

CHAPTER 2

APPORTIONMENT AND REAPPORTIONMENT SCHEDULE0201 GENERAL

020101. This Chapter provides information for the preparation and submission of the Apportionment and Reapportionment Schedule (Standard Form (SF) 132) as required by Office of Management and Budget (OMB) Circular No. A-34 and includes all exceptions to Circular No. A-34 procedures approved by the OMB National Security Division.

020102. Apportionment is part of the government-wide system for the administrative control of appropriations and funds. It is a distribution of an amount available for obligation and/or commitment in an appropriation or fund account into amounts available for specified time periods, activities, projects or combinations thereof as approved by the OMB and the OUSD(C). The amounts so apportioned limit the obligations that may be incurred. Revisions to the previous apportionment, called reapportionment, reflect changes in the amount of financial resources previously authorized for obligation. Both apportionment and reapportionment are subject to further controls in the form of specified footnotes and scheduled rates of obligation.

0202 COVERAGE

020201. Accounts Requiring SF 132. The Apportionment and Reapportionment Schedule (as specified in Appendix A) will be used for the following types of accounts that are required to be apportioned:

- A. Military function accounts.
- B. Civil function accounts (e.g., Wildlife Conservation).
- C. Credit financing (e.g., direct loan or loan guarantees).

020202. Accounts Exempted from Requirements of SF 132. The following accounts are exempted from apportionment on SF 132:

- A. Accounts that are available only for nonexpenditure transfer to other accounts.
- B. Expired accounts.
- C. Accounts that have been fully obligated before the beginning of the year.
- D. Foreign currency accounts.

E. Trust funds, including deposit funds, unless the OMB notifies the Department that specific accounts will be apportioned. The National Security Education Trust Fund shall require apportionment.

F. Consolidated working funds.

G. Other accounts individually exempted by the OMB (e.g., payment to the Military Retirement Fund).

020203. Availability of Balances Beyond the Fiscal Year. The balances of apportionments made in previous years will not be used to initiate or enlarge programs identified in appropriations for the current year. Such programs will be financed only to the extent permitted by the new appropriation (including joint resolutions making continuing appropriations).

020204. Adjustments Without Submission of SF 132. Unless the OMB determines otherwise, amounts apportioned will be adjusted as follows without submission of an SF 132:

A. Adjustments in the amount of unobligated balances brought forward, up to \$200,000 or one percent of total budgetary resources, whichever is lower, may be added to or subtracted from the apportionment for the period in progress when the adjustment is made. (Memorandum type forms may be prepared at the option of the DoD Component for internal Component use.)

B. Amounts of supplemental appropriations or other authority enacted in the last quarter will be added to the apportionment for the last time period. (Memorandum type forms may be prepared at the option of the DoD Component for internal Component use.) Inter-appropriation transfers specified in the language of appropriations acts enacted in the last period are excluded from the provisions of this paragraph.

C. Amounts of budget authority adjustments (line 1.D) or unobligated balances transferred (line 2.B), up to \$200,000 or one percent of total budgetary resources, whichever is lower, may be added to, or subtracted from the apportionment for the period in progress when the adjustment is made. (Memorandum type forms may be prepared at the option of the DoD Component for internal Component use.)

D. Amounts of indefinite budget authority, and reimbursements, that are realized above or below anticipated amounts, up to \$200,000 or one percent of budgetary resources, whichever is lower, may be added to or subtracted from the amount apportioned for the last time period.

E. Anticipated transfers previously apportioned on lines 1.E or 2.C which become realized do not require submission of an SF 132 for that purpose. The transfer should be reflected as realized on lines 1.D or 2.B when subsequent reapportionments are submitted.

F. Amounts of estimated unobligated balances which are footnoted in accordance with paragraph 020301.C, above, are adjusted to the actual amounts (+ or -) brought forward.

G. If the Congress completes action on a rescission proposal within the 45-day period prescribed in law and rescinds the exact amount proposed by the President, reapportionment action is not required to reflect the reduction in budget authority or unobligated balances. The SF 132 will be adjusted to reflect the enacted rescission when reapportionment action is requested for other reasons.

H. Actual recoveries of prior year obligations in multi-year and no-year accounts will be reflected in the unobligated balance in the initial SF 132 for the second, third, etc., year of an account. Recoveries occurring during the year will be apportioned automatically if so footnoted by the OMB on the SF 132. As reapportionments are generated for other purposes during the year, amounts for recoveries will be reflected in all columns on Line 4A, Actual Recoveries of Prior Obligations. A change to Line 4A will not result in the initiation of an SF 132 reapportionment action. The following footnote will be included on all multi-year and no-year accounts containing unobligated balances:

“In addition to amounts apportioned herein, actual recoveries of prior-year obligations are automatically apportioned.”

