flying hour costs of Channel, SAAM, CJCS Exercise and Contingency airlift missions

flown by other MAJCOM's aircraft (e.g., AFRC, NGB, USAFE, PACAF, AETC) as well as AMC O&M-assigned aircraft, as a military augmentation expense (EEIC 589XX with the appropriate 2-digit shred identifying the applicable MAJCOM). See Chapter 4, paragraph 4.3.4.2. of this instruction for additional guidance. Command-to-command agreements negotiated between AMC and other MAJCOMs provide the flying hour reimbursement requirements for each MAJCOM that augments AMC's organic capacity. AMC will coordinate with each MAJCOM all TWCF hours flown and applicable reimbursement costs. These TWCF reimbursable expenses are budgeted and executed only at HQ AMC.

6.3.3. Cargo surface movements utilizing the Global Air Transportation Execution System (GATES) Land bridge functions in support of Strategic Distribution (SD) are authorized reimbursement through TWCF provided the following conditions are met:

6.3.3.1. All expansions to new surface channels are approved through the SD Air Committee.

6.3.3.2. Expansions will only proceed after HQ AMC/A4T/FMF has coordinated them through GATES and the Airlift Service Industrial Fund Integrated Computer System (ASIFICS).

6.3.3.3. Surface conveyance manifests are not authorized TWCF reimbursement for SD purposes.

6.3.3.4. Other surface conveyance requests for TWCF reimbursement will be worked on a case-by-case basis through HQ AMC/A4T/FMF.

6.4. Non-Operating Costs. Some TWCF costs are non-operating costs. Examples of these costs include depreciation of TWCF Capital equipment, facilities, ADP hardware or software capital development projects, and management improvement initiatives. Bad debt (non-US Government uncollectable revenue only) is another non-operating TWCF expense. HQ AMC/FMA maintains the funding and execution of these costs at the command level.

6.5. Statistical Costs. Although not chargeable to TWCF as an operating cost, the DFAS Field Site records depreciation of TWCF aircraft assigned to TWCF airlift organizations as a statistical cost.

6.6. Costs Not Chargeable to the TWCF. The following types of costs are not chargeable to the TWCF as a cost of operations nor are they recorded as statistical costs:

6.6.1. Daily operating costs of AMC organizations not designated as a TWCF organization.

6.6.2. The procurement of aircraft and centrally procured items (financed from 3010, 3011, 3020, and 3080 appropriations) managed by HQ Air Force Materiel Command (AFMC). This includes major repair or replacement of aircraft, equipment, and capital material that is the result of actions other than normal fair wear and tear.

6.6.3. Catastrophes or Acts of God. The TWCF finances, up to and including \$750,000, the costs resulting from a single catastrophe that affects TWCF real or personal property. If the total cost from a single catastrophe is in excess of \$750,000, the TWCF does not pay the first \$750,000, per AFI 65-601, Volume 1, Chapter 18, paragraph 18.6.7. **Note:** This includes total cost for damage to TWCF facilities at more than one AMC base/en route location

resulting from *a single catastrophic event*. Damage or loss to TWCF-assigned real or personal property may result from:

- 6.6.3.1. Hurricane/typhoon.
- 6.6.3.2. Tsunami/tidal wave.
- 6.6.3.3. Volcano eruption.
- 6.6.3.4. Forest/wild land fire.
- 6.6.3.5. Riots/insurrection.
- 6.6.3.6. Warfare/terrorist attack.
- 6.6.3.7. Tornado.
- 6.6.3.8. Cloudburst.
- 6.6.3.9. Munitions explosion.
- 6.6.3.10. Acts of anarchy.
- 6.6.3.11. Major equipment destruction.
- 6.6.3.12. Aircraft or missile accidents. (Includes aircraft recovery and clean-up requirements of accidents from AMC TWCF-assigned aircraft.)
- 6.6.3.13. Major power failure with resultant damage.
- 6.6.3.14. Lightning.
- 6.6.3.15. Fire (other than forest/wild land fire).
- 6.6.3.16. Flood.
- 6.6.3.17. Snow and ice.
- 6.6.3.18. Wind.
- 6.6.3.19. Earthquake/landslide.
- 6.6.3.20. Ground powered vehicle accidents (except for damage to TWCF-assigned vehicles as prescribed in paragraph 6.3.2.2.6. of this instruction).
- 6.6.3.21. Other declared catastrophes not listed above.

6.6.4. Aircraft Configuration Changes.

6.6.4.1. It is the Air Force's responsibility to provide the TWCF with fully operable aircraft, modified to incorporate approved configuration and safety-of flight changes (permanent modifications). Costs of kits and other identifiable hardware costs are normally paid from Air Force procurement appropriations. Associated DMAG labor costs are allowable charges for TWCF reimbursement.

6.6.4.2. Permanent/Permanent Safety modifications and Air Force-approved/directed modernization and maintenance program efforts are funded from the 3010 Aircraft Procurement appropriation, as directed by AFMAN 65-604.

6.6.4.3. The costs of labor and expense items of other than TCTO kits or maintenance performed below depot level are chargeable to TWCF in all cases.

6.6.5. Common Service/Base Support. In accordance with DoDFMR 7000.14, Volume 2B, Chapter 9, paragraph 090103.L., TWCF can only fund incremental direct costs attributable to the TWCF activity. Indirect costs are not to be charged to the TWCF activity. Services must fund support common to all activities on a base under their equip and support mission. Apply the provisions of AFI 25-201, DoDI 4000.19, paragraph 4.6. (see electronic version), and this instruction to determine whether a particular requirement is common service/base support. Certain common services within the Air Force are properly reimbursable to the Navy and Army under interdepartmental directives. When the TWCF receives such services at Navy and Army installations, they are chargeable to APF (AMC O&M), not TWCF. The following is a list of common base services not chargeable to TWCF at the local level:

6.6.5.1. All common use infrastructure support unless it is specifically unique to TWCF or is provided solely for the benefit of the TWCF.

6.6.5.2. Aircraft structural and crash fire protection and aeromedical activities, to include the purchase and maintenance of vehicles and equipment specific for such support.

6.6.5.3. Weather forecasting and any other weather-related activity.

6.6.5.4. Ordinary base-line common user communication services provided to all users at no charge, such as telephone and existing administrative and operational radio and message traffic. See paragraph 6.3.2.2.4. for TWCF funding of dedicated leased line communications services.

6.6.5.5. Food preparation and serving, to include the food itself and any associated food serving supplies (e.g., coffee cups, paper plates, napkins, eating utensils). This prohibition also extends to table linens, china (real or imitation), silverware/flatware, glassware, and other food serving containers or utensils. **EXCEPTION:** Refreshments for substantial award ceremonies (e.g., Bronze Star or higher, competitive Air Force national awards for TWCF personnel, and significant unit milestones attributable to TWCF organizations) are authorized for TWCF funding, as addressed in paragraph 6.3.1.7.22. of this chapter.

6.6.5.6. Troop housing, family housing, transient housing, and recreational facilities such as equipment, furnishings, sheets, blankets, pillows, housekeeping supplies, and other housing supplies, except as described in paragraph 6.3.1.4.7. The use of TWCF funds for any facility MR/MC work is not authorized for dormitories even if they are 100 percent occupied by TWCF personnel. Additionally, dormitories are not listed as TWCF eligible facilities in Table 6.1. (excluding category code 141-459, aircrew alert facilities at JB Charleston). These costs are financed from O&M 3400 funds at AF installations.

6.6.5.7. Security (including Phoenix Raven flight suits and specific support equipment), base-wide antiterrorism, ground base defense, military working animals, and other base security requirements. **EXCEPTION:** Antiterrorism/Force Protection requirements directly relating to airlift transportation (e.g., passenger and cargo X-ray screening equipment at TWCF-assigned passenger/cargo terminals, closed circuit TV exclusive to TWCF facilities and aircraft loading/unloading areas, CE MR/MC projects for TWCF-

assigned facilities). See also paragraph 6.3.1.7.9.5. for TWCF funding of Phoenix Raven TDY costs.

6.6.5.8. Medical support, except for medical supplies issued and charged to TWCF units through the AFWCF (see paragraph 6.3.1.4.8. of this chapter).

6.6.5.9. Civil engineering services, except as provided in paragraphs 6.3.1.7.12., 6.3.1.7.13., 6.3.1.7.14., and 6.3.1.7.16.

6.6.5.10. Athletic/sports, fitness and exercise equipment or the maintenance thereof, for intramural or base (varsity) team sporting events or competitions (to include uniforms and shoes) or approved unit level fitness centers and exercise rooms. Included in this exclusion is the purchase of athletic clothing for mandatory 3 days per week physical training programs or simulated combat competitions. AFI 36-3014, *Clothing Allowance for Air Force Personnel*, authorizes a one-time issue of athletic clothing, normally accomplished during basic military training. The replacement of exercise clothing is an individual's responsibility through the annual clothing allowance. **Note:** This prohibition also extends to purchasing commercial fitness services or organizational memberships at private fitness facilities by TWCF units at isolated locations where military facilities are not available.

6.6.5.11. Outdoor recreational equipment or the maintenance thereof.

6.6.5.12. Bird Aircraft Strike Hazard (BASH) program or similar aircraft ground safety requirements.

6.6.5.13. Rental of GSA base-wide general-purpose vehicles at AMC bases or the maintenance thereof, unless they exceed the authorized level determined by the transportation squadron and are specifically requested to fulfill an exclusive TWCF requirement. **Note:** Prior written approval from HQ AMC/FMA and the base transportation squadron is required before entering into a TWCF-funded general-purpose vehicle lease agreement. Requests for such leases should contain explicit justification as to the purpose of the lease and why the authorized level of leased general purpose vehicles at the AMC base does not cover the requirement.

6.6.5.14. Transportation costs for cargo shipments at AMC bases processed through the TMO, except as authorized under paragraph 6.3.1.7.8. of this instruction. Included in this prohibition are the transportation costs related to the delivery of strategic aircraft parts or other equipment/equipment parts/supplies to overseas theater deployed locations or a Forward Supply Location (FSL) in support of peacetime, contingency, or wartime restocking requirements (e.g., Readiness Spare Packages (RSP), Spare Engine MICAPS, etc.), transportation costs which are in direct support of non-TWCF units, and any transportation requirements that fall under the classification of Second Destination Transportation (SDT), which are funded by HQ AFMC.

6.6.5.15. Transient Alert (TA) operations, to include aircraft oil, lubricants, aircraft parts, and other items furnished to transient O&M aircraft at Air Force installations. This is a host base responsibility and TWCF-funded aircraft maintenance organizations at AMC bases are not responsible to provide these supplies and materials to TA operations for the purpose of providing maintenance services to transient aircraft.

6.6.6. Purchase or lease of land to establish new taxiways, runways, hangars, etc., required to support, maintain, and operate TWCF functions, to include environmental surveys conducted prior to negotiating the purchase or lease. This does not apply to TWCF funding for MC, MR, and A-E projects for those TWCF-assigned facilities identified in Table 6.1. of this chapter.

6.6.7. Disposal/demolition of excess and surplus real property, to include demolition of facilities in excess of TWCF requirements. **Note:** TWCF Capital MC funds are used to demolish/dispose of a facility when it impedes the construction of a replacement facility project funded from TWCF Capital MC funds. Such demolition costs are included in the total cost for the project and apply to the MC threshold (\$750,000). This is the only condition when TWCF funds are authorized for the demolition/disposal of facilities. Do not use TWCF funds to pay for environmental surveys conducted prior to the disposal of any interests in land.

6.6.8. Maintenance of idle plants, facilities, and equipment, to include those placed in a “caretaker” status (i.e., not being utilized by a TWCF organization for their daily operations).

6.6.9. Personal-related items for the office workplace (e.g., disposable cups/plates/eating utensils, napkins, and any food-serving items), for use in conjunction with birthday and promotion celebrations, PCS/departures, retirement ceremonies, other non-mission essential office functions/celebrations, personal hygiene/health and wellness items (e.g., facial tissues, over-the counter drugs), and other personal reasons.

6.6.10. Claims for personal injury or death or for the replacement cost of cargo or personal baggage lost, damaged, or destroyed while transported on aircraft in the possession of TWCF. Payment of all such claims, as authorized by law, is payable from Air Force O&M funds.

6.6.11. Claims for personal injury or death, or damage to or loss of real or personal property caused by TWCF aircraft or personnel.

6.6.12. Construction projects with funded costs in excess of \$750,000. These costs are financed by the military construction (MILCON) appropriation. See paragraph 6.3.1.6.6.1. of this chapter for exception resulting from corrections due to life, health, or safety deficiencies.

6.6.13. Mortuary services. This excludes autopsies performed at the direction of Air Force authority on personnel assigned to TWCF organizations by private civilian pathologists when Air Force MTF pathology services are not available (see AFI 65-601, Volume 1, Chapter 10, paragraph 10.25.10.12).

6.6.14. Local purchasing and contracting services.

6.6.15. Entertainment and gifts, as defined in AFI 65-601, Volume 1, Chapter 4, paragraphs 4.28. and 4.29. This includes the purchase of alcoholic beverages for any reason.

6.6.16. Commercial printing (including DAPS) of personalized stationery and calling or greeting cards, as defined in AFI 65-601, Volume 1, Chapter 4, paragraph 4.35.

6.6.17. Commercial printing (including DAPS) of invitations and programs for the dedication of new facilities, groundbreaking ceremonies, change of command ceremonies, or any other traditional ceremony authorized in AFI 65-601, Volume 1, Chapter 4, section K.

These requirements are funded from O&M-type funds. Additionally, the use of TWCF funds to procure commercially printed invitations or programs for individual retirement, award, or related ceremonies is prohibited in accordance with AFI 65-601, Volume 1, Chapter 4, paragraph 4.27 and *GAO: Principles of Federal Appropriations Law, Volume 1*, Chapter 4, page 4-214.

