DEPARTMENT OF THE ARMY
HEADQUARTERS, UNITED STATES ARMY CADET COMMAND
FORT MONROE, VIRGINIA 23651-5000

REPLY TO
ATTENTION OF

ATCC-R-B

AUG 1 8 2005

MEMORANDUM FOR SEE DISTRIBUTION

SUBJECT: FY 06 Budget Guidance

1. As FY06 approaches, Cadet Command will face new challenges in the budget arena that have not been present in past years. As a result of Program Budget Decision (PBD) 712 directing military to civilian conversions and PBD 753 reductions, we have to take some risks in manpower requirements growth (Contractor Man-year Equivalents) at Senior Reserve Officer's Training Corps (ROTC) schools to accomplish a 15 percent mission increase, as well as the growth in Junior ROTC instructor pay due to the addition of 83 new schools.

2. The following guidance is provided to enable Region and Brigade Commanders, HQ staff, and Unit Support Installations to plan their respective FY 06 activities in accordance with command guidance to ensure mission accomplishment.

3. Effective 1 Oct 05, Reserve Personnel, Army (RPA) funds will convert to Military Personnel, Army (MPA) funds. MPA will fund uniforms, accoutrements, laundry and alterations, and meals. Operations Maintenance, Army (OMA) will now fund all cadet travel and lodging. The following are examples of what each appropriation will purchase:

a. OMA - OCIE, furniture, supplies, automation/classroom equipment, postage, curriculum, instructor ITOs, rental cars, cadet lodging, and cadet travel.

b. MPA - Cadet uniforms, laundry and alterations, meals, and accoutrements.

4. General Guidance:

a. The budget has been developed by HQCC DCS-G4/8 Budget Division using established templates and costing models.

b. Fenced programs are:

(1) Civilian Pay

(2) Military Training Specific Allotment (MTSA)/Military Training Specific Service Support (MTSS).

(3) Alternate Staffing

(4) Marketing

(5) ELL

(6) Scholarships

(7) Helicopter Flight Training Program (HFTP).

(8) JROTC OMA

(9) JR MPA

(10) SR MPA

c. Command funding priorities are:

(1) Health and Safety

(2) FY 2006 Operations Plan

(3) Training

(4) Buying forward to free up dollars in FY 07 operations

d. Enclosure 1 is a breakout of where funds reside for different types of expenditures. This is intended to help clarify funding sources.

e. The Program Budget Advisory Committee (PBAC) process will continue during FY 06. The initial PBAC will be held in Oct 05. Subsequent PBACs will be held on a quarterly basis. The PBAC will include briefings by each representative on the spending plan, actual execution of all funds and new or revised funding requirements. The PBAC will maintain execution of funds within the CG's command priorities. All funds remain classified as "CG's funds" and must be executed accordingly. Each Region, Brigade, Support Installation, and Headquarters, Cadet Command (HQCC) major staff element will be represented at the PBAC. The command should follow the guidelines of an execution level of 50% by Jan 06, 75% by May 06, and 100% by Aug 06. Programs that execute below this level are subject to having funds pulled to meet command priorities as determined by the key members of the PBAC and as recommended by the Director, DCS, G4/8. Key members of the PBAC are the Region Chiefs of Staff, Region Budget Officers, Brigade Executive

Officers, and the HQCC Directors of DCS, G1; DCS, G2; DCS, G3; DCS-G4/8; JROTC, SIG, and AAC, DCS, G6 (ISA-Monroe). As primary POCs, they have oversight of their functional areas and command programs. The PBAC is chaired by the Command Chief of Staff.

f. Status of Funds (SOF) Reports: HQCC Budget Region Teams will provide monthly SOF reports to Region and Brigade Commanders, or their designated representatives. These reports will be sent by the 5th working day of each month. Brigades have authority to cross-level their Battalion funds at the support installations. These cross-level actions must be within the same appropriation, for example: SR OMA to SR OMA, JR MPA to JR MPA, etc. All organizations must "live within" dollars assigned.

g. Marketing Funds (Advertising): Local marketing budgets beginning in FY 06 will be limited to funds for local purchases of recruiting specialty items (Personal Presentation Items (PPI)), printing for local direct mail efforts, and meals in support of recruiting events. (Regions have already provided these budgets to HQCC.) The initial distribution of these dollars will be at the beginning of FY 2006, as soon as funds are received from higher headquarters. This initial distribution of these "local purchase" funds will be limited to funds that units can obligate before the end of the 2d quarter of FY 2006. Dollars not obligated by 31 March 2006 will be pulled back for reuse. Thus, if units do not have plans to obligate local purchase dollars by 31 March 2006, such funds should not be requested at the beginning of FY 2006. A subsequent distribution of local purchase advertising dollars will be made to cover purchases planned for the spring and summer months. Regions will compile and submit quarterly Status of Funds reports on the unit budget advertising funds sent via FAD to support installations. These reports should be cumulative, and show advertising funds committed as well as obligated. The reports should be submitted to the Marketing Division, G2 on 15 January 2006 for the first quarter of FY 06; 15 April for the second quarter of FY 06; 15 July for the third quarter of FY 06; and 15 September for the fourth quarter of FY 06. With the beginning of FY 06 units will no longer use the Local Advertising and Purchasing System (LAPS) to order any items. Campus media advertising and similar types of purchases formerly ordered by the battalions and brigades using LAPS will be executed and funded centrally based on certain mandatory campaigns (i.e., Leader's Training Course (LTC) for all campuses and other critical advertising periods as emphasized in battalion Recruiting Enrollment Action Plans (REAP).