NOTE: If recoveries have been realized, subsequent footnotes will be amended to change the word “actual” to “additional.”

I. Amounts transferred from/to the Foreign Currency Fluctuations, Defense; Foreign Currency Fluctuations, Construction, Defense; Environmental Restoration Fund, Defense; or ADP Equipment Management Fund accounts are apportioned upon approval of the subject internal reprogramming action by the OUSD(C). Accounts for which these transfers are applicable are to include the following footnote in Section 8 of the SF 132.

“This apportionment is adjusted automatically to reflect transfers to or from the Foreign Currency Fluctuations, Defense; Foreign Currency Fluctuations, Construction, Defense; Environmental Restoration Fund, Defense, or ADP Equipment Management Fund accounts.”

As reapportionments are generated for other purposes during the year, amounts of actual transfers will be reflected in all columns of the SF 132. Subsequent footnotes will be amended to insert the word “additional” before “transfers.”

J. Reprogramming of resources for payment of obligations that otherwise would have been chargeable to canceled accounts shall be made in accordance with the purposes stated in Section 8080 of P.L. 101-511, as supplemented by current DoD reprogramming policies, accounting directives and guidance. Accounts for which these obligations are permissible are to include the following footnote in Section 8 of the SF 132.

“Up to one percent of the original appropriation or the unobligated balance, whichever is less, may be utilized for the purpose of obligation adjustments and payments, that otherwise would have been chargeable (both to purpose and amount) to a canceled appropriation.”

K. Amounts reported as orders received for the reimbursable programs of accounts listed in paragraph 0206, below.

0203 SUBMISSION REQUIREMENTS

020301. Initial Apportionment Request. Initial SF 132 will be submitted to the OUSD(C), Directorate for Program and Financial Control (P&FC), at the following times:

A. Within five calendar days after completion of congressional action on a DoD appropriations act or substantive act or not later than August 14 where congressional action on a new appropriations act is completed prior to August 9. At the direction of the OUSD(C), the SF 132 also are to include certain transfers specified in the appropriations act on lines 1.E or 2.C (1.A and 6.E (-) additionally for reappropriations).

B. Not later than August 14 for revolving and public enterprise funds, and for other accounts having unobligated balances carried forward. In addition, an SF 132 for the new fiscal year shall be submitted on all accounts that have amounts withheld on Line 9 or 10 in the current fiscal year, and for which balances will be withheld in the next fiscal year. The amounts reported should be the best estimate of the balances withheld at the close of the fiscal year and if amounts differ from those currently withheld, a revised SF 132 for the current fiscal year should accompany the submission to bring the amounts into agreement.

C. Not later than August 14 for multi-year appropriations and other accounts having balances available for obligation in the next fiscal year that are not requested by OUSD(C) letter apportionment. The following footnote should be included:

“Amounts apportioned are automatically adjusted by the difference between the estimated and actual unobligated balance brought forward (+ or -).”

The footnote, if appropriate, will apply to the amount shown on line 2A.

NOTE: Obligations incurred will not exceed the amount(s) in section 8 of the above SF 132 plus or minus adjustments between estimated and actual unobligated balance brought forward. Obligations incurred in excess will be in violation of Title 31, United States Code, section 1517.

D. At such time and in such manner as determined by the OUSD(C) and/or the OMB for apportionments required under Continuing Resolution Authority, and for other reasons.

020302. Reapportionment Request. Reapportionment requests will be submitted on SFs 132 to the OUSD(C), under the following circumstances:

A. Whenever a change in the apportionments previously made becomes necessary because of changes in amounts available (e.g., actual reimbursements differ significantly from estimates), program requirements, cost factors or rescissions.

B. Whenever there have been significant changes in estimates shown on the form for appropriation receipts or reimbursements, or when there has been any change in the amount of transfers.

C. Whenever a change is required to quarterly apportioned amounts in Military Personnel, Operation and Maintenance, Defense Health Program or Family Housing Operation and Maintenance accounts.

D. Whenever a change is required to budget activity level (construction category) amounts in Military Construction and Family Housing Construction accounts.

E. Whenever a change is required to contract authority authorizations.

F. Whenever a change is required to borrowing authorities.

G. Whenever a change is required in credit financing accounts.

H. Within five calendar days after completion of congressional action on an Appropriations Act, or substantive act providing additional budget authority, except for adjustments covered by paragraph 020204.B of this Volume.