6.6.18. Interest and penalties (Prompt Payment Act), as defined in AFI 65-601, Volume 1, Chapter 4, paragraph 4.21, unless it is clearly shown that a TWCF unit was directly responsible for incurring the interest penalty.

6.6.19. Payment of per diem, contract lodging, transportation, and other costs associated with service members and their equipment supporting CJCS Exercises or contingencies, as described below.

6.6.19.1. When dedicated return airlift back to home station is unavailable due to a low CJCS movement priority coupled with AMC aircraft nonavailability (organic, military augmentation, or commercial charter) supporting higher airlift priorities.

6.6.19.2. If the service members must remain at their deployed site or other designated location beyond their scheduled return date, until such time that AMC airlift, commercial tickets (e.g., through the CJCS Commercial Ticket Program), or other travel arrangements are made available to them for their return home, the TWCF *is not* responsible for their travel or additional per diem costs resulting from this delay. **Note:** This excludes circumstances where service members in a group travel status are delayed en route to the home station, as prescribed in paragraph 6.8. (et seq.) of this chapter.

6.6.20. Air navigation and overflight fees for TWCF military aircraft that fly in foreign countries designated air space. In accordance with AFI 65-601, Volume 1, Chapter 4, paragraph 4.49 and SECSTATE guidance, all United States Government aircraft are exempt from these charges as they are state aircraft under the terms of the 1944 Convention of International Civil Aviation (Chicago). Specific exceptions include:

6.6.20.1. Air navigation and overflight fees charged by the 14 African countries, which comprised the Agency for the Safety of Air Navigation in Africa and Madagascar (ASECNA), through 31 Oct 97. Per SECSTATE direction, the US Government terminated its agreement with ASECNA effective 1 Nov 97 for the payment of these fees and any assessment of these charges on or beyond 1 Nov 97 is unauthorized. All ASECNA charges for FY97 and prior year air navigation and overflight fees are payable, even though the bills were not received and validated prior to 30 Sep 97. For FY98, only those ASECNA charges incurred for air navigation and overflight fees during the month of Oct 97 are payable, regardless of when the bills were received and validated. All TWCF validated prior year air navigation and overflight bills are payable from current year TWCF funds unless the expense (AEU) was recorded in the applicable prior year of incurrence in the accounting system and still remains on the books as an open accounts payable.

6.6.20.2. A primary example of authorized payments for air navigation and overflight fees is certain arms control treaties that apply to the movement of On-Site Inspection Agency (OSIA) by TWCF organic airlift aircraft into the former Soviet Union states. As

a general rule, OSIA assumes payment for these charges directly when TWCF aircraft fly airlift missions in support of these requirements.

6.6.20.3. Therefore, with the exception of any provision contained in weapons compliance treaties, air navigation and overflight fees should not be paid under normal circumstances. However, if AMC TWCF aircraft commanders are confronted with circumstances in a foreign country whereby payment of these fees is contingent prior to aircraft departure, payment is allowed and a protest should be filed with the residing US Embassy. Aircraft commanders should follow the procedures contained in the *DoD Foreign Clearance Guide*, located in the forward part of each regional booklet, Section 1, for payment of air navigation and overflight fees. Use EEIC 55617 to record payment of overflight fees, when required.

6.6.21. Museums, heritage centers, air parks, static displays, or any other historical holding, and support directly related to a base air show or open house.

6.6.22. Contest entry fees or prizes/awards for contest winners, unless clearly justified that spending TWCF funds for this purpose will further enhance the objectives and purpose of the TWCF.

6.6.23. Contracts for flight simulator training and as well as any contracted wartime training requirement for TWCF-assigned personnel.

6.6.24. Promotional or incentive items, as identified in AFI 65-601, Volume 1, Chapter 4, paragraph 4.29.3. through 4.29.7., unless clearly justified that it directly promotes TWCF requirements. **Note:** Safety promotional items and physical fitness incentive items do not fall under the auspices of the TWCF for funding purposes.

6.6.25. Environmental clean up of contamination at or within the immediate area of any TWCF-assigned facility that is not directly attributable to the TWCF organization that occupies the facility. This includes any fines/penalties assessed due to non-compliance with EPA standards.

6.6.26. Memberships in professional or civic organizations unless clearly justified that such a membership enhances the sole objectives and purpose of the TWCF.

6.6.27. Light refreshments at conferences, symposiums, or seminars, as defined in AFI 65-601, Volume 1, Chapter 4, paragraph 4.42.1.1. unless these events are convened by TWCF organizations solely for the purpose of conducting TWCF-specific business discussions. Additionally, refreshments (including food serving items) in the USO and DV lounges of TWCF-assigned passenger terminal facilities are not authorized.

6.6.28. Transient alert /transient maintenance requirements.

6.6.29. Seasonal decorations for base facilities or any other purpose, as defined in AFI 65-601, Volume 1, Chapter 4, paragraph 4.26.2.

6.6.30. Damage to capital assets under TWCF ownership and control (funded from TWCF Capital programs or Air Force investment programs (e.g., 3010, 3080)) directly resulting from war, excluding normal wear and tear during contingency or wartime operations. This includes replacement or repair of the capital asset.

6.6.31. Equipment items specifically excluded under paragraph 6.3.1.7.17. above.

6.6.32. Other costs not chargeable to the TWCF, as defined below:

6.6.32.1. Payroll costs for nonproductive working capital fund employees.

6.6.32.2. Retraining programs.

6.6.32.3. Travel and transportation expenses that pertain to relocation of all employees affected by base closure or reduction actions.

6.6.32.4. Plant closing, layaway, and custody costs.

6.6.32.5. Daily operation costs (e.g., TDY, civilian pay, supplies, and equipment) for AMOW, CRW, and group commanders at AMC Wings (to include their immediate staff, e.g., secretary, executive officer, and other administrative support within the commander's office) or their equivalents that preside over TWCF organizations. These costs are considered overhead and are not in direct support of the TWCF mission. **Note:** This is not applicable to TWCF squadron commanders.

6.6.32.6. Any support costs covered separately under Air Force or AMC regulations or restrictions.

6.6.32.7. Requirements in direct support of a wartime mission for which there is no direct peacetime utility thereof, even if the requirements are utilized by a TWCF organization during wartime.

6.6.32.8. Base Realignment and Closure (BRAC). As a general rule, costs that are the direct result from base closure actions imposed by higher authority, e.g., the BRAC Commission, as described in DoDFMR 7000.14, Volume 11B, Chapter 2, paragraphs 020501 and 020503. Paragraph 020503A of DoDFMR 7000.14, Volume 11B, Chapter 2, does permit TWCF to fund activity costs under BRAC, to the extent permitted by amounts available from existing and new customer orders:

6.6.32.8.1. Current year costs in support of customer orders.

6.6.32.8.2. Prior year, current year, or budget year operating losses.

6.6.32.8.3. Increases in overhead even though these increases could be attributed to decisions to close bases.

6.6.32.8.4. Per DoDFMR 7000.14, Volume 2B, Chapter 9, paragraph 090103.H., all costs incurred by DWCF activities to carry out BRAC must be reimbursed from the appropriate BRAC account prior to the end of the fiscal year in which the costs were incurred.

6.6.32.8.5. PCS Costs Related to BRAC. Reference DoDFMR 7000.14, Volume 2B, Chapter 9, paragraph 090103.H.3. Costs incurred to recruit and hire civilian personnel (including associated PCS costs) to fill vacant positions resulting from a realignment of an activity from a closing or realigning installation to a receiving installation in accordance with a BRAC recommendation may properly be considered BRAC costs under the Base Closure and Realignment Act of 1990. As a matter of Department of Defense policy, however, BRAC funds will not be used for such costs except in the case of Defense Working Capital Fund (DWCF) activities. DWCF activities may temporarily charge such costs against the DWCF, provided the DWCF

is reimbursed with BRAC or O&M funds by the end of the fiscal year in which the costs are incurred.

6.6.33. Other costs that by law are mandated for funding under a specific appropriation or allotment.

6.7. Residual Assets of a DWCF Activity. When a DWCF component activity closes, the DWCF retains any remaining net assets from that component activity to satisfy any other authorized requirements within the overall DWCF. (See DoDFMR 7000.14, Volume 11B, Chapter 2, paragraph 020512.)

6.8. Support of Service Members on Delayed TWCF Aircraft. The TWCF pays all charges for meals, lodging, and ground transportation (as required) of service members in a group travel status, transported by aircraft operating those TWCF missions defined in paragraph 6.8.2. below, when these services are necessary as a result from unscheduled en route delays due to weather, maintenance, or foreign diplomatic clearance problems during the course of the airlift mission, i.e., between actual mission departure and landing at scheduled final destination *or* awaiting airlift transportation at an AMC aerial port prior to initial mission departure (e.g., service members arriving at a CONUS AMC APOE for further airlift transportation to an overseas destination and they cannot board the aircraft due to an unscheduled delay beyond their control). **Note:** This excludes circumstances where the Services are aware in advance there will be a scheduled delay for their service members to be transported on an airlift mission at an AMC APOE. The following guidance applies:

6.8.1. If the aircraft delay is at a location where TWCF funds are not available (regardless if DoD facilities are available or not), the aircraft commander will utilize SF 44 authority to acquire the necessary meals, quarters, and transportation for only the group travel status passengers. Upon return to home station, the aircraft commander will turn in the SF 44 to the local accounting liaison office. Supporting documentation should include a copy of the service members' group travel orders along with applicable invoices/receipts for lodging, meals, and other required support. Upon validation of the SF 44, the accounting liaison or FMA office, as appropriate, forwards the bills for these charges to the DFAS Field Site for payment, citing the funds of the unit whose aircraft incurred the delay (TWCF for AMC C-5, and C-17 aircraft; O&M for KC-10, KC-135, and C-130 aircraft). Use AMC ESP code CH (Charlie Hotel) to capture and monitor these costs in the accounting system.

6.8.2. If the aircraft delay is at a location where DoD facilities and TWCF funds are available (see Chapter 2 of this instruction, Table 2.1. and Table 2.2.), payment for lodging (contract or on-base) and other required support is charged to local TWCF funds via the US Bankcorp GPC account in accordance with Chapter 2, paragraph 2.4.5.1. of this instruction. Paragraph 6.8.1. above highlights the required supporting documentation. TWCF payment is applicable for lodging support of service members in a group travel status aboard any aircraft delayed at these locations, regardless of the type of aircraft or owning command, provided the aircraft is flying a TWCF mission (SAAM, CJCS Exercise, JA/ATT, or Contingency) with an AMC mission identifier. Use AMC ESP code CH (Charlie Hotel) to capture and monitor these costs in the accounting system.

6.8.3. This guidance is not applicable to any passengers on delayed TWCF controlled aircraft who are in a space available status or who are authorized per diem on their individual (not group) travel orders.

6.8.4. Per Diem Entitlement While in Group Travel Status. Refer to the JFTR, Volume 1, Chapter 4, part A, appendix A, for the definition of the term “group travel” and the applicability of per diem while in a group travel status. If the travel orders indicate the service members who are delayed on AMC TWCF organic aircraft, due to weather or aircraft maintenance problems, are in a group travel status and the orders indicate a dollar estimate for any authorized per diem allowance at their TDY location, payment for the lodging and the required transportation and meals are properly chargeable for the period of delay to TWCF funds at AMC locations where TWCF funds are available. Service members in a group travel status are not entitled to per diem while being transported to/from their TDY location, to include en route travel, awaiting further transportation, and any unnecessary/unforeseen delays. **Note:** At DoD locations where dining or in-flight kitchen facilities are available, delayed service members may subsist without charge by showing a copy of their group travel orders to the person in charge of payment for meals consumed.

6.8.5. See also DoD 4500.9-R, *Defense Transportation Regulation, Part I, Passenger Movement*, Chapter 103, paragraph K.3.

6.9. CJCS Exercise Support.

6.9.1. AFRC and NGB Participation. The TWCF does not fund AFRC and NGB units participating in CJCS Exercises unless they are directly supporting a TWCF function or augmenting a TWCF unit on MPA Man-days (TDY costs). **EXCEPTION:** An AFRC or NGB CRE may be tasked to deploy in support of a CJCS Exercise in the event a CRE in the AMC CRWs is unable to deploy, due to scheduling conflicts, etc. The appropriate CRW unit (615 CRW/FMA, Travis AFB CA or 621 CRW/FMA, JB McGuire/Dix/Lakehurst) will provide the deploying AFRC or NGB CRE unit the necessary Air Force Form 616, **Fund Cite Authorization** or DD Form 448, **Military Interdepartmental Purchase Request (MIPR)**, to pay the required support costs of TWCF units or personnel at the CJCS Exercise location.

6.9.2. PACAF and USAFE CRE Participation. Whenever AMC requests a CRE shortfall from PACAF or USAFE, to deploy in support of a CJCS Exercise airlift mission, the TWCF will fund the required TDY costs. The applicable AMC en route AMOW functional organization (515 AMOW/FMA, JB Pearl Harbor/Hickam HI or 521 AMOW/FMA, Ramstein AB GE) will provide the appropriate TDY fund cites to the tasked PACAF or USAFE CRE. Ensure costs are appropriately coded to the proper CJCS ESP code. The TWCF will not fund for any other PACAF or USAFE CRE TDY costs for other than shortfall requirements. (**Note:** This guidance is also reflected in the Financial Management and Comptroller section (H) of the current AMC/PACAF CCA, paragraph 1.a.(1)(e) and the AMC/USAFE CCA, same paragraph.)

6.9.3. HQ AMC/FMA no longer issues quarterly TWCF expense authority to reimburse TWCF expenses associated with CJCS Exercise support. The use of CJCS ESP codes and RC/CCs in conjunction with TWCF organizations for CJCS expenses are no longer required.

6.10. Contingency Operations Support.

6.10.1. AMC TWCF units tasked to deploy to bare base locations for the purpose of establishing airlift mission support for a contingency operation, may need to bring financial and contracting support along for the purpose of establishing contracts and paying local

vendors for base operating support type services (e.g., contract hotels and meals (if required), vehicle rental, laundry services, general support supplies and equipment, and other miscellaneous services). Financial personnel will utilize TWCF funds and record purchases via Air Force Form 616 or DD Form 448, as appropriate.

