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NAVAL SHIPS TECHNICAL MANUAL

CHAPTER 9002

ADMINISTRATION OF FUNDS



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NAVAL SHIP SYSTEMS COMMAND, WASHINGTON, D. C. 20360

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CHAPTER 9002 — ADMINISTRATION OF FUNDS

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9002.1 GENERAL

This section contains the basic regulations and references to regulations pertaining to the administration of funds appropriated for programs assigned to the Naval Ships Systems Command. Sections II through VI of this Chapter, which were included in the 15 January 1955 issue do not appear. These sections have been eliminated to avoid duplication of instructions and information issued or available to holders of the Naval Ships Technical Manual.

9002.2 SOURCES OF AUTHORITY

In order to conduct the functions with which NAVSHIPS is charged in Navy Regulations and other SECNAV Instructions, requests for funds are made annually via various levels of executive review to the Congress. Resultant funds appropriated by the Congress are made available to the Commander, NAVSHIPS through the apportionment procedures of the executive branch via Secretary of Defense (Comptroller) and Secretary of the Navy. Title IV of the National Security Act of 1947, as amended, prescribes how Department of Defense budget estimates shall be prepared, presented, and justified, establishes the functions of the departmental comptroller organization, and prescribes the uses of working capital funds. Section 3679 of the Revised Statutes, as amended, provides that all agencies of the Government receiving appropriations of public funds will establish administrative regulations to prevent overexpenditure or overobligation of funds and will require maintenance of accounting records to provide full disclosure of financial operations. Implementing these laws, the Secretary of Defense (Comptroller) and the Secretary of the Navy (Comptroller) have issued administrative regulations, applicable to the financial operations of the Commands, which are embodied in DOD, SECNAV, and NAVCOMPT Directives and Instructions, and NAVCOMPT and Naval Supply Systems Command Manuals. Additional instructions applicable to funds of NAVSHIPS are promulgated by amendments to the NAVCOMPT and Naval Supply Systems Command Manuals, and by NAVSHIPS Notices and Instructions. It is intended that this chapter serve as a general financial guide in programs administered by NAVSHIPS with specific instructions and regulations being provided in the above-mentioned sources.

9002.3 RESPONSIBILITY OF COMMANDER NAVSHIPS

The Commander, Naval Ship Systems Command, is responsible to the Secretary of the Navy (Comptroller) for the preparation of appropriation budgets for programs within his technical cognizance and for the administration of appropriated funds received from the Bureau of the Budget including estimated reimbursements, transfers, and all other items of anticipated receipts. He has authority within the statutory language of the appropriations and the apportionment schedule to employ allocated funds as he may deem proper in the execution of the programs. He is also responsible for the establishment of adequate funds, control records, and for ensuring that the official accounting records

maintained by the NMCSA provide full disclosure of the financial operations and resources derived from appropriations and funds assigned to the Naval Ship Systems Command for administrative control. He has power to delegate this authority, and has done so, with further redelegation authorized, to his Comptroller whose functions are indicated below. Concurrent with the responsibility for administration of funds is the responsibility for determining progress achieved in the accomplishment of authorized programs. The accurate and timely preparation of the statistical and financial data compiled for management of NAVSHIPS programs is also part of the financial stewardship vested in the Commander and delegated by him to his primary officers cognizant of various parts of assigned programs.

9002.4 GENERAL CONCEPT OF THE COMPTROLLER FUNCTION

The Secretary of the Navy has promulgated for guidance the following explanation of the Comptroller function: "The Comptroller must provide technical guidance and direction to the conduct of specific fact-collection systems in the areas of budget formulation and execution, program analysis, accounting, progress reports, and statistics. The fully coordinated staff service provided by the Comptroller should relieve the commanding officer of much of the burden of detailed fact collection, coordination, and analysis. When properly performed, comptrollership will enable the commanding officer to spend more of his time in the areas of policy formulation, decision, and program direction."

9002.5 RESPONSIBILITY OF COMPTROLLER, NAVAL SHIP SYSTEMS COMMAND

The Comptroller is the officer in charge of the Comptroller Divisions which comprise a Budget Division and an Accounting Division. These Divisions perform fiscal staff functions for all divisions of NAVSHIPS engaged in execution of the general financial plan for each funded program. The authority of the Commander, NAVSHIPS for the administrative control of appropriations and funds allocated or otherwise made available to NAVSHIPS has been delegated to the Comptroller. Subject to the direction and control of the Commander, NAVSHIPS, the Comptroller will perform the following functions:

1. Prepare and sign all Command requests for budget activity allocations, apportionments, and reapportionments.
2. Establish and define projects and subprojects in approved Command programs.
3. Make internal allocations to such projects and subprojects within the apportionments or reapportionments, and budget activity allocations approved by higher authority.
4. Approve or disapprove, on the basis of the approved financial plan, all requests for the issuance of documents committing, obligating, or authorizing the expenditure of funds.
5. Require accounting records to be maintained.
6. Establish, or require to be established, fiscal controls which will prevent overcommitment, overobligation, and/or overexpenditure of funds, apportionments, reapportionments, or subdivisions thereof. The Comptroller is also authorized to perform examinations in NAVSHIPS, field activities, and commands where NAVSHIPS has been assigned Command.

9002.6 RESPONSIBILITY DELEGATED TO THE FIELD

Each command or activity authorized by NAVSHIPS to obligate or expend appropriated funds will administer and account for such funds in compliance with applicable Fed-

eral law, applicable Department of Defense regulations, and NAVCOMPT Instructions, and such supplementary NAVSHIPS Instructions as may be issued on the more detailed phases of specific programs.