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DEPARTMENT OF THE NAVY
MILITARY SEA TRANSPORTATION SERVICE, PACIFIC
N.S.C., OAKLAND, CALIFORNIA 94625

MSTSPAC 7100.1G
P-51
15 April 1968

MSTSPAC INSTRUCTION 7100.1G

From: Commander, Military Sea Transportation Service, Pacific
To: Distribution List

Subj: Budgetary Control Afloat

Ref: (a) MSTSPACINST P4700.3B, Subj: MSTSPAC Ship Maintenance Manual
(b) Ship Budget Status Report (12ND MSTSPAC Form and Report 7110/1)

1. Purpose. The purpose of this Instruction is to provide Funds Administrators of MSTSPAC with information relative to operating principles of the annual Nucleus Ship Operating Budget and to establish responsibilities of Funds Administrators for the control of expense authorizations granted by COMSTSPAC.

2. Cancellation. MSTSPAC INSTRUCTION 7100.1F is superseded. *

3. Scope. Provisions of this instruction are applicable to all personnel of MSTSPAC who are designated as Funds Administrators with the authority to incur expenses within specific classifications, and for the guidance of all other personnel engaged in operations which result in expenditures from the Navy Industrial Fund of MSTS. *

4. Definition. In the application of this Instruction, the following definitions apply:

a. Funds Administrator. Designated personnel of MSTSPAC delegated responsibility for administration of expense authorizations within specific limitations and in accordance with this directive.

b. Encumbrance. A reservation against an expense authorization for a planned expense. An encumbrance is generated by the first action taken to secure material or services for charge to an expense account.

c. Expense Authorization. Authority granted by COMSTSPAC in writing to incur expenses within specific limitations of time and amount in a particular expense account or group of accounts. *

5. General Policy

a. Insofar as practicable, within existing procurement and accounting procedures, the individual most likely to incur an expense within a particular expense classification will be designated as Funds Administrator. In addition

to legal responsibilities assumed by all persons engaged in the administration of public funds, Funds Administrators must be aware of day-to-day operations; analyze expense to be incurred; recognize deviations from planned expense; evaluate the practicability thereof in light of the command mission and determine whether such expense is necessary and in the best interest of the government.

b. Expense authorizations will be granted by expense account and expense group. Authorizations may not be transferred between accounts; however, excepting where overtime is involved, overexpenditure of an account is authorized provided the overexpenditure is fully offset by underexpenditure of other accounts within the same expense group. Overtime accounts may not be overexpended under any circumstances without prior notification of COMSTSPAC. *

c. The budget period will be a fiscal year, beginning 1 July and ending 30 June of the following calendar year. However, expense authorizations for ship operations normally will be granted for semi-annual periods. Expense authorized for the second semi-annual period will be added to the first semi-annual authorization which will constitute the total expense authorized for the budget period. Balances (either debit or credit) remaining at the close of the first semi-annual period will be carried forward; however, balances will not be carried forward between annual budget periods (fiscal years).

6. Request for Additional Expense Authorization. When it is determined that expense group authorizations are insufficient to meet minimum expense required, request for additional expense authorization will be submitted to COMSTSPAC immediately via air mail - NOT by message. Request will set forth in detail the reasons and justification for deviation from normal expense. When expense authorizations exceed requirements, COMSTSPAC will be notified immediately of the excess via air mail.

7. Funds Administrators - Afloat. Masters of nucleus ships under the administrative control of COMSTSPAC are hereby designated as Funds Administrators for the following expense accounts: *

- 5102 - Civilian Marine Overtime (Operational & Emergency M&R)
- 5106 - Reimbursable Civilian Marine Overtime
- 5107 - Civilian Marine Other Premium Pay (Operational and Emergency M&R)
- 5127 - Reimbursable Civilian Marine Other Premium Pay
- 5180-5 - Civilian Marine Overtime (Scheduled M&R Overtime not of an emergency nature)
- 5180-4 - Civilian Marine Other Premium Pay (Scheduled M&R Overtime not of an emergency nature)

Management of Maintenance and Repair Overtime and Other Premium Pay (Account 5180) will be in accordance with Article 6.5 of reference (a).

- 5130 - Consumable Supplies
- 5131 - Reimbursable Consumable Supplies
- 5136 - Medical & Dental Expenses
- 5148 - Laundry Supplies and Expenses
- 5171 - Ships Equipage
- 5172 - Reimbursable Ships Equipage
- 5180-6 - Spare Parts, Spare Parts Sets and Electronic Repair Parts
- 5197 - Reimbursable Miscellaneous Expenses
- 5199 - Miscellaneous Expenses

All material and services applicable to above accounts will be charged to expense on receipt, rather than when orders are placed.

8. Budget Estimates. Upon request from COMSTSPAC, Funds Administrators * will prepare and submit estimated budget requirements for expense accounts under their administrative control. This request normally will be made in the month of October for estimates covering the remainder of the current fiscal year and following annual fiscal year.

9. Material Returned to Supply Activities for Credit. Credit for material invoiced to supply activities may be used to reduce current fiscal year expense under the following conditions:

a. When material is returned to supply activities, the resulting credit may be used to reduce current fiscal year expense if item was received during current fiscal year and if the supply activity's credit invoice is on hand or the credit appears on the quarterly IBM listing furnished the ship by COMSTSPAC.

b. Credit for items received in previous fiscal years will not be recorded against expense without approval of COMSTSPAC.

10. Ship Budget Status Reports. Copies of ship's monthly budget statements shall be furnished COMSTSPAC (Attn: P-51) immediately upon completion. It is not the intention of COMSTSPAC to prescribe one specific format to be used by all ships for their budget status reports; however, reference (b) is suggested as providing the minimum information necessary for proper budgetary management.

11. Delay in Receipt of Budgets. When expense authorizations are not received by Funds Administrators by 1 July and 1 January of each year, normal expenses necessary for continued assigned operations may be incurred pending receipt of budgets. However, abnormal or unusual expense will not be incurred without prior reference to COMSTSPAC except where emergency conditions exist.

R. KEFAUVER

Authenticated:

S. A. Wilson

S. A. WILSON
Directives Control

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