6.10.2. Normally, the appropriate CONUS CRW (615 CRW/FMA, Travis AFB CA or 621 CRW/FMA, JB McGuire/Dix/Lakehurst) will provide the Air Force Form 616 or DD Form 448, since it is one of their primary missions to deploy in support of contingencies. Reconcile the Air Force Form 616/DD Form 448 at least on a weekly basis and ensure proper close-out prior to returning to home station. Return all funding documents to the issuing CRW upon redeployment. The 615/621 CRW will then submit them along with the supporting documentation to the DFAS Field Site to update the obligations or expenses in the accounting records. Use the applicable Air Force/command ESP code to properly track expenses in the accounting system to support any unfunded requirements submitted to HQ AMC/FMA.

6.10.3. AFRC and NGB augmentation in Support of TWCF for Peacetime/Wartime Contingencies. Refer to paragraphs 6.3.1.7.9.7.2. and 6.3.1.7.9.7.3. of this chapter for funding guidance.

6.11. Refunds. AFI 65-601, Volume 1, paragraph 5.11. defines refunds as returns of advances, collections for overpayments made, adjustments for previous amounts disbursed, or recovery of erroneous disbursements from appropriation of fund accounts that are directly related to, and reductions of, previously recorded payments from these accounts. However, there are other circumstances in which it is appropriate to process a collection transaction as an appropriation refund. Paragraph 5.12. of AFI 65-601 V1 provides examples. Refunds are reductions to disbursements and should never be processed as reimbursements in the accounting system. For those refunds that affect TWCF Operating programs (BPACs 1XX/3XX), process refund transactions as a credit (negative disbursement) to the account *and fiscal year* charged in the *original disbursement*. For refunds that affect TWCF Capital programs (BPAC 2XX), process the refund transaction as a credit (negative disbursement) to the account *and fiscal year* charged against the *original obligation*. **Note:** In cases where no original disbursement or obligation exists, process the refund transaction as a credit to the appropriate TWCF organizational account in the fiscal year the refund was received.

6.12. Dual-Funded Organizations (TWCF and O&M). See DoDFMR 7000.14, Volume 2B, Chapter 9, paragraph 090103.M.

Chapter 7

DOD BUDGET GUIDANCE MANUAL REPORTS

7.1. HQ AMC Preparation of Budget Estimates. HQ AMC/FMA prepares the TWCF President's Budget (PB) estimates and submits it to USTRANSCOM/TCJ8 for review.

7.1.1. Prior Year Column. Enter the amounts reported on the financial statements for the current period ending 30 September, except when submitting budget estimates before final data is available. In the latter case, amounts should be shown by footnote as the best estimates of amounts as reported in the 30 September financial statements.

7.1.2. Current Year Column. Show the latest approved operating PB, unless the approved program has changed. If a change is necessary, give a comparison between the approved and the changed programs, including appropriate narrative explanation. Also, show the approved budget amounts and the changed requirement amounts in this column. Tariff rates established for the current year remain unchanged regardless if operating expenses or forecasted customer workload changes from the previous submission. In accordance with the stabilized rate policy, do not change current year tariffs unless directed by USD(C).

7.1.3. Budget Year Column. Enter the estimated requirements necessary to achieve the established and approved program objectives. The estimates must show a break-even (no profit and no loss) operation at the end of the budget year.

7.1.3.1. USD(C) and USTRANSCOM/TCJ8 will provide applicable guidance for the development of airlift tariff rates proposed for the budget year.

7.1.3.2. Airlift rates are developed depending upon the airlift service required and aircraft type

7.1.4. Scope. The TWCF Operating budget estimate shows anticipated costs (Chapter 6, paragraphs 6.3. and 6.4.) required to providing airlift service to authorized users.

7.1.5. Program Data. Determine TWCF estimates based on Air Force program data and similar instructions applicable for the budget years. USD(C) and USTRANSCOM are increasing emphasis to ensure that airlift customer budgets and all DWCF budgets contain the required funding to support the identified workload in terms of airlift requirements (e.g., For a given fiscal year, does the cost of airlift requirements identified in the Army's budget correlate with the amount of estimated revenue identified in the TWCF budget to move the same level of Army workload?). Historical experience factors contribute significantly in determining budgetary estimates and are a useful tool for performing "sanity checks" to validate and support customer workload requirements and TWCF spending trends.

7.1.6. Statements and Schedules. The TWCF budget estimate must include:

7.1.6.1. General Statement. A general statement starts each estimate, outlining the basis for the estimate, significant features or issues that impact the programs for the budget estimate, and similar information that briefly describes the formulation of the budget estimate for each year.

7.1.6.2. Narrative Justification. The narrative should state and support the estimate in enough detail to be readily understood by all the reviewing authorities. Explain

significant variances (increases or decreases) for the budget year compared with the current year. Any variations by major commodity of 5 percent or \$100,000, whichever is greater, require a narrative explanation.

7.1.7. Assembly and Submission. Provide a complete set of the required budget estimate exhibits along with a mechanized version on a disk to USTRANSCOM/TCJ8 in accordance with the TWCF budget call.

7.2. Base Submission to HQ AMC. The following instructions apply to the base level preparation of TWCF budget estimates and their submission to HQ AMC:

7.2.1. General Information. Each TWCF funding point sends an estimate of anticipated new requirements for the budget years along with one-time unique requirements spent on the prior and current years for all of the TWCF organizations under its control. Submit the general statements, schedules, and exhibits in accordance with the command budget call instructions issued by HQ AMC/FMA. Instead of a comprehensive submission with numerous exhibits, base level TWCF estimates are limited to the following, by EEIC, PE, and fiscal year:

7.2.1.1. One-time purchases and program termination or transfers.

7.2.1.2. New requirements.

7.2.1.3. Specifically requested commodity unique data.

7.2.2. Responsibility for Budgeting. Formulate the TWCF budget estimates at the lowest possible level to ensure financial management participation and responsibility. TWCF units, located on installations of other Air Force MAJCOMs or other DoD agencies, that do not have a budget function should request help from the host, if required. The appropriate AMC unit commander signs the general statements of the TWCF estimates. **Note:** Ensure you request and receive input and justification from the BCE for utilities (EEIC 480XX), grounds services (EEIC 53310), refuse collection/disposal (EEIC 53330), and custodial services (EEIC 53100), for inclusion in the TWCF Operating budget (BPAC 101) submission. Additionally, ensure that you receive input from the BCE for other CE services (EEIC 533XX) that are in direct support of real property facilities and associated real property components for inclusion in the TWCF MR (BPAC 3XX) budget.

7.2.3. Scope. Each base level TWCF budget estimate should reflect the most accurate portrayal of estimated costs required to provide airlift services at that location.

Chapter 8

BUDGETING AND FUNDING POLICIES AND PROCEDURES - CAPITAL ASSETS

8.1. Capital Investment Program (CIP).

8.1.1. General Information. DoDFMR 7000.14, Volume 2B, Chapter 9, DoDFMR 7000.14, Volume 4, Chapter 6, and DoDFMR 7000.14, Volume 11B, Chapter 58, and AFI 65-601, Volume 1, Chapter 18, provide general guidance on budgeting and funding for DWCF Capital assets. This instruction provides guidance on the CIP for DWCF and prescribes the appropriate accounting principles and policy to follow for accounting, budgeting, and funding of the CIP.

8.1.2. Purpose. This chapter highlights USD(C) policies referenced in the DoDFMR guidance in paragraph 8.1.1. above.

8.1.3. Overview. The primary goal of the CIP within the DWCF is to establish a capability for reinvestment in the infrastructure of business areas in order to facilitate mid-term and long-term cost reductions. The objective is to improve product and service quality and timeliness, reduce costs and foster comparable and competitive business operations. The CIP provides the framework for planning, coordinating, and controlling DWCF resources and expenditures to obtain capital assets.

8.2. 6. Projects that cost \$250,000 or greater (applicable to Minor Construction, ADPE/IPE equipment and software development/modernization and non-ADPE/IPE equipment) with a useful life of 2 years or more, must be:

8.2.1. The policies addressed in this chapter apply to all activities, or groups of activities, within the overall TWCF organization.

8.2.2. The TWCF managers shall identify, prioritize, justify, and budget for capital asset purchases.

8.2.3. The TWCF CIP will account, budget and execute within the guidelines established under Title 31 U.S.C., Section 1517, *Prohibited Expenditures and Obligations* (as amended by Public Law 102-272), DoD policies, and other regulatory constraints.

8.2.4. The CIP will finance only those capital investment projects included in the TWCF budget submission to USTRANSCOM and approved by USD(C). Under certain circumstances, during the year of execution, substitutions are allowable for out-of cycle projects when operational necessity warrants, subject to approval by USTRANSCOM and USD(C), if warranted.

8.2.5. All capital assets developed, manufactured, or otherwise procured by TWCF activities for their use must be funded through the TWCF Capital budget.

8.2.6. Projects that cost \$250,000 or greater (applicable to ADPE/IPE equipment and software development/modernization and non-ADPE/IPE equipment) or \$100,000 (Minor Construction) with a useful life of 2 years or more, must be:

8.2.6.1. Capitalized and depreciated.

8.2.6.2. Funded as part of the TWCF Capital budget.

8.2.6.3. Executed within approved TWCF capital budget authority limits reflected on the TWCF funding document.

8.2.7. Fund all other TWCF projects that fail to meet the DoD investment capitalization threshold or other criteria, within the TWCF Operating budget.

8.2.8. Capital projects must obligate within the fiscal year funded. Every effort must be made to ensure timely installation and to realize productivity improvements estimated in the capital budget submission.

8.2.9. New Starts. Per DoDFMR 7000.14, Volume 3, *Budget Execution—Availability and Use of Budgetary Resources*, Chapter 6, paragraph 060401.E, CIP program managers must strictly observe new start thresholds for TWCF Capital requirements. Programs (including subprograms, modifications, projects, or subprojects) not previously justified by USD(C) and funded by Congress through the normal budget process are new starts. Congressional approval is required for new start programs with costs of (1) over \$2 million in the first year, or (2) more than \$10 million, within the first three years.

8.2.10. Cost Sharing. TWCF can only fund programs, or portions of programs, that directly support common user transportation-peacetime movement of cargo and personnel. Programs that support missions under the title 10 role of the Services (organize, train, and equip) cannot use TWCF. Nor is TWCF funding available for programs that support mobilization and other readiness costs. These programs are funded from direct appropriations. Since USTRANSCOM centrally manages different missions, some CIP programs use both appropriated and TWCF funds. In these instances, program managers must identify which aspects of their programs benefit USTRANSCOM's peacetime transportation mission. For these programs, managers will submit, and TCJ8 will review and approve in the POM/budget process, a definable unit of measure to determine the proper division between TWCF and appropriated funds. **Note:** Unit of measure must have a direct relationship to program purpose; i.e., flying hours or aircraft sorties for a program that schedules aircraft missions. Intangible units of measure, such as historical funding or perceived urgency of the program, are not acceptable. Examples of acceptable measures include, but are not limited to:

8.2.10.1. TWCF/O&M flying hours.

8.2.10.2. TWCF/O&M aircraft sorties.

8.2.10.3. TWCF/O&M primary assigned aircraft (PAA).

8.2.10.4. Communications use determined by a Systems Telecommunications Engineering Manager (STEM).

8.2.10.5. Manpower authorizations, based on the UMD.

8.2.10.6. Square footage of utilized facility space.

8.2.11. Appropriated Funding Shortfalls. Statutes prohibit supplementing (augmenting) appropriated funds with TWCF Capital/Operating funds (or vice versa) and it is not an alternative when appropriated *or* TWCF funding is insufficient for program requirements. Reference Title 31, U.S.C., Section 1301(a) and *GAO: Principles of Federal Appropriations Law, Volume 2, Chapter 6, Section E.1.*

8.2.12. Budget Versus Accounting Capitalization Guidance. Per DoDFMR 7000.14, Volume 2B, Chapter 9, paragraph 090103.C.8., there is a difference between the expense/investment threshold established by the Congress and the capitalization threshold established for accounting purposes. The expense/investment threshold determines whether a DoD activity purchases an asset using operation and maintenance or procurement appropriations. For DWCF activities this limit determines whether an asset is purchased using the operating budget or the capital budget. For accounting purposes, the capitalization threshold determines when an activity records and depreciates an asset on the financial statement. The two criteria are not the same. DWCF Activities will establish rates using the expense/investment threshold of \$250,000 for all capital assets.

8.3. CIP Requirements.

8.3.1. Document and review each proposed acquisition of a capital investment to ensure that the asset satisfies all of the following criteria:

8.3.1.1. It is more economically feasible to purchase the CIP requirement than to lease it.

8.3.1.2. The CIP requirement meets the Department's, USTRANSCOM's, and AMC's long-range planning and programming objectives as identified in long-range strategic plans.

8.3.1.3. The CIP requirement satisfies a documented need that cannot be met as effectively and efficiently by existing equipment and facilities.

8.3.1.4. The CIP requirement complies with applicable policies and regulations governing the lease and acquisition of equipment and facilities.

8.3.1.5. The CIP requirement includes workload projections that take into account the results of interservice decisions, workload posture planning decisions, readily available commercial alternatives, and other reasonable options for accomplishing workload.