I. Not later than November 30 to correct an estimated unobligated balance brought forward to agree with the amount shown on the final Report on Budget Execution (SF 133) for the previous year, except for adjustments covered by paragraph 020204.F of this Volume.

H. Revised SFs 132 will be submitted to the OUSD(C) immediately upon completion of congressional action or inaction on proposed rescissions identified on the SFS 132 only upon expiration of 45 calendar days of continuous session without completion of action on a proposed rescission or upon rescission of an amount different from that proposed by the President. Revised SFs 132 also will be required should the Congress rescind all or a portion of the amount proposed by the President subsequent to the expiration of the prescribed 45 days of continuous session. SFs 132 must be prepared in advance and be held for immediate processing to assure that they reach the OMB upon enrollment of the rescission bill, upon expiration of the 45 days where congressional action on a rescission is incomplete, or on the day following the passage of a resolution disapproving an executive deferral. SFs 132 relating to these actions will include only those changes relating to congressional action on the amount reserved. No other changes are to be included on these actions.

Congressionally initiated rescissions may occur as the result of the reconciliation process established by the Congressional Budget Act (2 U.S.C. 641) or because of changing priorities or economic conditions during the year. Where the Congress takes such action, and an apportionment action for the involved account is not in process at the OUSD(C) or the OMB, a revised SF 132 will be submitted on the date of enactment of the reconciliation or rescission bill. The DoD Components will ensure that reduced appropriations are not exceeded.

020303. Number of Copies. Submit an original and one copy of SF 132 and supporting schedules. The SF 132 shall be produced utilizing the OUSD(C) supplied Microsoft Excel template or other software subject to OUSD(C) approval.

020304. Signature. An official not below the level of the Assistant Secretary (Financial Management and Comptroller) will sign the original of SF 132 submitted by the Military Department. Signature authority may be redeligated to another official in the Comptroller organization.

020305. Supporting Schedules. The following supporting schedules are required. These will be collated with the SF 132.

A. Each apportionment document shall be accompanied by an informal written explanation of the requested apportionment action and the appropriate points of contact for program content and administration.

B. Exhibit PB-48, "Analysis of Reimbursements" (see Appendix B). This schedule is required with SF 132 whenever there is a request to increase or decrease previously apportioned amounts of reimbursable authority. A short statement will be provided at the bottom of the PB-48 explaining why the change is requested.

C. Exhibit PB-49, "Schedule of Transfers" (see Appendix C). This schedule is required whenever there are transfer or reappropriation amounts reflected on lines 1.D, 1.E, 2.B and/or 2.C.

D. For the Army Conventional Ammunition Working Capital Fund, a schedule is required showing division or materiel category, sales, obligations, and total authority,

E. For the Working Capital Funds, a schedule is required showing Service/Agency business areas by appropriations, obligations, orders, capital and contract authority.

0204 NOTIFICATION TO COMPONENT OF OUSD(C) AND OMB ACTION

020431. Notification to DoD Components of OUSD(C) Action. Upon submission of the SF 132 to the OMB, the OUSD(C) will notify the Component involved of amounts recommended by the OUSD(C) if such amounts differ significantly from those requested by the DoD Component.

020402. Action by OMB. The OMB will indicate to the OUSD(C) the action taken in regard to the initial request for apportionment within the time prescribed by law, and in regard to reapportionment, generally within fifteen days after receipt of the request.

020403. Notification to DoD Component of OMB Action. Upon receipt of the written notification of OMB action on the SF 132, the OUSD(C) will provide a copy of the SF 132 reflecting such action, together with correspondence relating thereto, to the DoD Component.

0205 SPECIAL INSTRUCTIONS

020501. In certain instances, apportionment requests may anticipate the need for supplemental budget authority. In such instances, the following footnote will be made to the SF 132:

“This apportionment request indicates a necessity for a supplemental appropriation now estimated at \$_____.”

Approval of the above footnote on the apportionment request does not authorize exceeding the apportioned available resources in an account.

020502. Military Construction, NATO and Family Housing

A. Completion of SF 132

1. Military construction apportionment or reapportionment requests will be structured to correspond to the budget activities approved for use in the President’s Budget, utilizing lines under Category B of the SF 132, as follows:

- 8B(1). Major construction. This summary estimate will cover the acquisition of land for, and construction of, major construction projects usually authorized in specific dollar amounts in Military Construction Authorization Acts.
- 8B(2). Minor construction. This summary estimate will cover unspecified minor construction projects which have a funded cost of \$1 million or less including construction, alteration or conversion of permanent or temporary facilities as authorized under Title 10, United States Code, section 2805.
- 8B(3). Planning. This program will cover planning and design activities.
- 8B(4). Supporting activities. This summary estimate will cover general authorizations not included in 8.B(2) and 8.B(3) above, for all other activities which directly or indirectly support the military construction

program when financed from these appropriations. Examples are the defense access road program and minor land acquisitions.

