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EIGHTH UNITED STATES ARMY  
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EUSA Regulation  
No. 37-1

24 December 1987

## Financial Administration BUDGET FORMULATION, EXECUTION, AND REVIEW

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**SUPPLEMENTATION.** Supplementation of this regulation by subordinate commands is prohibited unless prior approval is obtained from HQ EUSA, ATTN: RMJ-PB-RAE, APO SF 96301-0009.

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### 1. PURPOSE.

- a. To establish policies and procedures for budget formulation, execution, and review within Eighth United States Army (EUSA).
- b. To prescribe related responsibilities for resource management of appropriated funds (APF) and nonappropriated funds (NAF).

### 2. APPLICABILITY.

- a. This regulation is applicable to all major activity directors (MADs), subordinate commands, and other assigned units funded by the EUSA budget. Certain provisions apply to tenant and satellite activities receiving support from EUSA.
- b. This regulation applies to the following types of funds:
  - (1) Operation and Maintenance, Army (OMA) for support of EUSA operation and maintenance.
  - (2) Army Family Housing (AFH) for support of EUSA military family housing.
  - (3) Military Construction, Army (MCA) for approved EUSA construction projects.
  - (4) EUSA Retail Division of the Army Stock Fund (ASF) for the authorized procurement of stock fund supplies.
  - (5) Other Procurement, Army (OPA) for Productivity Capital Investment Program (PCIP) projects and for base-level commercial equipment (BCE) to procure nonstandard, non-table-of-organization-and-equipment (TOE) commercial end-items of equipment costing \$5,000 and over per item that are not centrally managed.

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\*This regulation supersedes EUSA Reg 37-1, 10 April 1984.

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(6) Reserve Personnel, Army (RPA) for support of the Junior ROTC Program and for incremental costs (billeting) associated with Reserve Component Overseas Deployment Training (RCODT).

(7) Operation and Maintenance, Army Reserve (OMAR) for incremental costs (incountry transportation) associated with RCODT.

(8) Operation and Maintenance, Army National Guard (OMARNG) for incremental costs in support of Overseas Deployment Training (ODT).

(9) Other APF as may be allocated to EUSA.

(10) Nonappropriated funds utilized by nonappropriated fund instrumentalities (NAFIs) established IAW AR 215-1.

**3. REFERENCES.** References are listed at appendix A.

**4. EXPLANATION OF ABBREVIATIONS.** Abbreviations used in this regulation are explained in the glossary.

**5. RESPONSIBILITIES.**

a. The Assistant Chief of Staff (ACofS), Resource Management (RM), will provide supervision over all aspects of programing, budgeting, and manpower management.

(1) The Senior Resource Committee (SRC) will plan and direct budgetary actions to ensure proper balance of resources among activities and effective utilization of these resources. Detailed responsibilities of the SRC and its component elements are contained in USFK Reg 15-1. The Program Budget Advisory Committee (PBAC) is one of the component elements of the SRC and is the "working" budgetary committee. Detailed responsibilities of the PBAC are contained in EUSA Reg 15-2.

(2) Major activity directors and subordinate commanders are responsible for the development, execution, and review of operating programs and budgets.

b. The following MADs and subordinate commanders will also have the specific responsibilities indicated below:

(1) The ACofS, J-1, is responsible for synchronization of APF and NAF for morale, welfare, and recreation (MWR) programs.

(2) The ACofS, J-3, is responsible for control of force structure and force planning to include RPA, OMAR, and OMARNG appropriations.

(3) The ACofS, J-4, is responsible for program and budget development of the ASF in accordance with DA guidance and the EUSA OMA supply program. Stock fund budget execution is the responsibility of the 6th Support Center

and 6th MEDSOM ASF branch offices in accordance with the execution plan provided by the ACofS, J-4, (home office of the EUSA Retail Division of the Army Stock Fund). The ACofS, J-4, will exercise staff supervision for stock fund budget execution in accordance with EUSA Reg 11-1. Maintaining stock fund accounting records including general ledgers and preparing stock fund financial reports for the home office and branches are the responsibilities of the Commander, 19th Support Command.