8.3.1.6. The CIP requirement accomplishes the objective for capital asset justification. The criteria must include, but is not limited to the following:

8.3.1.6.1. Improved efficiency (savings) or effectiveness.

8.3.1.6.2. Required new capability and capacity that cannot be met with current equipment or facilities.

8.3.1.6.3. Replacement of unsafe, beyond economical repair, or inoperative and unusable capital assets.

8.3.1.6.4. Mandated environmental, hazard waste reduction, or regulatory agency (state, local or federal) requirements.

8.3.1.7. It meets or exceeds the DoD capitalization criteria of \$250,000 and a useful life of 2 years or more.

8.3.1.8. Includes, as appropriate, a pre-investment cost or economic analysis (EA) that identifies the reasons and associated expected benefits of the purchase in accordance with the requirements of paragraph 8.6. below for an analysis for DWCF capital investments. Complete the EA prior to requesting a capital asset and include it in (1) the OSD budget submission to Congress, (2) the USTRANSCOM President's Budget submission to

USD(C), (3) the AMC budget submission to USTRANSCOM, or (4) any request for substitution or reprogramming involving a capital project.

8.3.2. Prepare a post-investment analysis annually, as required by paragraph 8.6.11. below.

8.3.3. Prepare all EA supporting documentation for TWCF CIP requests in accordance with the requirements in paragraph 8.6. below. Retain the EA and post-investment analysis documentation for review, audit, or evaluation for 5 years after placing the CIP asset in use.

8.3.4. CIP Limitations.

8.3.4.1. When USTRANSCOM/TCJ8 grants a request for CIP funds, the Capital budget section of the TWCF funding document designates the maximum amount of funds for commitment and obligation of CIP requirements.

8.3.4.2. Except for those assets identified in paragraph 8.4.5. of this instruction, CIP will be limited to the Capital budget approved in the USTRANSCOM funding document.

8.3.4.3. The USTRANSCOM funding document will list separately each capital project by category— minor construction (MC), equipment, ADPE/IPE, software development, and management improvement initiatives. The Capital funding documents will not issue or list in-house MC requirements by project. The Capital funding document will also provide funding limits for commitments and subsequent obligations to fund the current year approved Capital requirements along with any adjustments to prior year requirements.

8.3.4.4. The funding document limitation by program year is subject to 31 U.S.C., Section 1341, *Limitations on Expending and Obligation Amounts*, and 31 U.S.C., Section 1517. Exceeding the limitation contained in the capital budget section of the funding document can result in an Antideficiency Act violation.

8.3.5. CIP Reprogramming.

8.3.5.1. Budget formulation and congressional reviews require a firm, annual program consisting of specific, justified projects to support the CIP. The TWCF President's Budget (PB) will include only those CIP requirements approved by AMC, USTRANSCOM, and USD(C). However, in the year of execution, actual investment requirements can change relative to previously approved projects and funding levels. Therefore, appropriate reprioritizing and substitutions are allowable in accordance with provisions of this chapter.

8.3.5.2. The approved CIP requirements and associated dollar amounts are reflected in the funding document. Substitutions and additions of capital projects must comply with the requirements in paragraph 8.3.1. of this instruction. All cancelled, postponed CIP requirements, as well as those out-of-cycle CIP requirements, adjustments to estimates of approved projects, and projects selected as substitutions or replacements for canceled or postponed projects must be identified in CIP budget requests to HQ AMC/FMA.

8.3.5.3. Accomplish an EA for all out-of-cycle, substitutes, or replacement projects before requesting any reprogramming approval. Prepare the EA in accordance with the requirements in paragraph 8.6. below.

8.3.5.4. Do not fund a CIP project that is no longer valid solely because of approval in the previous BES or because funds are available.

8.3.5.5. The following approval levels and dollar thresholds apply to changes to projects approved in the capital budget section of the funding document, including reprogramming actions, substitutions, cancellations, and additions:

8.3.5.5.1. HQ AMC/A7R/FMA must approve the MC changes.

8.3.5.5.2. HQ AMC/FMA must approve all other capital requirement changes.

8.3.5.5.3. See DoDFMR 7000.14, Volume 11B, Chapter 58, paragraph C.5., for USD(C) requirements.

8.3.5.5.4. Any current year reprogramming adjustments or changes within the TWCF Capital program equal to or exceeding \$3 million require USD(C) approval (see DoDFMR 7000.14, Volume 2B, Chapter 9, paragraph 090103.C.17.b.(2)). TWCF Capital cumulative reprogramming actions (to include all of AMC, SDDC, MSC, and USTRANSCOM) less than \$3 million fiscal year (and not per instance), requires only USTRANSCOM/TCJ8 approval.

8.3.5.5.5. Per DoDFMR 7000.14, Volume 2B, Chapter 9, paragraph 090103.C.17.b.(1), all current year adjustments or changes to software development capital projects that are greater than \$999,999 must be endorsed by the Defense Business Systems Management Committee and approved Director for Revolving Funds. No changes or adjustments for software development capital projects will be submitted to the Director of Revolving Funds for consideration without certification from the approval authority as directed in the guidance and instructions displayed in the "system compliance" section of the Defense Business Systems Management Committee (DBSMC) website. The address is http://www.defenselink.mil/dbt/tools_certification.html.

8.3.5.5.6. Per DoDFMR 7000.14, Volume 2B, Chapter 9, paragraph 090103.C.17.b.(40), capital obligation authority can be adjusted automatically for prior year within-scope increases of less than \$100,000 provided the unobligated balance in the prior fiscal year capital program is sufficient to finance the increase. Prior year within-scope increases greater than \$100,000 will be approved by the Directorate for Revolving Funds. The request should propose, when possible, equal offsetting reductions to the current year capital authority to finance the prior year increase.

8.3.6. CIP Financing.

8.3.6.1. Resources of the DWCF finance the CIP. Funding for CIP requirements accumulate in the corpus (the cash at the time of DWCF implementation) through the inclusion in the customer tariff rates of the expected depreciation on purchased capital assets and, if applicable, any additional capital surcharge needed to meet the capital needs of the DWCF.

8.3.6.2. To avoid an Antideficiency Act violation, cash disbursements should not exceed the total cash available to TWCF or the total cash available to the overall DWCF.

8.4. 6. 1.1. Acquisition cost, book value, or, when applicable, the estimated fair market value equals or exceeds the \$250,000 investment threshold. Transfers of capital assets shall comply with DoDFMR 7000.14, Volume 11B, paragraph E.6.c., and an estimated benefit period or useful life to the DoD of 2 years or more.

8.4.1. Capital Equipment, Other Than ADPE/IPE and Telecommunications. This includes the development, manufacture, transfer, and acquisition of all capital equipment assets, along with any standard warranties offered by the contractor, which cost \$250,000 or more with a useful life of 2 years or more. **Note:** Extended warranties are not an integral part of the equipment purchase and are considered as options to the standard warranty and purchased with TWCF Operating funds.

8.4.2. ADPE/IPE and Telecommunications Equipment (Hardware). As defined in the Office of Management and Budget (OMB) Circular A-11, *Preparation and Submission of Budget Estimates*, ADPE/IPE and telecommunications equipment is equipment or an interconnected system or subsystem of equipment used in the automatic acquisition, storage, manipulation, management, movement, control, display, switching, interchange, transmission, or reception of data or information collectively costing \$250,000 or more with a useful life of 2 years or more. Also included in this category is computer software integrated into hardware, that is necessary to operate the hardware rather than to perform an application, capitalized and funded as hardware, along with any standard warranties offered by the contractor (see paragraph 8.4.1. above for funding of extended warranties). This applies to software exclusively owned by the Air Force as well as software with limited data rights to its use, application, distribution, or disposition.

8.4.3. Software Development and Modernization. As defined in OMB Circular A-11, *Preparation and Submission of Budget Exhibits and Strategic Plans or Planning, Budgeting, and Acquisition of Fixed Assets*, software includes application programs, commercial-off-the-shelf (COTS) software, independent subroutines, databases, and software documentation. This category includes software development on acquisition for the general benefit of the TWCF, regardless of limited or unlimited data rights. See paragraph 8.4.2. above. See DoDFMR 700.14, Volume 2A, Chapter 9, paragraph 090103.C.15. for additional guidance.

8.4.3.1. In accordance with DoDFMR 7000.14, Volume 2B, Chapter 9, paragraph 090103.C.5.c., TWCF Capital software development projects will include total labor and non-labor costs such as: (1) all direct costs for civilian and military personnel; (2) contractor labor; (3) supplies; (4) travel; (5) processing support for testing; (6) indirect costs; and (7) general and administrative costs (e.g., base operations support, higher headquarters, and depreciation for central design activity-owned assets). (**Note:** Travel costs include TDY costs of Air Force military or civilian personnel involved in bringing the software development project to IOC.) Exclude from Capital software development projects (and all other TWCF Capital projects) costs incurred prior to Milestone 0, Concept Exploration and Definition. Costs such as basic research, study, exploratory development establishing feasibility and practicality of proposed solutions, rough order of magnitude estimates, etc., are treated in TWCF as operational expenses (see Chapter 6, paragraph 6.3.1.7.19. of this instruction). See also the subparagraphs under DoDFMR 7000.14, Volume 2B, Chapter 9, paragraph 090103.C.5.a. for additional funding guidance concerning expensing preliminary design phase and post implementation/operational phase costs of software development projects.

8.4.4. Minor Construction (MC). The MC projects include all work and funded costs necessary to construct or improve (including contract or in-house A-E design) a complete and usable building, structure, or other real property. **Note:** A-E design costs are not considered as a part of the \$750,000 dollar ceiling for MC projects. This includes in-house and contracted projects with funded costs \$250,000 or more up to and including \$750,000. MC projects intended solely to correct a deficiency that is life, health, or safety threatening may exceed the \$750,000 threshold up to and including \$1.5 million, in accordance with DoDFMR 7000.14, Volume 2B, Chapter 9, paragraph 090103.C.16. and AFI 32-1032, *Planning And Programming Appropriated Funded Maintenance, Repair, and Construction Projects*, paragraph 5.1.2.1. Such projects must have prior SAF/IEI approval along with prior congressional notification; failure to comply may result in a potential Anti-Deficiency Act violation. See paragraph 6.3.1.7.16. of this instruction for A-E design application to MC projects. See Table 6.1. for a complete list of TWCF-eligible facility Real Property Category Codes at AMC CONUS and en route locations that have TWCF-assigned organizations.

8.4.5. Exclusions from the DWCF CIP. The following are mandatory exclusions from the DWCF CIP, financed directly from APF:

8.4.5.1. Major range and test facility items (equipment and MC) that meet the DoD investment capitalization criteria for use by Major Range and Test Facility bases operating within the DWCF.

8.4.5.2. Military and tenant support functions.

8.4.5.3. Aircraft, ships, barges, and general-purpose passenger-type vehicles. **Note:** This includes any centrally managed/centrally procured capital investment item not available through normal Base Procured Investment Equipment (BPIE) requisition channels (funded from 3010, 3011, 3020, and 3080 appropriations), regardless of unit cost. Examples of these items are small arms and ammunition, forklifts, material handling equipment, and any other equipment item for which there is an existing federal stock number in the supply system that is coded as centrally managed/centrally procured.

8.4.5.4. Equipment and MC projects purchased to meet mobilization requirements, but not used during peacetime operations.

8.4.5.5. Equipment initially procured and usually furnished as part of a weapon system or support system to include initial common support equipment for depot maintenance in support of new weapon systems.

8.4.5.6. Equipment normally funded by APF and provided to contractors as government-furnished equipment to incorporate in, used in conjunction with, or consumed in the production of, an end product. These particular equipment requirements are an APF responsibility and the applicable DWCF activity receives them at no additional cost.

8.4.5.7. Construction and facility investment projects costing in excess of \$750,000 (see exception in paragraph 8.4.4. above). These projects are a MILCON funding responsibility.

8.4.5.8. Environmental projects financed or submitted for funding by the Environmental Restoration Account (ERA).

8.4.5.9. Any MC projects for a non-TWCF activity or a military support function.

8.4.5.10. Capital investments for morale, welfare, and recreation.

8.4.5.11. Other exclusions as approved by USD(C).

8.4.6. CIP Capitalization Criteria.

8.4.6.1. DoD components shall capitalize and report in financial records all assets developed, manufactured, transferred, or acquired by the DWCF, including computer software purchased or developed, when the following criteria are met:

8.4.6.1.1. Acquisition cost, book value, or, when applicable, the estimated fair market value equals or exceeds the \$250,000 (\$100,000 for Minor Construction) investment threshold. Transfers of capital assets shall comply with DoDFMR 7000.14, Volume 11B, paragraph E.6.c., and an estimated benefit period or useful life to the DoD of 2 years or more.

8.4.6.1.2. Book Value. The original acquisition cost of the capital asset less the total recorded accumulated depreciation.

8.4.6.2. Acquisition Cost. This is the original purchase or development cost including transportation, design, installation, and other related costs necessary to put the asset in place and useful form.

8.4.6.2.1. The appropriate DWCF activity will capitalize software acquisition or development cost incurred by the activity (or, in absence of known amounts, a reasonable estimate thereof) for projects ordered or requested in prior years and delivered, installed, and operational after October 1991 if they otherwise meet the requirement of paragraph 8.4.6.1. of this instruction.

8.4.6.2.2. Apply the acquisition cost criteria, in the case of computer and other systems on the basis of the cost of a complete system rather than on a unit cost of individual items of equipment that, when aggregated, become a system. Capitalize incremental deliveries of these projects if the aggregate cost meets the criteria above.

8.4.6.3. When the expense or investment funding threshold changes, assets capitalized within the DWCF at the previous threshold will continue their capitalization and depreciation at the original threshold.

8.4.7. CIP Depreciation Criteria.

8.4.7.1. Calculate and accumulate depreciation using the straight-line method based on the acquisition cost or reasonable estimate thereof, less residual value when anticipated residual value is 10 percent or more of the acquisition cost. Thus, the capitalized amount less estimated residual value is divided equally among accounting periods during the asset's useful life.

8.4.7.1.1. Residual Value. Residual value is the estimated salvage value of an asset at the end of its useful life. Do not depreciate a DWCF capital asset in use below this value. The residual value of DoD capital assets is 10 percent of the initial capitalized amount of the fixed asset unless the entity controlling the asset can determine that a different (greater or less) residual value is more appropriate. Use the residual value, regardless of the amount, in the depreciation calculation. Once established, the

estimated residual value should not increase over the life of the asset, even if the fair market value of the asset becomes greater than its original acquisition cost.