8B(5). Reimbursable construction work. This summary estimate will cover any construction work and service orders undertaken for others on a reimbursable basis.

2. NATO Recoupments. NATO Infrastructure recoupments will be reported as available for apportionment on line 3.A, SF 132, for the “NATO Security Investment Fund” apportionment and will be used to finance the United States’ share of NATO Infrastructure programs.

3. Family Housing. Family Housing multi-year funds (Construction), Family Housing annual funds (Debt Payment, Operations and Maintenance) and the Family Housing Improvement Fund (Program and Credit Financing accounts) will require separate apportionment requests.

(a) Family Housing Construction. Family Housing Construction apportionment requests will be structured to correspond to the budget activities approved for use in the President’s Budget, utilizing lines under Category B of the SF 132, as follows:

8B(1). Construction of new housing. This summary estimate will cover the cost of new construction projects authorized in the appropriate Military Construction Authorization Acts.

8B(2). Construction improvements. This summary estimate will cover the cost of regular improvements, energy conservation improvements, and minor construction.

8B(3). Planning. This summary estimate will cover planning and design activities.

(b) Family Housing Operation and Maintenance. The Family Housing Support apportionment request will be structured utilizing Category A lines of the SF 132 as follows:

8A(1-4). Operation, Maintenance, Leasing. The estimate will be the amount required to operate, maintain and lease family housing units on a fiscal year quarter basis. The amounts should not be cumulative.

(c) Family Housing Improvement Fund. Apportionment and Reapportionment requests shall be submitted for the FHIF Program account and, when necessary, the FHIF Direct Loan Financing account and the FHIF Guaranteed Loan Financing account. Category B apportionment shall be used to reflect applicable administrative expenses, direct loan

subsidy, guaranteed loan subsidy and other miscellaneous items for the FHIF Program account. Category A and B combinations may be used for direct loan and guaranteed loan financing accounts, when appropriate.

020503. Commissary Store Facility Construction - Trust Revolving Fund. Public Law 97-321 (October 15, 1982) amended 10 U.S.C. 2685 to permit obligation of anticipated proceeds from the adjustments or surcharges authorized by Section 2685. Prior to any such obligation of funds, the amounts must be apportioned as contract authority on line 1.C of the SF 132.

020504. Credit Limitations. The applicable OMB instructions may prescribe an annual limitation on the amounts of direct loans and loan guarantees for Federal credit programs. These limitations will be apportioned unless specifically exempted by the OMB, and will be in addition to the apportionment of the related program account. Further, these limitations will be apportioned either as Category A or B. The OUSD(C) will provide additional guidance as necessary.

020505. Letter Apportionments. Letter apportionments may be requested by OUSD(C) and/or issued by the OMB under certain circumstances, such as, periods under Continuing Resolution Authority, for multi-year estimated/actual unobligated balance approvals, for sequestration, for prior approval reprogramming actions or internal reprogramming actions. Subsequent requests for reapportionment will reflect the amounts approved on the letter apportionment in all columns of the SF 132.

020506. Interim Apportionment Authority for Initial Appropriations Act. In cases where an apportionment request that reflects initial appropriations act resources is still pending after the start of the fiscal year, the authority to obligate resources is automatically apportioned, until the receipt of an OMB approved apportionment, to a level that is reasonable and customary for the time period. This authority may be further limited by OUSD(C) and OMB direction.

0206 AUTOMATIC APPORTIONMENT OF REIMBURSEMENTS

020601. In May 1992, the OMB repealed all policies addressing automatic apportionment of reimbursables. Only the accounts listed in paragraph 020602, below, can continue with automatic reimbursable authority.

