Assistant Chief of Staff for Installation Management

POM 05 - 09 Sustainment, Restoration and Modernization (SRM) Business Rules
3 March 2003

Table Of Contents

3 March 2003

POM 05-09 Business Rules for Determining Projected Inventories

I. GENERAL

In order for the Army to adequately calculate the funding required to maintain and repair its necessary real property infrastructure, it must first determine how much real property infrastructure it will maintain. It establishes this by estimating what infrastructure it will have to support during the POM. The result is a series of projected inventories that are used to calculate the "sustainment" funding the Army uses for maintenance and repair of its infrastructure during the POM. These projected inventories are determined using a sequential process, with each subsequent step dependent on the preceding step. This sequential process is described in detail in the following paragraphs.

II. A. STEP 1: ESTABLISHING BASELINE INVENTORIES

The Army establishes three basic baseline inventories:

- Active Army Baseline Inventory
- Army Reserve Baseline Inventory
- Army National Guard Baseline Inventory

These baseline inventories establish the basic framework from which the total anticipated on hand inventory is determined.

Active Army and Army Reserve Baseline Inventories. Baseline inventory for active Army and US Army Reserve Command (USARC) installations is from Headquarters Executive Information System (HQEIS) as of 30 Sept 02. HQEIS inventory data is limited to Army owned/permitted facilities in ownership codes 1, 3, 4, 5 and 7 only. Leased and privately owned facilities are excluded. Facilities designated for Enhanced Use Leasing under Title 10, U.S.C. Section 2667 are also excluded.

ARNG Baseline Inventory. Baseline inventory for ARNG installations is from Headquarters Executive Information System (HQEIS) as of 30 Sept 02. ARNG inventory data is limited to federally funded facilities in ownership codes 0, 1, 3, 4, 5, 7, 9 and B at federal and state installations. Leased and privately owned facilities are excluded. Facilities designated for Enhanced Use Leasing under Title 10, U.S.C. Section 2667 are also excluded. Federal funding is determined by the agreement support code on facility records as shown at **Encl 1**.

II. B. STEP 2: <u>ADJUSTMENTS TO BASELINE INVENTORIES</u>

1. Identifying duplicate facilities. HQEIS inventory data is screened to identify duplicate facilities. ARNG installation numbers that are located on either active Army or USARC installations are obtained from HQEIS as of 30 Sep 02 to be used for this comparison. Facilities with the same facility number and category code reported by both an ARNG installation and by the corresponding active Army or USARC installation are excluded from the active Army or USARC inventory data and included in the ARNG inventory.   When such facilities on the corresponding active Army or USARC installations are out granted to an ARNG organization, they are only included in the ARNG inventory for calculation of the SRM requirement. The list of ARNG installations located on active Army or USARC installations for POM 05-09 is at **Encl 2**.

2. Screening for erroneous data. HQEIS inventory data is screened for erroneous data entries and inventory adjustments are made to inventory data used in POM analysis in accordance with the approved ACSIM inventory filter rules at **Encl 3**.

3. Other facility adjustments. HQEIS inventory data is adjusted to exclude square feet (SF) in category code (CC) 72520 (tent pads) and to exclude square yards (SY) in CC 15432 (riprap) in accordance with US Army Corps of Engineers, Installation Support Division (USACE ISD) business rules for counting assets. HQEIS inventory data is also adjusted to exclude all facilities with category codes ending in 90, since category codes ending in 90 are not in DA Pam 415-28.

4. Addition of planned construction projects to the inventory during the POM. Projected planned construction is added to the inventory two years after the identified funding year unless modified by the MACOMs due to scheduling changes. Army planning guidance is that most construction projects will take about two years to complete and then begin needing SRM sustainment. Construction project data provided by ACSIM for POM 05-09 will contain projects for FY 00-07 as of Oct 02. ARNG construction projects are limited to federally funded facilities as determined by the federal funding percentage included in the construction project data provided by ACSIM.

II. C. STEP 3: <u>EXCLUSIONS FROM BASELINE INVENTORIES TO PRODUCE PROJECTED INVENTORIES</u>

1. Installations excluded from the Active Army baseline inventory because they are funded by other sources are as follows:

a. Department of Defense (DOD) funded installations. DOD funded installations include Soldiers and Airmen's Home National Cemetery, Northgate Stockpile CO and the Silas B. Hays (sub-installation of Presidio of Monterey).

b. Army mission funded installations. Army mission funded installations include Chemical Demilitarization installations, Hawthorne Army Depot, Benicia Army Cemetery, Camp Stanley Storage Activity and Army Space and Missile Defense Command (SMDC) installations.

c. Army Working Capital Fund (AWCF) and Procurement Ammunition Army (PAA) installations.

d. Defense Logistics Agency (DLA) and TRICARE Management Activity (TMA) installations (except Fort Sam Houston).

e. ARNG Centers (CC 17180) and ARNG maintenance facilities (CC 21407, 21419) located on DOD funded, Army mission funded, AWCF, PAA, DLA or TMA installations are included with the ARNG baseline inventory. USAR Centers (CC 17140, 17141) and USAR maintenance facilities (CC 21409, 21418) located on DOD funded, Army mission funded, AWCF, PAA, DLA or TMA installations are included with the USAR baseline inventory.

f. ARNG/USAR Centers (CC 17142) located on DOD funded, Army mission funded, AWCF, PAA, DLA or TMA installations and assigned to ARNG units are included with the ARNG baseline inventory. ARNG/USAR Centers (CC 17142) located on DOD funded, Army mission funded, AWCF, PAA, DLA or TMA installations and assigned to USAR units are included with the USAR baseline inventory.