8.4.7.1.2. Depreciation Cost Classification. Depreciation expense is classified as either indirect or G&A depending upon the organizational location of the asset and its use. However, you may charge it as a direct expense only if depreciation costs of all like assets used for similar purposes are chargeable in the same manner. HQ AMC/FMA and the DFAS Field Site will jointly make these determinations.

8.4.7.1.2.1. For example, if multiple TWCF cost centers use the same computer system, building, or equipment, the depreciation is prorated based upon levels of usage or benefit received for each cost center. If, under unusual conditions, a computer system, building, facility, or equipment does not have a use identifiable to a direct or indirect cost center, the depreciation cost is chargeable to a G&A expense account.

8.4.7.1.2.2. Direct Costs. These are costs that clearly identify a product or output incurred 100 percent by the function that produces the output such as hands-on labor or material used in a product. First-line activities incur direct operating costs solely to benefit a specific output.

8.4.7.1.2.3. Indirect Costs. These are costs that are not identifiable to a single product. These costs are sometimes allocated over a select number of outputs, or allocated over all of the outputs of an organization, depending on the nature of the task involved. This is a form of overhead costs.

8.4.7.1.2.4. General & Administrative (G&A) Expenses. These are overhead costs not reasonably associated with any group of products or commodities, allocated over all of the products.

8.4.7.2. CIP depreciation commences in the month following (a) the date of receipt shown on the asset receiving document or (b) the date of installation and the asset is ready for use (regardless of whether it is actually used). Record CIP depreciation costs in equal amounts each month thereafter until fully depreciated, disposed of, or otherwise transferred.

8.4.7.2.1. If a capital asset remains in use longer than its estimated useful life, retain it on the accounting records at its residual value (which may be \$0 (zero)) until its final disposition.

8.4.7.2.2. Capital assets removed from use, regardless of the period and for whatever reason, will still incur depreciation costs during that particular period.

8.4.7.3. Depreciation costs of equipment acquired with a procurement appropriation for a mobilization requirement and facilities acquired with a MILCON appropriation will reflect on the DWCF financial statements but are not recoverable in the tariff rates. Addendum 1 to DoDFMR 7000.14, Volume 11B, Chapter 58, illustrates the accounting for these types of capital assets; Chapter 70 contains the financial reporting formats and instructions.

8.4.7.4. Do not depreciate equipment and MC projects purchased primarily to meet mobilization requirements.

8.4.7.5. Real Property, to include land, buildings, pavements, utility plants and systems, and associated appurtenances are not subject to depreciation. However, depreciate any associated MC projects.

8.4.7.6. Any other exclusion from funded depreciation requires prior approval by USD(C).

8.4.7.7. See Table 8.1. below for the statistical depreciation schedule established for assets assigned to TWCF activities.

Table 8.1. DWCF Statistical Depreciation Schedule.

ASSET	SCHEDULE
Minor Construction (MC)	20 years
Equipment, Other than ADPE/IPE	10 years
ADPE/IPE Telecommunications Equipment	5 years
Software	5 years

8.4.7.8. Methodology and Alternative Depreciation Schedules. Alternative depreciation schedules and methods are allowable if approved by USD(C). See DoDFMR 7000.14, Volume 11B, Chapter 58, paragraph D.7.g.1.

8.5. Accounting for TWCF Capital Assets.

8.5.1. The TWCF property and financial records must recognize capital assets used by TWCF in providing goods or services. Financial records for assets capitalized in the TWCF must:

8.5.1.1. Be supported by formal depreciation schedules.

8.5.1.2. Have all depreciation expenses recorded.

8.5.1.3. Consider and include depreciation expenses in the customer rate structure and other revenue sources, except for depreciation of facilities acquired through MILCON appropriations or other exclusions approved in accordance with paragraph 8.4.7.4. through 8.4.7.6. of this instruction.

8.5.2. The **following criteria** are necessary for an item to **qualify as a TWCF capital asset** for inclusion in the TWCF financial statements, in accordance with DoDFMR 7000.14, Volume 11B, Chapter 58, paragraph E.2.

8.5.2.1. **The asset must embody a probable future benefit that will contribute to the TWCF operations. In this application, the concept of benefit has traditionally been referred to as "service capacity" that is the ability of an item to directly assist the TWCF in achieving its mission. Service capacity has value because it is consumable or exchangeable for other benefits. Real property assets financed by a MILCON appropriation provide a service capacity to the TWCF in that they house TWCF operations thus allowing the TWCF activity to achieve its mission. Although these MILCON-funded facilities do not depreciate in the TWCF, note memo entries in the financial statements to show the value of the asset provided to the TWCF. Also, the TWCF is responsible for assuring that the maximum benefit is always available**

since it pays for utilities, maintenance, and upkeep. The exchangeability part of the benefit criteria (the ability to sell, trade, or donate property) need not be present for an item to qualify as an asset in the federal sector if consumption of the item provides benefit to the TWCF. See Table 6.1. for a list of the type of real property facility category codes that qualify as TWCF assets. Note: See Chapter 6, paragraph 6.3.1.6. and 6.3.1.6.6.4. of this instruction for additional guidance concerning TWCF facilities.

8.5.2.2. **The TWCF activity that reports the asset must be able to obtain the benefit and control access to the benefit inherent in the asset.** The second criteria of an asset, control over the benefit, refers to a TWCF activity's ability to direct who derives the benefit, the timing of when deriving the benefit, and under what conditions. Directing the use of the benefit has traditionally depended on (1) possession or (2) the ability to exert significant influence over the benefits, obtained through legal ownership or an agreement with the owner. There are instances where a TWCF activity maintains possession of property through agreements that provide for TWCF's possession for as long as needed, without a termination date and without reimbursement. Consider such arrangements as generally providing sufficient influence over the use of the property to satisfy the control criteria. However, once termination occurs, as in the case of a base closing where the TWCF conducts operations, control no longer exists. As a result, the property will no longer meet the control criteria of an asset.

8.5.2.3. **The transaction or event giving the TWCF a right to and control over the benefit must have already occurred.** The third criteria are an agreement (express or implied) that allows the TWCF to occupy or use property without reimbursement for as long as needed.

8.5.3. The TWCF activities that meet the criteria in paragraph 8.5.2. above shall (1) record the capital asset in their property and financial records, (2) record depreciation on the capital asset, and (3) record improvements to the capital asset.

8.5.4. Facilities used by TWCF activities.

8.5.4.1. The TWCF activities that are sole occupants or tenants of a government-owned facility or hold a capital lease (as opposed to an operating lease) on an entire building and sublet portions of the building and meet the criteria in paragraph 8.5.2. above shall record the capital asset in their property and financial records.

8.5.4.2. The TWCF activities that are joint occupants or tenants of a government-owned facility and meet the criteria in paragraph 8.5.2. above shall determine which occupant or tenant will record the capital asset in their property and financial records by applying the following criteria in descending order of application:

8.5.4.2.1. Occupant or tenant that can substantiate preponderant use (via direct labor hours, actual hours, population, square footage, metered output, etc.) of an asset in the production of goods or services for their customers.

8.5.4.2.2. Occupant or tenant that maintains exclusive responsibility for the maintenance, repair, upkeep, and replacement (MILCON) of the asset.

8.5.5. Assets Held by TWCF Activities for Mobilization Requirements. The TWCF activities shall assume ownership of assets acquired through procurement appropriations that are held to meet a mobilization surge capability. See DoDFMR 7000.14, Volume 11B, Chapter 14 for additional information.

8.5.6. Sources of Capital Assets. You may develop, manufacture, transfer, or purchase any approved and funded capital asset for use by TWCF activities subject to availability of sufficient resources and compliance with other DoD or Federal requirements. Additionally, you must identify, capture and record all costs incurred as execution against a specific capital asset in the development, manufacture, or acquisition of the asset regardless of the ultimate use of the asset.

8.5.6.1. Acquisition of Capital Assets for TWCF Use. The total cost incurred by a TWCF activity to develop, manufacture, or acquire a capital asset consists of, but not limited to (1) direct and indirect labor and non-labor, (2) contractual cost, net of authorized discounts paid, (3) reimbursable support cost, applicable overhead, (4) G&A costs incurred when appropriate, and (5) any associated costs for transportation, installation, and other related costs necessary to put the asset in place and useful form. Software development (programs, routines, and subroutines) costs also shall include the computer operating costs for testing, developing, and parallel processing.

8.5.6.2. Capital Assets Centrally Acquired.

8.5.6.2.1. Business areas, such as the Joint Logistics Systems Center, may from time to time be designated as a central agent to procure capital assets for customers within the DWCF. The procuring business area shall issue contracts to commercial sources or funded orders to other DWCF activities and DoD components as necessary, to satisfy the requirement.

8.5.6.2.2. Capital assets may be sold or transferred to customers of the central agent at negotiated selling or transfer prices. Negotiated selling or transfer prices shall include the total cost of the capital asset that consists of contractual cost net of discounts taken, reimbursable support cost, applicable overhead, G&A costs incurred in the acquisition of the asset, plus any approved surcharges.

8.5.6.2.3. Capitalize and depreciate in the financial records of each business area any capital asset acquired by a central agent and distributed and installed in one or more business areas.

8.5.6.2.4. When the share of the cost of a capital asset distributed and installed at a business area fails to meet the investment capitalization criteria continue to capitalize and depreciate its share of the asset if the aggregate initial cost of the asset distributed to business areas satisfies the investment \$250,000 threshold.

8.5.6.2.5. A commercial vendor or contractor may deliver a capital asset acquired by a central agent to the receiving business area. Central financial records shall record all deliveries and receipt of capital assets in their financial records until completion of the order and sale or transfer to a customer. The ultimate cost of the completed asset shall include all incremental deliveries and all additional costs incurred by acquisition and installation of the asset.

8.5.6.2.6. HQ AMC will process the necessary financial transactions, if required.

8.5.6.3. Transfer of Capital Assets.

8.5.6.3.1. Capitalize and depreciate any capital assets transferred to a TWCF activity, having a preexisting depreciation schedule and accumulated depreciation, at their book value, plus any associated costs for transportation, installation, and other related costs necessary to put the asset in the place and in its useful form.

8.5.6.3.2. Capitalize and depreciate any capital assets transferred to a TWCF activity, having no preexisting depreciation schedule and accumulated depreciation, at their original acquisition cost, or reasonable estimate thereof when unable to reasonably determine the acquisition costs, plus any associated costs for transportation, installation, and other related costs necessary to put the asset in place and in its useful form. The DFAS Field Site records the accumulated depreciation in an amount equal to the amount recorded if the asset had depreciated based on its (the TWCF activity) normal depreciation policy. Record the net value (original acquisition cost less accumulated depreciation) as an equity increase. Calculate and record the depreciation costs in the financial records after the transfer based on the current net value of the asset.

8.5.6.3.3. Capitalize and depreciate a capital asset donated to the TWCF by organizations outside the DoD that meet the capitalization criteria at estimated fair market value, plus any associated costs for transportation, installation, and other related costs necessary to put the asset in place and in its useful form. Calculate the depreciation of the donated asset based on the asset amount recorded. The TWCF will then begin recording depreciation expenses on these assets and reporting them in the financial records.

8.5.6.3.4. When transferring any capital asset out of the TWCF to another DoD activity, government agency or others, process the accounting entry at the recorded acquisition cost less accumulated depreciation as of the date of transfer. DoDFMR 7000.14, Volume 11B, Chapter 58 paragraphs, E.6.c.(4) and E.8.b. prescribes the accounting entries for these transfers.

8.5.6.4. Capital Assets Acquired for Customers.

8.5.6.4.1. Statutory limitations and restrictions imposed on appropriated or other funds of the TWCF customers do not change by the placement of an order with the TWCF. A TWCF customer cannot use its APF to do indirectly (i.e., through placement of an order with a DWCF activity), what it cannot fund directly. Thus, the availability of an appropriation does not expand or otherwise change by placing a customer order with, or otherwise transferring amounts to the DWCF. The APF cited on reimbursable orders are available only for the purposes permissible under the source appropriation and remain subject to the same restrictions. The ordering activity is primarily responsible to determine the application of the ordering appropriation. However, if instances arise where the ordering appropriation is not an APF, return the order to the agency with a request for the proper fund cites.

8.5.6.4.2. Capital assets acquired specifically for a particular customer order that do not have a recurring use for other workload or customer orders are chargeable to the

customer order, provided the appropriation or fund cited in the order is appropriate for that purpose. Such assets will be the property of the customer and, as such, are not subject to depreciation expense recovery by the TWCF.

8.5.6.4.3. Accumulate the total cost incurred by a TWCF activity in developing, manufacturing, or acquiring capital assets for a customer in the work-in-process account. Bill the appropriate customers at the negotiated sales price. The sales price includes the total cost of the capital asset, consisting of contractual cost, net of authorized discounts taken, reimbursable support cost, applicable overhead, G&A costs when appropriate, any associated costs for installation, modification, testing, transportation, and other related costs in developing or acquiring the asset, plus any approved surcharges.

8.5.6.5. Customer Procurement of Capital Assets. Per DoDFMR 7000.14, Volume 2B, Chapter 9, paragraph 090103.C.9., customer appropriations may purchase capital assets for use by a DWCF activity. However, these assets remain the property of the customer and will not be recorded in the DWCF financial statements unless the asset is transferred to DWCF ownership.

8.5.7. Improvements and Upgrades of Existing Capital Assets.

8.5.7.1. Improvements and upgrades that increase the capacity or operating efficiency of an existing capital asset, and for which the cost is equal to or greater than the \$250,000 threshold, are capitalized even though the improvement or upgrade may not extend the useful life of the asset. Revise the depreciation schedule of existing capital assets to include the acquisition cost of a capitalized improvement or upgrade. Apply the criteria in paragraphs 8.5.7.2. through 8.5.7.4. below to determine if the useful life of the original asset required revision. Regardless of the application, measure and account for the revision of depreciation expense or expected useful life in the current and future periods. Do not make any adjustment to prior depreciation.