(4) The ACofS, Information Management (IM), is responsible for the planning, programing, and budgeting of IM funds in EUSA. Additionally, the ACofS, IM, is responsible for the OPA funding of information processing equipment (IPE) to include those items classified as BCE.

(5) The Commander, US Army Facilities Engineer Activity--Korea (FEAK), is responsible for the planning, programing, and budgeting of the EUSA Real Property Maintenance Account (RPMA), MCA, and AFH programs.

(a) The EUSA MCA fund allocations and adjustments will be managed by the Pacific Ocean Division of the US Army Corps of Engineers.

(b) Execution of the EUSA MCA program will be the responsibility of the US Army Engineer District, Far East.

(c) Army Family Housing program development is the responsibility of FEAK and will be in accordance with DA guidance and limitations.

(d) FEAK is responsible for the preparation and execution of the AFH budget.

(e) Funding guidance will be issued by the ACofS, RM, Program and Budget Division, (RMJ-PB), to FEAK. The ACofS, RM, will issue obligation targets (OTs) at the 1910 (Operations), 1920 (Repair and Maintenance of Facilities), 1930 (Utilities), and 1940 (Leased Housing) program elements (PEs).

(6) The EUSA Surgeon is responsible for medical activities (Program 84) program development and execution in accordance with DA guidance and limitations.

(7) Major activity directors, subordinate commanders, and ACofS, RM:

(a) Other Procurement, Army program development for non-IPE BCE will be the responsibility of the ACofS, RM. The ACofS, RM (RMJ-PB), will fund requirements by priority as established by the SRC. Base-level commercial equipment requirements will be submitted by the subordinate commands and assigned units at the request of the ACofS, RM, who will monitor execution for all BCE funds. Other Procurement, Army program development will be consistent with DA guidance and limitations. Detailed instructions for BCE are contained in EUSA Reg 37-53. Instructions for PCIP can be found in AR 5-4 and in a letter of instruction from the ACofS, RM, dated 24 September, 1986.

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(b) OPA program development for IPE will be the responsibility of the ACofS, IM. For those items classified as non-BCE, proper funding channels will be used to request OPA-2 funds from HQDA and the USA Information Systems Command (USAISC). For those items classified as BCE, EUSA subordinate command requirements will be consolidated and validated by the ACofS, IM. The requirements determined to be valid will be submitted to the ACofS, RM, for inclusion in the command BCE program.

**6. POLICIES.**

a. The Commanding General, EUSA, has the overall responsibility for management and control of APF and NAF. Authority to administratively control these funds in accordance with AR 37-20 and EUSA Reg 37-20 has been delegated to the ACofS, RM, to include further distribution and imposition of restrictions. The EUSA MCA funds are under the control of US Army Corps of Engineers, Pacific Ocean Division. Administrative control over NAF is the responsibility of the fund manager and assistant fund managers with staff supervision from the Community, Family, and Soldiers Support Command, Korea (CFSSCK).

b. Financial control will be decentralized and aligned with command and management responsibilities.

c. Major activity directors and subordinate commanders will be personally involved in resource management and funding decisions. Funds will be provided to subordinate commands and units assigned to HQ EUSA for specific purposes. Excess funds will be identified as early as possible in the execution phase so that reprogramming/withdrawal actions can be initiated. All personnel involved in the budgetary process will be responsible for establishing realistic requirements.

d. Obligation targets will provide subordinate commands and units assigned to HQ EUSA with financial resources and limitations/floors.

e. Only commanders of subordinate commands and units assigned to HQ EUSA to whom an OT is issued may certify availability of funds. Any individual acting on behalf of the commander must be specifically designated in writing in accordance with EUSA Reg 37-20.

