



DEPARTMENT OF THE NAVY
OFFICE OF THE ASSISTANT SECRETARY
(FINANCIAL MANAGEMENT AND COMPTROLLER)
1000 NAVY PENTAGON
WASHINGTON, DC 20350-1000

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MEMORANDUM FOR DISTRIBUTION

Subj DEPARTMENT OF THE NAVY FINANCIAL MANAGEMENT POLICY MANUAL
REVISION

Ref: (a) Infrastructure Vision and Strategic Plan of 24 Jun 97
(b) CNO WASHINGTON DC 232110Z Jun 97
(c) CNN WASHINGTON DC 192215Z Dec 97
(d) ASN(FM&C) memo of 23 May 97

Encl: (1) Department of the Navy Financial Management Policy
Manual, Part B: Operation Funding Policy, Paragraphs
075100-075123

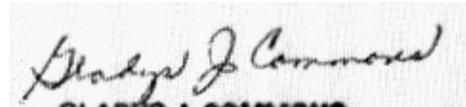
Based on direction contained in references (a) through (c), the Department of the Navy (DON) is streamlining the management of the shore infrastructure through various efforts, including the Installation Claimant Consolidation (ICC) initiative. The ICC initiative allows for a reduction in the number of major claimants with Base Operating Support (BOS) as a primary mission, requires certain realignments of BOS resources to the remaining claimants, and necessitates certain changes to the governing DON financial management policy.

In order to allow for expeditious implementation of the financial policy changes pertaining to the ICC initiative, the DON Financial Management Policy Manual (FMPM) revision to paragraphs 075100 through 075123 is provided in enclosure (1). This revision incorporates the installation Core Business Model (ICBM), as amended, which was initially disseminated in reference (d) as an integral part of the Installation Management Accounting Project. The ICBM specifically delineates functions that are performed and/or managed by Navy installations and usually funded through BOS. It is the overarching functional and financial framework for ICC implementation.

With the exception of the Bureau of Medicine and Surgery (BUMED), the realignment of BOS resources necessary to effect the ICC is being accommodated within the DON budget process. However, since BUMED is financed through the Defense Health Program, we will request a functional transfer of resources in the Fiscal Year 2000/2001 DON Budget Submission this fall. In the interim, BUMED should continue to reimburse the responsible claimant for BOS support until required functional transfers are executed.

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The contents of enclosure (1) will be included in the next FMPM updated.



GLADYS J. COMMONS
Assistant Secretary of the Navy
(Financial Management and Comptroller)
Acting

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