8.5.7.2. If the cost of the improvement or upgrade is greater than 50 percent of the net book value (original acquisition cost less accumulated depreciation) of the existing asset, then the improvement or upgrade is equivalent to the purchase or manufacture of a new asset. Accordingly, with a new depreciation value computed for the existing asset, depreciate the new value over the useful life of the asset, determined from the month that the improvement or upgrade became operational.

8.5.7.3. If the cost of the improvement or upgrade is less than 50 percent of the net book value (original acquisition cost less accumulated depreciation) of the existing asset, depreciate the cost of the improvement or upgrade over the remaining useful life of the existing asset.

8.5.7.4. Record all improvements and upgrades costing less than \$250,000 as an operating expense in lieu of a CIP purchase even though the improvement or upgrade could extend the useful life of the asset.

8.5.8. Disposal and Demolition of Assets. Accumulate all costs incurred in removing, packing, crating, handling, and shipping of fixed assets for disposal or demolition of buildings and structures within a separate job order or account. Charge the costs incurred to the appropriate fixed asset account. At the time the asset is made available to the Defense

Reutilization and Marketing Service for disposal, close the accumulated depreciation into the applicable fixed asset account balance (accomplished by the DFAS Field Site).

8.6. Economic Analysis (EA)/Cost Analysis (CA) of TWCF CIP Projects.

8.6.1. In the process of budget formulation and execution, it is important to understand the primary goal of the CIP within the TWCF. The objective is to improve product and service quality and timeliness, reduce costs, and foster comparable and competitive business operations. Capital investment analyses are an important tool in accomplishing this objective. USTRANSCOM's Corporate Governance Process requires an annual resource assessment for all TWCF CIP programs, which utilizes the program's EA as part of the resource assessment. USTRANSCOM directives concerning EAs will prevail for those TWCF CIP programs that are subject to a USTRANSCOM resource assessment.

8.6.2. Pre-investment Analysis. In accordance with DoDFMR 7000.14, Volume 2B, Chapter 9, paragraph 090103.C.14.c., you must perform a pre-investment analysis or a cost comparison prior to inclusion of the capital asset in the TWCF Capital budget submission. The originating office will maintain a copy of the pre-investment analysis for project documentation requirements for the TWCF Capital budget submission as well as program execution.

8.6.3. Capital Budget Submissions. Submit capital budget projects in accordance with DoDFMR 7000.14, Volume 2B, Chapter 9, paragraph 090103.C.13.

8.6.4. Economic Analysis/Cost Analysis (EA/CA) Thresholds. DoDFMR 7000.14, Volume 2B, Chapter 9, paragraph 090103.C. established thresholds for EAs and CAs. An EA shall be completed for all CIP projects with a cost of \$1 million or greater. A CA is required for all projects with an investment cost of less than \$1 million but above \$250,000.

8.6.5. Analysis Process. Prepare the appropriate analysis using conventional, analytical techniques, comparing project alternatives (e.g., repair, replace, etc.) to the current situation or status quo. Additionally, prepare the analysis on a net present value (NPV) basis and ensure that it complies with applicable DoD or component guidance, as well as functional program guidance. Use constant base year dollars and present a differential cost display by year over the project's expected economic life, beginning with the budget year requiring the capital funds. A benefit analysis is required for EAs but is optional for CAs. Consider all quantifiable (non-monetary) and intangible benefits for each alternative. EAs/CAs are accomplished using discount rates that represent the government's cost of borrowing. Use the discount rates published on the following SAF/FMC web site: <https://www.my.af.mil/gcss-af/USAF/ep/contentView.do?contentType=EDITORIAL&contentId=c6925EC17620C0FB5E044080020E329A9&channelPageId=s6925EC13532A0FB5E044080020E329A9&parentCategoryId=p6925EC1668DA0FB5E044080020E329A9&programId=t6925EC2D91650FB5E044080020E329A9>.

8.6.6. Documentation. EAs/CAs should contain the following information at a minimum: Certificate of Satisfactory Economic Analysis, Coordination Page with Signatures, Executive Summary, Installation Name, Project Title, Project Cost (TY\$), Assumptions and Constraints, an Objective Statement, Project Description, Impact if not Funded, Summary of Alternatives, Discussion of Alternatives Considered, NPV (for each alternative), Benefit

Analysis (if applicable), NPV Cost/Benefit Ratio (if applicable) Source and Derivation of Costs (annualized cost data for each alternative – include spreadsheet, ECONPACK, or other cost output used), Sensitivity Analysis, and Results/Conclusions/Recommendation. See the HQ AMC/FM Cost Analysis CoP at <https://afkm.wpafb.af.mil/ASPs/CoP/OpenCoP.asp?Filter=AM-FM-CH-01> for EA and CA formats.

8.6.7. Waivers. Not all TWCF capital investment projects \$250,000 or over will require an EA or CA. There are instances for which DoD instruction (with approval through HQ AMC/FM) waives the requirement to perform a pre-investment analysis, as prescribed in AFMAN 65-506, *Economic Analysis*, Attachment 2:

8.6.7.1. The waiver corrects problems or violations involving health, safety, fire protection, pollution, security, environmental/hazardous issues, or regulatory agency (state, local, or federal) mandated requirements as well as any action directed by higher headquarters authority that may preclude choices among alternatives.

8.6.7.2. When DoD instruction or directive waives the EA requirement (e.g., if a transportation regulation stipulates the replacement of a specific type of vehicle (not procured with centrally managed investment funds) after a certain number of miles or years). Be sure to include a specific reference to the applicable regulation, instruction, or directive in the Certificate In Lieu of EA. See **Attachment 4** for an example of a Certificate in Lieu of EA.

8.6.7.3. The derived project costs or benefits do not warrant the level of effort required to prepare a full and complete analysis.

8.6.7.4. When there is only one possible method to meet/accomplish the requirement or objective.

8.6.8. Post-Investment Analysis. HQ AMC submits post-investment analysis annually to USTRANSCOM. HQ AMC/FMAO (Cost) identifies CIP funded actions that require a post-investment analysis and tasks the appropriate base FMA office to submit accordingly. The post-investment analysis must follow the same format and techniques as the pre-investment analysis.

8.7. Budget Formulation and Execution.

8.7.1. Budget and submit CIP projects to USTRANSCOM/TCJ8, through HQ AMC/FMA, in accordance with DoDFMR 7000.14, Volume 2B, Chapter 9, and the HQ AMC/FMA and USTRANSCOM/TCJ8 TWCF BES "call" guidance.

8.7.1.1. An EA/CA or waiver will support CIP projects.

8.7.1.2. The TWCF activities will rank order all projects within CIP category (as shown in paragraph 8.4. above) based on NPV, economic indicators, and program importance. The prioritization process will facilitate timely substitution of worthy projects for those no longer justified and subsequently dropped. The sequencing process will result in a listing that is periodically updated as CIP priorities change.

8.7.1.3. Guidance for preparing inputs by CIP category is as follows:

8.7.1.3.1. Equipment, Other Than ADP and Telecommunications Resources (BPAC 23XXX). Categorize capital non-ADP equipment by the primary reason justifying the purchases: (1) Improved efficiency (savings) or effectiveness, (2) required new capability or capacity, (3) replacement, and (4) mandated environmental, hazard waste reduction, or regulatory agency requirement (see paragraph 8.3.1.6. above). Consider any alternative that satisfies the requirement in the most cost effective manner, supported by the EA.

8.7.1.3.2. Minor Construction (MC) (BPAC 21XXX). Budget MC CIP projects (to include related contract or in-house A-E design, as per paragraph 6.3.1.7.16. of this instruction) in the TWCF BES/ABES submission on a facility category basis. An EA/CA is required for MC projects as defined in paragraph 8.6. above. Budget and fund all MR projects for facilities that maintain the capability of an existing facility from the TWCF Operating budget under BPAC 3XXXX. Additionally, budget and fund MC projects that are less than \$250,000 funded costs from the TWCF Operating budget, under BPAC 3XXXX.

8.7.1.3.3. ADPE/IPE and Telecommunications Equipment (Hardware - BPAC 22XXX). Resources in this category consist of computer hardware, operating system software (including utility and communications software), and telecommunications equipment. Follow *USTRANSCOM Chief Information Officer (CIO) Program Review Process (CPRP) Resource Assessment Handbook* for budgeting and costing of TWCF-funded ADPE/IPE initiatives. Submit these CIP requirements as follows:

8.7.1.3.3.1. Budget for computer and telecommunications resources in three separate categories: (1) Data Processing Installation (DPI), (2) Central Design Activity (CDA), and (3) other support.

8.7.1.3.3.1.1. Display the DPI costs as follows: (1) computer hardware (production), (2) computer software (operating systems), and (3) telecommunications. These costs support the operation and the production of data processing installations.

8.7.1.3.3.1.2. Display the CDA costs as follows: (1) computer hardware (test beds), (2) computer software (operating system), and (3) telecommunications. The CDA functions include new design and redesign, software modification and conversion, software maintenance, and management and technical support.

8.7.1.3.3.1.3. Other computer and telecommunications resource costs include other capital investments associated with the DPI and CDA business area. Other support includes investments such as uninterrupted power sources and air conditioning required to support any TWCF computer and telecommunications capital resources. Separately describe and justify other support valued at \$250,000 or more.

8.7.1.3.3.2. TWCF Capital budgeting is also required for any local area network (LAN) acquisition, modifications, LAN software, and system upgrades, exclusive to TWCF organizations. Submit ancillary equipment requirements (i.e., individual computers, printers, etc.) in the TWCF Operating budget, whose

primary purpose is to operate independently from the LAN and individually cost less than \$250,000. Also, include in the TWCF Operating budget the purchase of repair parts, components, spares, and computer requirements (individually costing less than \$250,000) to replace failed components that must be functionally equivalent to the unit replaced. We recommend you prepare separate requirements documents (i.e., CSRDs) for those items integral to the LAN operation and for all other items not integral to the LAN operation.

8.7.1.3.4. Software Development (BPAC 24XXX). This includes the actual development and acquisition of the information system, excluding weapons systems. Budget for software development as CDA support. HQ AMC/A6 currently serves as the TWCF CDA. The CDA support costs for software development will include the full cost of software development displayed in four parts: (1) planning and system design, (2) system development, (3) deployment, including environmental and operational test and installation, and (4) systems maintenance. An EA is required.

8.7.2. Execution. You must obligate CIP purchases in the fiscal year funding is received. In certain circumstances, requests for Carryover Authority may be reviewed and forwarded to OSD for possible approval. Closely monitor all TWCF Capital purchases to ensure timely installation and completion.

8.7.3. Commitment Accounting. Use commitment accounting for TWCF Capital funding execution.

Chapter 9

REAL PROPERTY MAINTENANCE AND REPAIR (MR)

9.1. General Information. Facility MR is a TWCF Operating budget expense. Therefore, a threshold is not used to define/limit these projects. See paragraph 9.2.2. below for additional guidance.

9.2. Explanation of Terms.

9.2.1. Real Property MR Projects. These projects are defined as recurring maintenance, sustainment, repair, and renovation work accomplished (contract and in-house) for real property (buildings, warehouses, paved areas, and other real property) exclusively used or operated by TWCF activities. It also includes CE service contracts to inspect, service, and repair components such as motors, cables, sensors, etc. (excluding fire extinguishers/bottles), associated with real property components such as hanger doors, cranes and hoists, and elevators. Costs executed from operating budgets include real property MR projects undertaken to preserve the physical structure of the facility or its support systems. Additionally, it also includes any MC work with funded costs less than \$250,000 accomplished in support of a TWCF activity/facility. See Table 6.1. for a list of those facilities that qualify for TWCF MR funding.

9.2.1.1. Fund and execute all TWCF MR costs in BPAC 3XX, to include all MC projects with total funded costs less than \$250,000.

9.2.1.2. Fund and execute all A-E design costs associated with MR projects in BPAC 101.

9.2.2. MR projects \$2 million or more require an approved EA before issuing funds. MR projects \$4 million and up to \$5 million require HQ AMC/A7P approval. Additionally, MR projects \$5 million or greater requires HQ AMC/A7P *and* SAF/IEI approval.

9.2.3. Reprogramming of TWCF MR (BPAC 3XX) funds to TWCF Operating (BPAC 101) funds or vice versa requires HQ AMC/A7R/FMA approval. Commanders wishing to reprogram will submit a base FMA/CER request with the proper justification and dollar amount. HQ AMC/A7R/FMA will consider each request on its own merit and overall command impacts. If approved, HQ AMC/FMAT (Funds Control) will issue funding documents to reflect the changes.

Chapter 10

MANAGEMENT HEADQUARTERS AND GENERAL & ADMINISTRATIVE (G&A) COSTS

10.1. General Information. Each DWCF activity or group of activities is under the management control of a designated DoD component. In accordance with DoDFMR 7000.14, Volume 2B, Chapter 9, paragraph 090103.F.1, managers of activity groups within the DWCF must establish their prices based upon full cost recovery, including all G&A support provided by others. The DWCF headquarters management relates to specific DWCF activity operations and is separate from the general policy direction for the DoD or a DoD component. The supplemental provisions of the DWCF Charter (Management Command) should identify DWCF funding of management headquarters for each applicable business area.

10.2. Identification and Payment for Headquarters Costs. In accordance with DoDFMR 7000.14, Volume 11B, Chapter 12, paragraph 120602, costs for discrete DWCF management headquarters organizations, and parts of organizations that perform DWCF management headquarters functions, should be directly funded by DWCF if feasible or, if not feasible, reimbursed by DWCF on a pro rata basis. Significant costs for common support (e.g., counsel and personnel) at organizations partially funded or reimbursed by the DWCF (i.e., that have direct DWCF management responsibilities) should also be allocated, if feasible. Reimburse only significant headquarters costs from DWCF, i.e., those exceeding 1 percent of the total activity group costs, or \$1 million, whichever is greater.