f. Military and civilian personnel acting in the capacity of a fund certifying officer will become familiar with the provisions of 31 USC 1517 and 31 USC 1301 (formerly Sections 3679 and 3678 of the Revised Statutes).

g. Overobligation of APF will be precluded by utilization of internal control procedures. Proper organization, delineation of duties and responsibilities, and other internal control measures will be used to ensure that all accounts are accurate and current.

h. Effective coordination among MADs, budget officers at all levels, 175th Finance and Accounting Office--Korea, tenant/satellite activities, and

the ACofS, RM, is mandatory for reporting accounting data and effective utilization of available resources.

i. Eighth US Army is a major Army command (MACOM) receiving resource guidance from DA. External reporting is similar to other MACOMs. Internally, due to limited facilities and a restricted geographic area, EUSA operates a centralized financial accounting system.

**7. SUPPORT OF TENANT/SATELLITE ACTIVITIES.**

a. Base operations support will generally be provided to tenant/satellite activities on a nonreimbursable basis at the same level as for assigned units. Reimbursement will be required only for support items or for projects unique to the operations of the tenant/satellite activities in accordance with AR 37-49.

b. Subordinate commands will request tenant/satellite activities to advise them of anticipated changes in base operations support requirements, exclusive of mission-unique requirements, as soon as they become known, in order that they may be included in the command's programing and budgeting documents.

**8. INTEGRATION OF APPROPRIATED AND NONAPPROPRIATED FUND BUDGETING PROCEDURES.**

a. Major activity directors and subordinate commanders will promote synchronization between APF and NAF budget formulation, execution, and review.

b. The synchronization process will include the following:

(1) For NAFIs, the Commander, CFSSCK, will prepare the APF/NAF synchronized budget for all CFSSCK NAFIs. Appropriated fund support will be consistent with the provisions of AR 215-1. The CFSSCK Fund Manager will prepare NAF budget estimates for NAFI requirements.

(2) For other than CFSSCK NAFIs, installation commanders will ensure that NAF activity directors have representation on the local PBAC and that they participate in the budget development process for both APFs and NAFs.

**9. BUDGET FORMULATION.**

a. Eighth US Army is structured into three funding levels: ACofS, RM; MADs; and subordinate commanders.

b. Budget formulation will be accomplished in accordance with specific instructions published by DA and EUSA Headquarters at the time the following submissions are being prepared:

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(1) Program Analysis and Resource Review (PARR) (RCS CSOCS-263). In the PARR submission, EUSA will identify command initiatives, program changes, and issues that are to compete for resources during the 5-year program cycle. (Overall responsibility: ACofS, RM.)

(2) Command Operating Budget (COB) (RCS CSCAB-205). The COB is a detailed justification for the budget years of the approved Army program objective memorandum (POM). The COB submissions from EUSA subordinate commanders and units assigned to HQ EUSA will be reviewed by MADs prior to review and consolidation by the ACofS, RM. The COB addresses four fiscal years: the current year and the three succeeding years. (Overall responsibility: ACofS, RM.)

c. In EUSA, every level of command will be involved in budget formulation to ensure that requirements are accurate and complete.

### 10. BUDGET EXECUTION.

a. Budget execution will be based on an annual funding program (AFP) and quarterly allocations provided to EUSA by DA through the funding authorization document (FAD).

b. Budget execution will be controlled by issuance of OTs except as otherwise specified in this regulation.

c. Obligation targets do not constitute a fund limitation under the provisions of AR 37-20. However, if exceeding an OT results in an overobligation of an administrative fund limitation, the person responsible for exceeding the OT will be held responsible in accordance with applicable laws and regulations.