020602. Reimbursable authority will be automatically apportioned to the extent orders are received for the following accounts:

- A. Military Personnel, Navy
- B. Military Personnel, Marine Corps
- C. Operation and Maintenance, Army
- D. Operation and Maintenance, Navy
- E. Operation and Maintenance, Marine Corps
- F. Operation and Maintenance, Air Force

- G. Operation and Maintenance, Army Reserve
- H. Operation and Maintenance, Navy Reserve
- I. Operation and Maintenance, Marine Corps Reserve
- J. Operation and Maintenance, Air Force Reserve
- K. Operation and Maintenance, Army National Guard
- L. Operation and Maintenance, Air National Guard
- M. Defense Health Program*
- N. Research, Development, Test and Evaluation, Army
- O. Research, Development, Test and Evaluation, Navy
- P. Military Construction, Army
- Q. Military Construction, Navy

* Approved October 28, 1992

020603. A footnote shall be included on all SF 132 submissions as follows:

“In addition to the amounts apportioned herein, an amount or amounts equal to the value or orders received and accepted within the fiscal year is hereby automatically apportioned upon receipt and acceptance of such orders pursuant to the OMB letter of May 15, 1992.”

and as follows for the ensuing years of an unexpired account:

“In addition to the amounts apportioned herein, an amount or amounts equal to the value of adjustments to prior year orders received and accepted within the fiscal year is hereby automatically apportioned upon receipt and acceptance of adjustments to such orders pursuant to the OMB letter of May 15, 1992.”

020604. Amounts automatically apportioned shall be included on subsequent reapportionment documents in all columns.

0207 DEFERRALS AND RESCISSIONS

020701. Deferrals

A. Available budgetary resources may be withheld from obligation temporarily through the apportionment process with the intent of apportioning them for use later, before they expire. Such deferral action may be taken by the OMB on its own initiative or at the request of the Department. Budgetary resources may be deferred as reserves to provide for contingencies under provisions of 31 U.S.C. 1512; or they may be deferred for other reasons under the Impoundment Control Act (2 U.S.C. 684), except that funds available for only one fiscal year may not be deferred throughout that year.

B. All funds deferred through the apportionment process must be reported to the Congress in special messages. The Congress may overturn a deferral at any time by passing a law disapproving the deferral. If the Congress takes no action to disapprove reported deferrals,

those deferrals may remain in effect until the end of the fiscal year unless a special message indicates that an earlier release is planned. For annual accounts and the last year of multiple-year accounts, however, funds may be deferred only for part of the year.

C. As the fourth quarter approaches, Components should review all deferrals (particularly of funds expiring at the end of the year) to ensure that amounts deferred for only part of the year will be released in time to be used prudently before the year ends. If a determination is made that such amounts should not be used, a rescission will be proposed prior to the beginning of the fourth fiscal quarter. Only in exceptional cases will rescissions be proposed during the fourth quarter. All proposed rescissions must be approved by the OMB.

D. If amounts actually becoming available are less than anticipated for indefinite budget authority, transfers, reimbursements, or recoveries, the difference will be deducted from amounts apportioned and not from amounts deferred or otherwise unapportioned, unless specific provision is made for a different treatment on the approved apportionment form or reapportionment action is taken. Whenever it is determined that a deferred amount will not be required to carry out the purposes of the appropriation or other authority, it will be recommended for rescission as required by law (31 U.S.C. 1512 and 2 U.S.C. 683).

020702. Rescissions

A. The Impoundment Control Act specifies that, whenever the President determines that all or part of any budget authority will not be required to carry out the full objectives or scope of programs for which it is provided, the President will propose to the Congress that the funds be rescinded. Likewise, if all or part of any budget authority limited to a fiscal year (e.g., annual appropriations or budget authority for the last year of multiple-year accounts) is to be reserved for the entire fiscal year, a rescission will be proposed. Budget authority also may be proposed for rescission for other reasons. Generally, amounts proposed for rescission will be withheld during the time the proposals are being considered by the Congress. This may be accomplished through OMB apportionment action and through agency withholding action.

B. All funds proposed for rescission, including those withheld, must be reported to the Congress in special messages. Positive action in the form of an enacted law must be completed to rescind funds. If both houses of the Congress have not completed action on a rescission proposed by the President within 45 calendar days of continuous session, any funds being withheld must be made available for obligation.

020703. DoD Policy

OMB Circular No. A-34 recognizes the possibility of agency deferrals that are not identified in connection with the apportionment process. These are categorized as deferrals of funds provided for a specific purpose or project when such deferral would result in obligation for such specific purpose or project at a pace significantly slower than intended by the Congress. Since it is the policy of the Secretary of Defense to obligate programs consistent with

the expressed intent of the Congress, this category of action should not take place within the Department. Strict adherence to this policy, however, does not preclude the continuance of prudent administrative actions reflected on financial authorizations that affect the timing of obligations for reasons related to the routine financial management of an appropriation, program, or project or to comply with procurement regulations or sound procurement practices. Any action taken in this regard must consider the intent of the Congress in providing funds as the primary criterion in determining whether a reportable deferral exists. Accordingly, DoD officials responsible for such actions must, at all times, be ready to support these judgments to any reviewing authority.