10.3. TWCF G&A. The following paragraphs define the categories of G&A costs applicable to the AMC TWCF activity:

10.3.1. USTRANSCOM. USTRANSCOM is considered TWCF management oversight and the TWCF funds for its daily operations (excluding support costs provided to USTRANSCOM funded from AMC O&M) under fund code 6F. USTRANSCOM passes these costs along to the individual TWCF components (AMC, SDDC, and MSC) in the form of USTRANSCOM G&A costs. HQ AMC/FMA retains the programming and execution of these costs at command level.

10.3.2. AMC. This headquarters is funded from the DoD component's (Air Force) O&M 3400 funds, with the exception of those HQ AMC organizations that provide direct administrative support to the TWCF. The TWCF reimburses O&M at the command level for HQ AMC G&A costs based on a pro rata share of support costs in the program element (PE) codes listed below (effective FY10, to include the AF/A7 Installation Support migration). The pro rata share is based on the primary AMC TWCF bases (JB Charleston, Dover, JB McGuire/Dix/Lakehurst, Pope, Travis, Scott and JB Lewis/McChord). HQ AMC/FMA budgets for future year G&A costs by determining the amount of O&M funding in the PB/POM, in the following PEs, multiplied by the percent of TWCF personnel residing at each location.

10.3.2.1. PE 41856 – Environmental Compliance.

10.3.2.2. PE 41879 – Real Property Services

10.3.2.3. PE 41976 – Restoration and Modernization (includes Minor Construction (MC) work under \$750,000).

10.3.2.4. PE 41978 – Sustainment.

10.3.2.5. PE 48530 – Morale, Welfare, and Recreation (Mobility Air Forces (MAF)).

10.3.2.6. PE 48531 – Lodging (MAF).

10.3.2.7. PE 48532 – Airfield Operations (MAF).

10.3.2.8. PE 48534 – Command Support (MAF).

10.3.2.9. PE 48560 – MILPERS Services (MAF) and PE 48561 – Civilian Personnel Services (MAF).

10.3.2.10. PE 48538 – Installation Law Enforcement Operations (MAF).

10.3.2.11. PE 48539 – Physical Security Protection Services (MAF).

10.3.2.12. PE 48540 – Supply Logistics (MAF).

10.3.2.13. PE 48541 – Community Logistics (MAF).

10.3.2.14. PE 48542 – Transportation Logistics (MAF)

10.3.2.15. PE 48550 – Information Technology Services Management (MAF). **Note:** PE 48530 through PE 48542 were all under PE 41896 prior to FY10. PE 48550 included PE 41890 and PE 41895 prior to FY10.

10.3.3. DFAS. The TWCF reimburses DFAS for accounting support as a G&A cost. DFAS determines the requirements based on actual work counts at USD(C) approved rates. HQ AMC/FMA retains the budgeting and execution of DFAS G&A costs at command level.

Chapter 11

CASH MANAGEMENT

11.1. Definition. The definition of TWCF cash management are those actions necessary to maintain appropriate levels of cash to meet operational and capital requirements, as outlined in DoDFMR 7000.14, Volume 11B, chapter 4, paragraph 0404.

11.2. Purpose. The policy for TWCF cash management is to maintain a minimum cash balance necessary for meeting operational and disbursement requirements to support the Capital program.

11.3. Cash Availability. Cash generated from operations is the primary means of maintaining adequate cash levels within TWCF. The ability to generate cash is dependent on rates that recover costs to include prior year losses, determine accurate workload projections, and meet established operational goals. Aggressive revenue collection procedures are also essential in maintaining adequate cash balances. Cash shortage correction efforts, necessary to meet minimum cash requirements and prevent a violation of the Antideficiency Act, will initially focus on those business areas and processes failing to meet operational plans, which contribute to cash shortages.

11.4. Cash Level Criteria. Effective cash management is directly dependent on the availability of accurate and timely data on cash levels and operational results. The present criteria are for cash levels to be maintained at 7 to 10 days of operational cost and sufficient cash adequate to meet 4 to 6 months of capital disbursements. Improvements in management data as well as changes in operational needs and capital requirements may dictate subsequent changes in the established cash level criteria. USD(C) reviews the criteria at least annually as part of the overall budget review and directs any changes through the Program Budget Decision (PBD) process.

11.5. Cash Management Plan. The director for Revolving Funds, Office of the DoD Deputy Comptroller (Program and Budget), will develop an annual cash plan to facilitate the cash management process. The plan shall consider collections, disbursements, appropriations, and other cash transactions based on DoD Component estimates initially developed during the budget process and will be an integral part of the budget document. In addition, DoD requires a monthly phasing of the cash plan to monitor its execution.

11.5.1. A monthly execution review should lead to increased management attention to reduce cost, emphasize timely billing collection of revenue, and timely disbursements. Resolve any variances from collection and disbursement plans for each business area.

11.5.2. The USTRANSCOM cash plan (Fund Exhibit 13) for the TWCF is submitted to USD(C) as a part of the budget submission for review. Additionally, USTRANSCOM/TCJ8 coordinates its cash plans through SAF/FMB since USTRANSCOM is administratively aligned under the AFWCF for cash management purposes.

11.6. Cash Management Responsibilities. The divisions of responsibilities include:

11.6.1. Office of the Deputy Comptroller for Program and Budget.

11.6.1.1. Develops overall cash plans based on the impact of operations, appropriations, reprogramming, and other cash transactions.

11.6.1.2. Monitors overall cash levels and establishes procedures to correct short-term cash shortages.

11.6.2. Defense Finance and Accounting Service (DFAS) responsibilities.

11.6.2.1. Provides timely and accurate reporting of cash levels by component and business area.

11.6.2.2. Improves cash reporting with the goal of providing real-time cash balances.

11.6.2.3. Works with DoD components to correct finance and accounting problems and provide details of DFAS changes to accounting reports.

11.6.2.4. Ensures collections and disbursements are consistent with established policy.

11.6.2.5. Takes immediate corrective action to resolve cash shortages by implementing advance billing procedures when the overall cash level falls below \$1 billion, upon determining the cash shortage is not the result of an anomaly.

11.6.3. The AMC TWCF cash management administrator is HQ AMC/FM, who will:

11.6.3.1. Establish cash plans based on the approved budget.

11.6.3.2. Monitor collections and disbursements to assess operational or financial problems.

11.6.3.3. Work with DFAS and USTRANSCOM, as appropriate, to take necessary action to correct operational problems contributing to deviations from cash plans.

11.6.3.4. Monitor DFAS revenue recognition, progress billing, and ensure adherence of collection policies, including the minimization of outstanding receivables.

11.6.3.5. Work with DFAS to correct finance and accounting problems contributing to deviations from the cash plan.

11.7. Prescribed and Adopted Forms.

11.7.1. Prescribed Forms.

No Forms prescribed.

11.7.2. Adopted Forms.

AF Form 406, *Miscellaneous Obligation Reimbursement Document*;

AF Form 616, *Fund Cite Authorization*;

AF Form 847, *Recommendation for Change to Publication*;

AF Form 4327a, *Crew Flight (FA) Authorization*;

DD Form 448, *Military Interdepartmental Purchase Request (MIPR)*;

DD Form 1131, *Cash Collection Voucher*;

DD Form 1610, *Request and Authorization of TDY Travel of DoD Personnel*;

SF 44, *Purchase Order-Invoice-Vouchering*

SF 1080, *Voucher for Transfers Between Appropriations and/or Funds*

SF 1081, *Voucher and Schedule of Withdrawals and Credits*

MARK ANTHONY BROWN, Colonel, USAF
Director of Financial Management and Comptroller

Attachment 1**GLOSSARY OF REFERENCES AND SUPPORTING INFORMATION*****References***

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- 10 U.S.C., Section 2642, *Reimbursement Rate for Airlift Services Provided to Central Intelligence Agency*
- 14 U.S.C., Section 3, *Relationship to Navy Department (Regular Coast Guard)*
- 31 U.S.C., Section 1301, *Application*
- 31 U.S.C., Section 1341, *Limitations on Expending and Obligation Amounts*
- 31 U.S.C., Section 1517, *Prohibited Expenditures and Obligations*
- DoDI 4000.19, *Interservice and Intragovernmental Support*, 9 August 1995
- DoD 4500.9-R, *Defense Transportation Regulation, Part I, Passenger Movement*, 1 May 1991
- DoDD 4500.54, *Official Temporary Duty Travel Abroad*, 1 May 1991
- DoD 4515.13-R, *Air Transportation Eligibility*, 1 November 2004
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- DoDI 5410.16, *DoD Assistance to Non-Government, Entertainment-Oriented Motion Picture, Television, and Video Productions*, 26 January 1988
- DoDI 7041.3, *Economic Analysis for Decision Making*, 7 November 1995
- AFI 10-1801, *Foreign Government Aircraft Landings at United States Air Force Installations*, 1 September 2007
- AFI 11-2C-5, Volume 3, *C-5 Operations Procedures*, 7 December 2005
- AFI 11-2C-17, Volume 3, *C-17 Operations Procedures*, 15 December 2005
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- AFI 21-110, *Engineering and Technical Services*, 1 Aug 2000
- AFI 24-203, *Preparation and Movement of Air Force Cargo*, 2 Nov 2010
- AFI 25-101, *War Readiness Material (WRM) Program Guidance and Procedures*, 2 May 2005
- AFI 25-201, *Support Agreement Procedures*, 23 June 2009

AFI 32-1001, *Operations Management*, 1 September 2005

AFI 32-1032, *Planning and Programming Real Property Maintenance Projects Using Appropriated Funds (APF)*, 15 October 2003

AFI 32-1061, *Providing Utilities to US Air Force Installations*, 15 March 2002

AFI 35-101, *Public Affairs Policies and Procedures*, 29 November 2005

AFI 36-2903, *Dress and Personal Appearance of Air Force Personnel*, 2 August 2006

AFI 36-3014, *Clothing Allowance for Air Force Personnel*, 22 May 2007

AFI 38-203, *Commercial Activities Program*, 20 June 2008

AFI 48-123, *Medical Examinations and Standards*, 24 September 2009

AFI 64-117, *Air Force Government-Wide Purchase Card Program*, 31 January 2006

AFI 65-503, *US Air Force Cost and Planning Factors*, 4 February 1994

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AFI 90-901, *Operational Risk Management (ORM)*, 1 April 2000

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AMCPAM 65-603, *Budget Operating Guidance*, 1 June 2004

DFAS-DE 7010.1-R, *General Accounting and Finance Systems at Base Level*

GAO, Volume 1, *Principles of Federal Appropriations Law*

GAO, Volume 2, *Principles of Federal Appropriations Law*

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OMB Circular A-94, *Guidelines and Discount Rates for Benefit-Cost Analysis of Federal Programs*

DFAS-DE, *Interim Guidance on Procedures for Travel Accounting Operations*

USTRANSCOM Chief Information Officer (CIO) Program Review Process (CPRP) Resource Assessment Handbook

USTRANSCOM Rates and Rules

AMC/PACAF Command-to-Command Agreement, July 2007

AMC/USAFE Command-to-Command Agreement, 6 October 2009

AMCI 65-602 on Air Force e-Publications: <http://www.e-publishing.af.mil/shared/media/epubs/AMCI65-602.pdf>

Air Force RDS: <https://webrims.amc.af.mil>

Airlift Transportation Rates and Rules: <https://www.my.af.mil/gcss-af/USAF/ep/browse.do?programId=1135935&channelPageId=-1289035&portletId=-1645110> (see individual files on this web site for the appropriate rates)

CIC Code Construction Requests: <mailto:AMCTWCFISSUES@scott.af.mil>

DBSMC: http://www.defenselink.mil/dbt/tools_certification.html

FM DQS: <https://afdd2008.afbudsys.disa.mil/DataDictionary/ElementChoice>

HQ AMC/FM Budget Policy CoP:

<https://afkm.wpafb.af.mil/ASPs/CoP/OpenCoP.asp?Filter=AM-FM-BH-01>

HQ AMC/FM Cost Analysis CoP:

<https://afkm.wpafb.af.mil/ASPs/CoP/OpenCoP.asp?Filter=AM-FM-CH-01>

HQ AMC Air Channel Sequence Listing:

<https://tacc.scott.af.mil/directorates/xog/analysis.asp>

SAF/FMC Discount Rate: <https://www.my.af.mil/gcss-af/USAF/ep/contentView.do?contentType=EDITORIAL&contentId=c6925EC17620C0FB5E044080020E329A9&channelPageId=s6925EC13532A0FB5E044080020E329A9&parentCategoryId=p6925EC1668DA0FB5E044080020E329A9&programId=t6925EC2D91650FB5E044080020E329A9>

Abbreviations and Acronyms

A-E—Architect-Engineering

AB—Air Base

ACES—Automated Civil Engineering System

ACM—Additional Crewmember

ADP—Automated Data Processing

ADPE—Automatic Data Processing Equipment
ADSN—Accounting and Disbursing Station Number
AE—Aeromedical Evacuation
AEF—Air Expeditionary Force
AEP—Accrued Expenditures Paid
AEU—Accrued Expenditures Unpaid
AFB—Air Force Base
AFDD—Air Force Data Dictionary
AFCAIG—Air Force Cost Analysis Improvement Group
AFI—Air Force Instruction
AFM—Automated Funds Management
AFMC—Air Force Material Command
AFNIC—Air Force Network Integration Center
AFPD—Air Force Policy Directive
AFRC—Air Force Reserve Command
AFRIMS—Air Force Records Information Management System
AFSF—Air Force Stock Fund
AFWCF—Air Force Working Capital Fund
AHS—AMC Historical System
ALOC—Air Line of Communications
AMC—Air Mobility Command
AMCG/B—Air Mobility Command Group/Budget
AMCS1—AMC Supplement 1
AMOCC—Air Mobility Operations Control Center
AMOW—Air Mobility Operations Wing
AMS—Airlift Mobility Squadron
APF—Appropriated Funds
APOE—Aerial Port of Embarkation
ARA—Airlift Readiness Account
ASECNA—Agency for the Safety of Air Navigation in Africa and Madagascar
ASIF—Airlift Service Industrial Fund (replaced by Transportation Working Capital Fund (TWCF))
ASIFICS—Airlift Service Industrial Fund Integrated Computer System