2. Other installations excluded from baseline inventories are:

a. Excess/inactive installations.

b. Non-Base Realignment and Closure (Non-BRAC) installations are excluded after the projected closure year. Non-BRAC closure installations include Bad Aibling, Regensburg Family Housing, Rheinau Coal Point D-1 and the Armed Forces Recreation Centers in Europe. All non-BRAC closure data is provided by ACSIM.

3. Specific types of facilities excluded from baseline inventories because their maintenance and repair funding comes from other non-Army Sustainment Restoration and Modernization (SRM) accounts include:

a. Medical facilities, commissaries, and DOD schools. Medical facilities (CC 31060, 31061, 5xxxx and other individual facilities specifically identified by TMA are excluded from the baseline inventory for active Army and USARC installations (except for West Point and except for all Fisher Houses (CC 53080)). Commissaries

(CC 74021) and dependent schools (CC 73046) are also excluded from the baseline inventory for active Army and USARC installations.

b. DLA facilities. DLA facilities are excluded from the baseline inventory for active Army and USARC installations based on the OSD SRM appropriation filter rules at **Encl 4**. Other individual facilities specifically identified by DLA are excluded from the baseline inventory for active Army and USARC installations.

c. Non Appropriated Fund (NAF) and Army and Air Force Exchange Service (AAFES) facilities are excluded from the baseline inventory for active Army and USARC installations based on the OSD SRM appropriation filter rules at **Encl 4**.

d. Army Family Housing (AFH) facilities in CC 71xxx are excluded from the baseline inventory. In addition, a percentage of the AFH infrastructure facilities at **Encl 5** are excluded from the baseline inventory based on the ratio of AFH SF to total installation SF.

4. Other Reserve Component adjustments made to the baseline inventories to accurately reflect sources of maintenance and repair funding include:

a. USAR Centers (CC 17140, 17141) and USAR maintenance facilities (CC 21409, 21418) located on OMA funded active Army installations or on ARNG installations are included with the USAR baseline inventory.

b. ARNG Centers (CC 17180) and ARNG maintenance facilities (CC 21407, 21419) located on OMA funded active Army installations or on USARC installations are included with the ARNG baseline inventory.

c. ARNG/USAR Centers (CC 17142) located on OMA funded active Army installations and assigned to active Army units are included with the applicable active Army installation baseline inventory. ARNG/USAR Centers (CC 17142) located on OMA funded active Army installations and assigned to ARNG units are included with the ARNG baseline inventory. ARNG/USAR Centers (CC 17142) located on OMA funded active Army installations and assigned to USAR units are included with the USAR baseline inventory.

d. ARNG/USAR Centers (CC 17142) located on USARC installations and assigned to USAR units are included with the USAR baseline inventory. ARNG/USAR Centers (CC 17142) located on USARC installations and assigned to ARNG units are included with the ARNG baseline inventory.

e. ARNG/USAR Centers (CC 17142) located on ARNG installations for which the ARNG has been designated by NGB as the host command are included with the ARNG baseline inventory. ARNG/USAR Centers (CC 17142) located on ARNG installations for which the USARC has been designated by NGB as the host command are included with the USAR baseline inventory.

5. Remaining Facility Reduction Program (FRP) disposal targets for FY 03 are excluded from baseline inventories. The demolition program will continue to reduce 2.7 MSF in FY04 and 2.3 MSF each year for FY05-09.

6. Remaining excess assets are excluded from baseline inventories.

7. Once all adjustments and exclusions are made to the baseline inventories, the results produced for the Army are:

- Active Army Projected Inventory
- Army Reserve Projected Inventory
- Army National Guard Projected Inventory

III. ABOVE THE LINE ADJUSTMENTS TO THE FSM GENERATED SUSTAINMENT REQUIREMENTS (POM 05-09)

Host Nation Support (HNS) is accounted for by reducing the FSM generated sustainment costs by the amount of HNS. This treats the HNS as being 100% funded. It is separately shown as a reduction to the costs on the applicable Region report. Currently, host nation support applies only to US Army Pacific Command (USARPAC).

Enclosure 6 is a list of all the above the line adjustments included in POM 05-09 and added to the total FSM generated SRM sustainment costs.

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IV. ENCLOSURES:

Encl 1: Army National Guard (ARNG) Agreement Support Codes
Encl 2: Army National Guard (ARNG) Installation List
Encl 3: Assistant Chief of Staff for Installation Management (ACSIM) Inventory Capacity Filter Rules

Encl 4: Office of the Secretary of Defense (OSD) SRM Appropriation Filter Rules

Encl 5: Army Family Housing (AFH) Infrastructure Facilities

Encl 6: Above the Line Adjustments to FSM Generated Sustainment Requirements