h. Commander's Flexibility: Region and Brigade Commanders have the authority to reprogram funds in order to accomplish their mission, provided they do not move funds out of a fenced program, and follow the Command's funding priorities. Also, commanders cannot reprogram funds between OMA and MPA, or between JROTC and SROTC. We encourage Brigade Commanders to fix their resource management problems by cross-leveling within their brigade first, then request Regions to cross-level prior to getting the HQCC, DCS-G4/8 involved.

i. Timely Document Submission: It is imperative that commanders ensure financial documents are mailed or faxed 20 days prior to the anticipated requirement date to DCS, G4/8 for budget preparation. All financial documents submitted for action will be date stamped upon receipt and worked by the date received. Travel authorizations in the Defense Travel System (DTS) must be prepared and submitted under these same timelines. This allows fair support to be provided to all serviced activities/individuals.

j. FY 06 Narrative Guidance - Detailed funding guidance that is recurring in nature is provided at Enclosure 2. This guidance addresses information that remains somewhat stable from year to year.

k. Unfinanced Requirements (UFRS): Based on current fiscal dynamics, units are directed to spend what they have on hand and meet all funded requirements prior to submitting a UFR to your higher HQ. In other words, spend what you have. Units may submit UFRs at any point throughout the fiscal year to their Brigade. The first required submission of UFRs will be mid-year. During our Mid-Year Review (March timeframe), UFRs will be requested. Battalions will submit their prioritized UFRs to Brigades. After review, Brigades will prioritize UFRs and submit to Region. Regions will review UFRs, prioritize, and submit to their HQCC DCS-G4/8 Budget Team. HQCC DCS, G4/8 Budget will provide Mid-Year Review guidance on or about Jan/Feb 06. New initiatives/ requirements will be worked as part of the PBAC process during the FY.

l. How-To. SROTC and JROTC "How To" documents are located on the ROTC Web page, www.rotc.usaac.army.mil, under The Right Site -- select Index, then select budget. It is highly recommended that you take advantage of this readily available information that will assist in your daily operations.

5. SROTC Program.

a. Installation Management Agency (IMA)/Base Operations Support (BASOPS) must be provided at the "common level user support" to the ROTC Region, Brigade, or Battalion. IMA published specific guidance in May 05 that outlines installation base support services to U.S. Army Cadet Command activities, including JROTC/SROTC units. This support must continue until a new Inter-service Support Agreement (ISSA) is in place, to determine that other means of reimbursement have been agreed upon by the applicable installation and HQCC. Any changes in the ISSA between HQCC and the installation must be signed by the Director, DCS, G4/8, to ensure that all areas of support are covered. Points of Contact for these actions are Mrs. Pat Grizzle, at 757-788-4629, or Mr. Mike Rolla, Chief, Force Management & Logistics Division, 757-788-4624.

b. G3 Training Missions. Funds are provided to carry out the training missions as specified in CC Reg 145-3. Detailed information on training missions is also included in the narrative guidance. The point of contact for all training issues is the DCS, G3 (Leadership Development), HQCC.

c. G2 Recruiting and Operations Missions:

(1) Funds are provided for each Brigade to conduct two training workshops with the Battalion ROOs. One will be scheduled in the first half of the year, and the second in the second half of the year. Subject Matter Experts (SMEs) at DCS, G2 (Recruiting and Retention Operations) are available to assist in this training and "Achieve Global" should be utilized for sales sustainment training as deemed necessary. These workshops will be funded by the DCS, G2. Submit workshop agendas and cost estimates through Region to the DCS, G2 for approval.

(2) Scholarship funding has been provided to each Brigade Commander. Each Brigade Commander is responsible for ensuring maximum utilization of available funding; however, they may not exceed the total amount of funding provided without express permission of CG, Cadet Command. Additional guidance is provided each year with the allocation plan. See G2 guidance at Enclosure 2.

d. Helicopter Flight Training Program (HFTP). Funds have not been authorized at this time, but are expected with initial funding early in FY 06. HFTP funding is fenced, and is managed at HQCC G2 and G4/8 level with coordination as necessary with University of North Dakota, 11th Bde, and Western Region.

e. Military Training Specific Allotment/Military Training Service Support (MTSA/MTSS): HQCC DCS, G1 and DCS-G4/8 Budget centrally manage MTSA/MTSS funds. Funds primarily pay for new Lieutenants attending OBC. MTSA/MTSS funds are fenced.

6. JROTC Program. See Program Guidance listed at Enclosure 2, JROTC.

7. Points of contact (POCs) are Ms. Ronnie Fuster, Eastern Team Leader, (757) 788-2086; Ms. Merrion Howard, Western Team Leader, (757) 788-4638; Ms. Deborah Swanson, Headquarters Team Leader (757) 788-2592; Ms. Rolla Brown, SROTC Budget Analyst, (757) 788-2896, and Ms. Janet Porter, JROTC Budget Analyst (757) 788-4635. Overall POC is Ms. Deborah Cuffy, Budget Officer, (757) 788-2592.

FOR THE COMMANDER:

2 Encls
as

RADAMES CORNIER, JR.
Colonel, GS
Chief of Staff

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Region, Brigade, and Battalion Commanders, U.S. Army Cadet Command
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