d. Subordinate commands and units assigned to HQ EUSA will prepare an obligation plan (OP) once a year in accordance with instructions issued by the ACofS, RM. Allocation of resources will be consistent with priorities and principles contained in the PARR and COB. Deviations from established programs and priorities will not be authorized except through procedures outlined in this regulation. In addition, subordinate commands and units assigned to HQ EUSA will prepare an execution plan (EP) showing planned execution by month and object class using the Output Oriented Resource Management System (OORMS).

e. Funds to subordinate commands and units assigned to HQ EUSA will be distributed by the ACofS, RM, through OTs. Amounts will be based upon reviews and recommendations made by the MADs and the ACofS, RM, and the subordinate command's or assigned unit's OP.

f. Reprogramming between or among Army management structure (AMS) codes can be accomplished by OT recipients without higher HQ approval in accordance with the following guidelines:

(1) Reprogramming funds between mission PEs is allowed except for AMS Code 208011.

(2) Reprogramming funds between letter accounts in base operations (BASOPS) or RPMA is allowed.

(3) Reprogramming of up to one percent of each P2 subprogram between subprograms is allowed.

(4) Notification of reprogramming actions will be sent to the ACofS, Resource Management, ATTN: RMJ-PB, APO 96301-0009, with an information copy to the applicable MAD(s) responsible for the AMS codes involved. Notifications will contain a brief statement describing the reason for the reprogramming action.

g. Limitation accounts (e.g., Maintenance of Real Property Floors, Official Representation Ceilings, Intelligence Contingency Ceilings, Annual Financial Targets, etc.) will be identified on the OTs. Limitations are at the subordinate command/assigned unit level and will be strictly adhered to.

h. Specific responsibilities pertaining to budget execution are as follows:

(1) The ACofS, RM:

(a) Overall responsibility for fund distribution, certification, and review.

(b) Issuance and maintenance of OTs to subordinate commands/assigned units.

(c) Issuance of OT changes based on subordinate commands'/assigned units' requests, MADs' recommendations, command priorities, or directives from higher headquarters.

(d) Preparation of Army obligation plan (RCS DD-COMP(M)1442) based on projected total obligation authority provided by DA and OPs submitted.

(e) Review of OP submission from subordinate commands and units assigned to HQ EUSA to ensure that the submissions are in compliance with guidance issued by the ACofS, RM.

(f) Establishment and dissemination of the command's won-to-dollar obligation rate.

(2) Major activity directors:

(a) Review of subordinate commands' requirements and submission of recommendations to ACofS, RM, on fund distribution.

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(b) Completion of a consolidated OP based on OPs from subordinate commands and units assigned to HQ EUSA.

(c) Submission of budget data as directed by the ACofS, RM (RMJ-PB).

(d) Submission of a deviation analysis for the RCS DD-COMP(M)1442 report (Army Obligation Plan), the quarterly Review and Analysis, or as requested by the ACofS, RM (RMJ-PB).

(e) Certification of funds in accordance with the provisions of AR 37-20 and EUSA Reg 37-20.

(3) Subordinate commands and units assigned to HQ EUSA:

(a) Development of OPs in accordance with guidance issued by the ACofS, RM.

(b) Submission of budget data as directed by the ACofS, RM, or the MADs.

(c) Initiation of reprogramming actions consistent with mission requirements and subparagraph f above.

(d) Certification of funds in accordance with the provisions of AR 37-20 and EUSA Reg 37-20.

**11. BUDGET EXECUTION REVIEW.**

a. All MADs, subordinate commanders, and the ACofS, RM, will conduct execution reviews on a continuous basis to determine current fund condition and future resource requirements.

b. Review will include performance factors and workload where such factors are available and/or appropriate.

c. If required, requests for reprogramming in quarterly or annual funding distribution resulting from the review process will be documented and submitted to the ACofS, RM, ATTN: RMJ-PB.

d. Reviews will utilize the OP as a basis for comparison.

