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CHAPTER 12

MAJOR RANGE AND TEST FACILITIES

1201 OVERVIEW

120101. <u>Purpose</u>. This chapter provides reimbursable policy for specific Department of Defense test and evaluation (T&E) activities (Figure 12-1), hereafter referred to as a Major Range and Test Facility Base (MRTFB). (This chapter does not apply to the commercial space launch activities of the 30th and 45th Space Wings; reimbursable policy for these activities is contained in <u>Chapter 13</u> of this volume. Nor does this chapter apply to the sale of samples, drawings, information, equipment, and certain services as authorized by 10 U.S.C. 2539b (see <u>Chapter 14</u> of this volume).

120102. <u>General</u>. The MRTFB is a national asset which is sized, operated, and maintained primarily for DoD test and evaluation support missions, but also is available to non-DoD users having a valid requirement for its capabilities.

1202 POLICY AND PROCEDURES

120201. <u>Funding</u>. Funding of the MRTFB is designed to: (a) assure the most cost effective development and testing of materiel; and (b) provide for interservice compatibility, efficiency, and equity without influencing technical testing decisions or inhibiting legitimate and valid testing. The MRTFB activities, as listed in DoD Directive 3200.11 (examples of these activities are listed in Figure 12-1), shall be funded in a uniform manner. The categories of goods and services charged to the MRTFB customers consistently shall be applied among all the MRTFBs. All costs incurred by MRTFB activities shall be billed to either one of the following sources: (1) MRTFB customers (users) or (2) direct appropriations of the managing activity. All costs not funded by customers on a reimbursable basis shall be funded as part of the direct appropriations of the Component responsible for the MRTFB. Direct appropriations sometimes are referred to as institutional funds.

120202. <u>Accounting</u>. The job order cost accounting system described in <u>Chapter 20</u>, "Job Order Costing," <u>volume 4</u>, of this Regulation is a minimum requirement to support financial management and funding policies at MRTFBs. The cost accounting system shall be used to determine charges under agreements entered into pursuant to DoD Directive 4000.19, "Inter-service, Interdepartmental, and Inter-agency Support." Reimbursement for the use of an MRTFB consistently will be determined within the Department of Defense.

120203. Reimbursements for Range Use

A. Working Capital Fund Activities

Working Capital Fund activities shall charge customers at standard rates, in accordance with established pricing policies contained in Volume 11B of this Regulation.

B. <u>Non-Working Capital Fund Activities</u>

1. <u>DoD Component Users</u>

a. DoD Component users shall reimburse MRTFB activities for direct costs readily identifiable with a particular customer order. The reimbursement charge shall include a proportional share (through appropriate rates) of equipment maintenance costs related to the use, and any other costs that are a direct result of T&E activities. Chargeable direct costs include labor, material, facilities, minor construction, utilities, equipment, supplies, items damaged or consumed during testing, and any resource or item maintained for a particular user. Direct costs billed shall be in accordance with Chapter 1, "General Reimbursement Procedures and Supporting Documentation," of this volume, and shall be identified to a job or function served in support of a customer order. Indirect costs shall be paid by the activity's direct appropriations.

b. Chargeable costs incurred by activities not funded by DoD Working Capital Funds for other DoD Components do not include military personnel costs.

- 2. <u>Non DoD Component Users</u>. This includes Federal, State or Local Government agencies, allied foreign governments, defense contractors, and when authorized, private organizations and U.S. commercial enterprise customers.
- a. MRTFB commanders shall charge all direct costs associated with a customer order.
- (1) Chargeable direct costs include labor, material, facilities, minor construction specifically performed for the customer, utilities, equipment, supplies, and other resources damaged or consumed during testing or maintained for a particular user.
- (2) Chargeable direct costs incurred by non-Working Capital Fund activities for other than DoD Components shall include all military personnel costs associated with a customer order. (Military personnel costs shall be priced at the composite standard military pay rate--see Chapter 14 of this volume.)
- b. MRTFB commanders shall charge an appropriate amount of indirect costs. Any indirect costs incurred, but not billed to a customer, shall be billed to the activity's institutional funds. Institutional funding levels, however, shall not be increased to finance any additional indirect cost incurred due to sales to non-DoD activities.
- ★ 3. <u>Limitation</u>. Consistent with the authority provided in 10 U.S.C. 2681, the policies in subparagraph 120203.B.2., above, are effective through September 30, 2002, unless 10 U.S.C. 2681 subsequently is amended to extend the authority. In the absence of such an extension, customers covered by subparagraph 120203.B.2. shall be charged in accordance with <u>Chapter 1</u>, "General Reimbursement Procedures and Supporting Documentation," of this volume.

- 4. <u>Foreign Military Sales</u>. Foreign Military Sales customers shall reimburse MRTFB activities in accordance with <u>chapter 7</u>, "Security Assistance Policy and Procedures," <u>Volume 15</u>, of this Regulation. This chapter does not, and shall not, be construed to permit foreign customer countries or foreign commercial entities to purchase services from MRTFB activities through other than Foreign Military Sales procedures authorized under the Arms Export Control Act.
- 5. <u>Government-Furnished Services</u>. When the use of an MRTFB activity has been included in a contractual agreement as government-furnished services, the user shall be charged based on the category of the contracting government agency (see subparagraph 120203.B.1. or 120203.B.2.).
- C. <u>Aborts and Cancellations</u>. Users shall be billed for all costs associated with aborts and cancellations in accordance with the pricing policy contained in subparagraphs 120203.A. and 120203.B.

MAJOR RANGE AND TEST FACILITY BASE

Army Activities

White Sands Missile Range (WSMR) including Electronic Proving Ground (EPG) at Ft. Huachuca, AZ High Energy Laser Systems Test Facility (HELSTF) U.S. Army Kwajalein Atoll (USAKA) Yuma Proving Ground (YPG) Dugway Proving Ground (DPG) Aberdeen Test Center (ATC)

Navy Activities

Naval Air Warfare Center - Weapons Division, Point Mugu Naval Air Warfare Center - Weapons Division, China Lake Naval Air Warfare Center - Aircraft Division, Patuxent River Naval Air Warfare Center - Aircraft Division, Trenton, NJ (Scheduled for closure) Atlantic Undersea Test and Evaluation Center (AUTEC) Atlantic Fleet Weapons Training Facility (AFWTF)

Air Force Activities

45th Space Wing
30th Space Wing
Arnold Engineering Development Center (AEDC)
Air Force Air Warfare Center
Air Force Flight Test Center (AFFTC)
(Includes Utah Test and Training Range)
Air Force Development Test Center (AFDTC), including the
46th Test Group at Holloman AFB, NM

Defense-Wide Activities

DISA Joint Interoperability Test Command (JITC)

Figure 12-1