OFFICE OF THE UNDER SECRETARY OF DEFENSE



1100 DEFENSE PENTAGON WASHINGTON, DC 20301-1100

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MEMORANDUM FOR ASSISTANT SECRETARY OF THE ARMY (FINANCIAL
MANAGEMENT AND COMPTROLLER)
ASSISTANT SECRETARY OF THE NAVY (FINANCIAL
MANAGEMENT AND COMPTROLLER)
ASSISTANT SECRETARY OF THE AIR FORCE
(FINANCIAL
MANAGEMENT AND COMPTROLLER)
DIRECTOR, OPERATIONAL TEST AND EVALUATION
FINANCIAL EXECUTIVE/COMPTROLLER, DEFENSE
INFORMATION SYSTEMS AGENCY
DEPUTY, RESOURCE MANAGEMENT, MISSILE
DEFENSE AGENCY
DIRECTOR, TEST RESOURCE MANAGEMENT CENTER
DIRECTOR, READINESS AND TRAINING POLICY
PROGRAMS

SUBJECT: Clarification of Policy Regarding Customer Rates Charged at Department of Defense (DoD) Test and Evaluation (T&E) Facilities

During formulation of the FY 2006 DoD budget, the Financial Management Regulation (FMR) was revised to reflect revisions to the customer rates charge policy at DoD T&E facilities that were directed by the Congress in the FY 2003 National Defense Authorization Act (NDAA). The revised policy states that only those costs directly attributable to the conduct of a test at a T&E facility may be charged to the DoD customer.

It was the intention of last year's FMR revision to address only those charges to T&E customers and <u>not</u> training customers at Major Range and Test Facility Base (MRTFB) ranges. While the issue of rates charged for the use of T&E ranges for training activities warrants attention, last year's efforts were limited to implementing congressional direction regarding the management of the Department's T&E facilities.

My staff would be happy to participate in any future efforts to establish a common policy regarding the rates charged training customers for exercises conducted at T&E ranges.

John F. Roth
Deputy Comptroller