**12. CONTROL OF PRIOR YEAR FUNDS.** At the end of each current fiscal year, funds control reverts to the ACofS, RM. Responsibility for subsequent certification of prior-year funds is delegated to the Commander, 175th Finance and Accounting Office--Korea. Responsibility for adjustments to and liquidation of unliquidated obligations at the close of the current fiscal year remains with the originating fund certification office.



The proponent of this regulation is the office of the Assistant Chief of Staff, Resource Management. Users are invited to send comments and suggested improvements on DA Form 2028 (Recommended Changes to Publications and Blank Forms) to the Commander, EUSA, ATTN: RMJ-PB, APO 96301-0009.

FOR THE COMMANDER:

OFFICIAL:

GERALD P. STADLER  
Major General, USA  
Chief of Staff



BARBARA F. KILLIAN  
1LT, AG  
Assistant Adjutant General

Appendix  
A. References

Glossary

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APPENDIX A

REFERENCES

AR 5-4 (DA Productivity Improvement Program). Cited in paragraph 5b(7)(a).

AR 37-20 (Administrative Control of Appropriated Funds). Cited in paragraphs 6a, 10c, 10h(2)(e), and 10h(3)(d).

AR 37-49 (Budgeting, Funding, and Reimbursement for Base Operations Support of Army Activities). Cited in paragraph 7a.

AR 215-1 (Administration of MWR Activities and Nonappropriated Fund Instrumentalities). Cited in paragraphs 2b(10) and 8b(1).

EUSA Reg 11-1 (Uniform Policies, Principles, and Responsibilities Governing Eighth United States Army Division, Army Stock Fund Program Management). Cited in paragraph 5b(3).

EUSA Reg 15-2 (Program Budget Advisory Committee). Cited in paragraph 5a(1).

EUSA Reg 37-20 (Financial Management and Control of Appropriated Funds). Cited in paragraphs 6a, 6e, 10c, 10h(2)(e), and 10h(3)(d).

EUSA Reg 37-53 (Base-level Commercial Equipment). Cited in paragraph 5b(7)(a).

LOI (RMJ), Subject: LOI for PCIP, dated 24 September, 1986. Cited in paragraph 5b(7)(a).

31 United States Code 1301. Cited in paragraph 6f.

31 United States Code 1517. Cited in paragraph 6f.

USFK Reg 15-1 (Senior Resource Committee). Cited in paragraph 5a(1).

## GLOSSARY

ACofS	Assistant Chief of Staff
AFH	Army Family Housing
AFP	annual funding program
AMS	Army management structure
APF	appropriated fund
ASF	Army Stock Fund
BASOPS	base operations
BCE	base-level commercial equipment
CFSSCK	Community, Family, and Soldiers Support Command, Korea
COB	Command Operating Budget
EP	execution plan
FAD	funding authorization document
FEAK	US Army Facilities Engineer Activity--Korea
IM	Information Management
IPE	information processing equipment
LOI	letter of instruction
MACOM	major Army command
MAD	major activity director
MCA	Military Construction, Army
MWR	morale, welfare, and recreation
NAF	nonappropriated fund
NAFI	nonappropriated fund instrumentality
ODT	Overseas Deployment Training
OMA	Operation and Maintenance, Army
OMAR	Operation and Maintenance, Army Reserve
OMARNG	Operation and Maintenance, Army National Guard
OORMS	Output Oriented Resource Management System
OP	obligation plan
OPA	Other Procurement, Army
OT	obligation target
PARR	Program Analysis and Resource Review
PBAC	Program Budget Advisory Committee
PCIP	Productivity Capital Investment Program
PE	program element
POM	program objective memorandum
RCODT	Reserve Component Overseas Deployment Training
ROTC	Reserve Officers Training Corps
RPA	Reserve Personnel, Army
RPMA	Real Property Maintenance Account
6th MEDSOM	6th Medical Supply, Optical, and Maintenance Battalion
SRC	Senior Resource Committee
TOE	table of organization and equipment
USAISC	USA Information Systems Command