ATCBT—Air Transportation Computer Based Training

AU—Australia

AVPOL—Aviation Petroleum Oil and Lubricants

BASH—Bird Aircraft Strike Hazard

BCE—Base Civil Engineer

BIR—Benefit to Investment Ratio

BPAC—Budget Project Account Code

BRAC—Base Realignment and Closure

CA—Cost Analysis; also California

CAM—Consolidated Asset Management

CAMPS—Consolidated Air Mobility Planning System

CBA—Central Billed Account

CCA—Command-to-Command Agreement

CDA—Central Design Activity

CIC—Customer Identification Code

CINC—Commander in Chief

CIO—Chief Information Officer

CIP—Capital Investment Program

CJCS—Chairman, Joint Chiefs of Staff

CLS—Contract Logistics Support

COMM—Commitment

CONUS—Continental United States

CPRP—CIO Program Review Process

CRAF—Civil Reserve Airlift Fleet

CRE—Contingency Response Element

CRW—Contingency Response Wing

DAPS—Defense Automated Printing Service

DBOF—Defense Business Operations Fund (replaced by Defense Working Capital Fund (DWCF))

DBOF—T—Defense Business Operations Fund-Transportation (replaced by Transportation Working Capital Fund (TWCF))

DBSMC—Defense Business Systems Management Committee

DCS—Defense Courier Service

DEAMS—Defense Enterprise Accounting Management System

DESC—Defense Energy Support Center

DFAS—Defense Finance and Accounting Service

DITCO—Defense Information Technology Contracting Organization

DLR—Depot Level Repairables

DMAG—Depot Management Activity Group

DoD—Department of Defense

DoDFMR—Department of Defense Financial Management Regulation

DQS—Data Quality Service

DRU—Direct Reporting Unit

DV—Distinguished Visitor

DWCF—Defense Working Capital Fund

EA—Economic Analysis

EEIC—Element of Expense and Investment Code

e.g.—exempli gratia (for example, such as)

EPA—Environmental Protection Agency

ERA—Environmental Restoration Account

ESP—Emergency and Special Program

etc.—et cetera (and so on)

et. seqq.—et sequentes (and those following)

EXORD—Execution Order

FC—Fund Code

FM—Financial Management and Comptroller

FMA—Financial Management and Comptroller – Financial Analysis; also Financial Management and Analysis (Wing-level)

FMAO—Financial Management and Comptroller – Financial Analysis – Financial Operations Branch

FMAT—Financial Management and Comptroller – Financial Analysis – TWCF Operations Branch

FMCRA—Federal Medical Care Recovery Act

FMF—Financial Management and Comptroller – Financial Services

FMFA—Financial Management and Comptroller – Financial Services – TWCF Services

FMFAA—Financial Management and Comptroller – Financial Services – TWCF Services – TWCF Accounting

FMFAB—Financial Management and Comptroller – Financial Services – TWCF Services – TWCF Billing

FSL—Forward Supply Location

FSO—Financial Services Office

FY—Fiscal Year

FYDP—Future Year Defense Program

G&A—General and Administrative

GATES—Global Air Transportation Execution System

GDSS—Global Decision Support System

GE—Germany

GLAC—General Ledger Accounting Code

GPC—Government Purchase Card

GWOT—Global War on Terrorism (term is now replaced by OCO)

HAZMAT—Hazardous Material

HI—Hawaii

HQ—Headquarters

IDT—Inactive Duty Training

i.e.—id est (that is)

IL—Illinois

IMA—Individual Mobilization Augmentee

INMARSAT—International Maritime Satellite

IPE—Information Processing Equipment

IWIMS—Interim Work Information Management System

JA/ATT—Joint Airborne/Air Transportability Training

JOPEs—Joint Operation Planning and Execution System

JB—Joint Base

JPEC—Joint Planning and Execution Community

LAN—Local Area Network

LRS—Logistics Readiness Squadron

MAF—Mobility Air Force

MAR—Minimum Activity Rate

MC—Minor Construction

MEDEX—Medical Express

MEGP—Mission Essential Ground Personnel
MILCON—Military Construction
MIPR—Military Interdepartmental Purchase Request
MMO—Mobility Mission Observer
MOA—Memorandum of Agreement
MORD—Miscellaneous Obligation Reimbursement Document
MOU—Memorandum of Understanding
MPA—Military Personnel Appropriation
MR—Maintenance and Repair
MRS—Mission Route Support
MRT—Maintenance Recovery Team
MSC—Military Sealift Command
NAF—Numbered Air Force
NAS—Naval Air Station
NATO—North Atlantic Treaty Organization
NGB—National Guard Bureau
NJ—New Jersey
NMC—Not Mission Capable
NOR—Net Operating Result
NPV—Net Present Value
O&M—Operation and Maintenance
O&S—Operating and Support
OAC—Operating Agency Code
OBAN—Operating Budget Account Number
OCO—Overseas Contingency Operation (formerly GWOT)
OCONUS—Outside the Continental United States
OLVIMS—On-Line Vehicle Interactive Management System
OMB—Office of Management and Budget
OPORD—Operation Order
ORM—Operational Risk Management
OSIA—On-Site Inspection Agency
OUSDC—Office of Undersecretary of Defense (Comptroller)

PA—Public Affairs

PAA—Primary Assigned Aircraft

PB—President’s Budget

PCS—Permanent Change of Station

PE—Program Element

POC—Point of Contact

POL—Petroleum Oil and Lubricants

POM—Program Objective Memorandum

PP&E—Plant, Property, and Equipment

PSP—Patient Support Pallet

RAFO—Regional Accounting and Finance Office

RC/CC—Responsibility Center/Cost Center

RDS—Records Disposition Schedule

REMIS—Reliability and Maintainability Information System

RIF—Reduction-in-Force

RSP—Readiness Spare Package

SAAM—Special Assignment Airlift Mission

SAF—Secretary of the Air Force

SBSS—Standard Base Supply System

SD—Strategic Distribution

SDDC—Surface Deployment and Distribution Command (formerly Military Traffic Management Command (MTMC))

SDS—Same Day Service

SF—Standard Form

STANAG—Standardization Agreement

STEM—Systems Telecommunications Engineering Manager

TACC—Tanker Airlift Control Center

TCTO—Time Compliance Technical Order

TDY—Temporary Duty

TMO—Transportation Management Office

TPFDD—Time-Phased Force and Deployment Data

TWCF—Transportation Working Capital Fund (previously Airlift Service Industrial Fund (ASIF) and Defense Business Operations Fund-Transportation (DBOF-T))

ULN—Unit Line Number

UMD—Unit Manning Document

UOO—Undelivered Orders Outstanding

US—United States

U.S.C.—United States Code

USAF—United States Air Force

USD—Undersecretary of Defense

USO—United Service Organizations

UTC—Unit Tasking Code

USTRANSCOM—United States Transportation Command; also USTC

WCF—Working Capital Fund (replaced by DWCF)

WRM—War Readiness Material

Attachment 2

**DEPARTMENT OF DEFENSE DEPARTMENT OF THE AIR FORCE AIR FORCE
INDUSTRIAL FUND CHARTER FOR FINANCING OPERATIONS OF THE AIRLIFT
SERVICE OF MILITARY AIR TRANSPORT SERVICES**

Figure A2.1. Old Charter.

(Old Charter)**I. AUTHORITY**

In accordance with Section 405 of the National Security Act of 1947, as amended, and Department of Defense Directive 5160.2, 7 December 1956, as amended, and the associated Terms of Reference, approved 17 September 1957, as amended, the Department of the Air Force is authorized hereby to finance the operations of the Airlift Service of the Single Manager Operating Agency under provisions of "Regulations Governing the Operation of Working Capital Funds for Industrial and Commercial-Type Establishments (Industrial Funds)" approved by the Secretary of Defense, hereinafter referred to as "Industrial Fund Regulations."

II. PURPOSE

Under the management control of the Secretary of the Air Force as the Single Manager, the purpose of the Airlift Service is to provide for the airlift of personnel, cargo, and other authorized services for agencies of the Department of Defense. As directed or authorized by the Single Manager, or higher authority as may be appropriate, the Airlift Service provides airlift of personnel and cargo and performs other services necessarily incident thereto for agencies of other government departments or instrumentalities and for private individuals or other agencies as are otherwise authorized by law. This charter is issued for the purpose of authorizing, and establishing the basis for, financing this Airlift Service.

III. BASIS OF CHARGING FOR SERVICES

Charges for airlift services furnished to agencies of the United States Government will be in accordance with published tariff rates developed by the Single Manager Operating Agency, which are approved by the Assistant Secretary of Defense (Comptroller) and shall be designed to reimburse the Airlift Service Industrial Fund for costs incurred in rendering such service, including applicable overhead. Such tariff rates may make provision for special rates or a cost-reimbursement basis for billing in connection with certain unusual types of airlift and other authorized services, as appropriate. In addition, charges for services furnished to individuals or agencies outside the United States Government shall include statistical costs as required by the Industrial Fund Regulations.

IV. WORKING CAPITAL

The initial cash working capital of the Airlift Service will be provided from the Air Force Industrial Fund in an amount stipulated in Appendix A attached to and made a part of this charter.

V. EXCEPTIONS

Exception to paragraph 7(e) of the Industrial Fund Regulations is authorized in that statistical costs need not be included in charges for services performed under treaties or international agreements in which specific exception is provided therefore, for other government agencies for which payments are to be received from appropriations of the United States Government, or for services performed for activities under the jurisdiction of the Armed Forces which are operated under nonappropriated funds.

Recommended:

Approved:

 Assistant Secretary of the Air Force

 Assistant Secretary of Defense
(Comptroller)

 Appendix A to the Charter

Initial cash working capital authorization for the Airlift Service account - \$75,000,000.

NOTE: The Airlift Service Industrial Fund was replaced by the Defense Business Operations Fund-Transportation, effective 1 October 1991 (FY92).

Attachment 3

DEPARTMENT OF DEFENSE AIR FORCE WORKING CAPITAL FUND UNITED STATES TRANSPORTATION COMMAND ACTIVITY GROUP CHARTER

Figure A3.1. New Charter.

(New Charter)**1. AUTHORITY**

The United States Transportation Command Working Fund Activity Group under the Air Force Working Capital Fund (WCF) is established, effective December 11, 1996, under the authority of Title 10, United States Code, section 2208. Operations of the activity will be conducted in accordance with applicable Department of Defense policies and regulations.

2. MISSION

The United States Transportation Command (USTRANSCOM) manages common-user transportation services. The mission of USTRANSCOM is to provide air, land, and sea transportation for the Department of Defense (DoD), both in time of peace and war. USTRANSCOM executes its mission through the three Transportation Command Components—Air Mobility Command, Military Sealift Command, Military Traffic Management Command, and a Direct Reporting Unit—Defense Courier Service.

3. MANAGEMENT COMMAND

Headquarters for USTRANSCOM is located at Scott AFB, Illinois. USTRANSCOM is also funded by the WCF and provides management oversight of USTRANSCOM's mission in order to meet Defense transportation requirements as effectively and efficiently as possible.

4. ACTIVITY COMPOSITION

Air Mobility Command (AMC), located at Scott AFB, Illinois, provides airlift services for the wartime deployment of fighting forces and support of peacetime activities to include humanitarian efforts. Military Sealift Command (MSC), located at the Washington Navy Yard in Washington DC, provides sealift for deploying forces and delivers worldwide military dry cargo and petroleum during peacetime and war. Military Traffic Management Command (MTMC), located at Falls Church, Virginia, manages freight movement, personal property shipments, and passenger traffic worldwide. MTMC operates common-user water terminals throughout the world and monitors movements through all the terminals. Defense Courier Service (DCS), located at Ft Meade, Maryland, acts as the DoD agent for providing secure custody and rapid transfer of all highly classified or sensitive national security materials.

5. AUTHORIZED EXCEPTIONS

There are no policy exceptions for this activity.

6. CANCELLATION

The Defense Business Operations Fund-Transportation charter dated April 10, 1995, is hereby canceled as a result of the approval of this charter.

Submitted by:

Deputy Commander in Chief
United States Transportation Command

Approved:

Under Secretary of Defense (Comptroller)

Attachment 4

EXAMPLE OF CERTIFICATE IN LIEU OF ECONOMIC ANALYSIS (EA) FOR TWCF CAPITAL PROJECTS

Figure A4.1. Example of Certificate in Lieu of Economic Analysis (EA) for TWCF Capital Projects.

<p>Installation/MAJCOM: Charleston AFB/AMC</p> <p>Project Title/Scope: Mechanized Material Handling System-Phase IV—Gravity Conveyor and Ball Transfer Mats/\$700,000</p> <p>*An EA was not prepared for this project because it results in the replacement of assets that are unsafe and beyond economical repair. Sixteen years of use and exposure to heat and humidity caused this system to corrode and break down to the point that it now takes an average of seven people straining to move a single pallet. The system has outlived its economic life of 15 years (See AFMAN 23-110CD, <i>Air Force Supply Systems Electronic Publishing Library</i>).</p> <p>*Evaluation of Certificate in Lieu of EA: This certificate (exception to an EA) complies with Chapter 9 of DoDFMR 7000.14, Volume 2B, and Chapter 58 of DoDFMR 7000.14, Volume 11B.</p> <p>Base FMA Evaluator: _____</p> <p>Base FMA Concurrence: _____</p> <p>Base FM Concurrence: _____</p> <p>Requesting Agency Concurrence: _____</p> <p>NOTE: Attach full explanation on following page.</p>
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