



OFFICE OF THE SECRETARY OF DEFENSE

WASHINGTON, DC 20301

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MEMORANDUM FOR ACTING DIRECTOR OF ARMY BUDGET, OFFICE OF THE ASSISTANT SECRETARY OF THE ARMY (FINANCIAL MANAGEMENT AND COMPTROLLER)
DIRECTOR, OFFICE OF BUDGET AND REPORTS, OFFICE OF THE ASSISTANT SECRETARY OF THE NAVY (FINANCIAL MANAGEMENT AND COMPTROLLER)
DEPUTY ASSISTANT SECRETARY (BUDGET), ASSISTANT SECRETARY OF THE AIR FORCE (FINANCIAL MANAGEMENT AND COMPTROLLER)
CHIEF FINANCIAL OFFICER, DEFENSE LOGISTICS AGENCY
CHIEF PROGRAM AND BUDGET DIVISION, THE JOINT STAFF

SUBJECT: Container Detention Payments During Contingency Operations

This memorandum modifies existing DoD Instruction 4500.57, "Transportation and Traffic Management" and Defense Transportation Regulation (DTR) procedures and provides revised budgeting and transportation policy for payment of and responsibility for ocean shipping container detention cost during contingency operations. It specifically applies to operations in support of the Global War on Terror (GWOT) to include Operations ENDURING FREEDOM (OEF) and IRAQI FREEDOM (OIF) in the United States Central Command (USCENTCOM) contingency areas of responsibility (AOR). Applicability in future contingencies will be addressed as they occur.

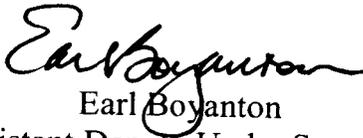
Consistent with past practices, and with the current GWOT supplemental funding, the Army is designated the DoD Component for payment of commercial carrier ocean container detention charges in the USCENTCOM OEF and OIF AOR.

Because the Department budgeted for the Army to pay for all container detention cost in the USCENTCOM AOR and because Congress appropriated funds as requested, the Army is responsible for reimbursing the Surface Deployment and Distribution Command (SDDC) for any outstanding container detention bills incurred through FY 2008. Accordingly, the Army will reimburse SDDC for all container detention costs with the exception of Commercial Vendors (CV) through FY 2008 resulting from these operations. The CVs are responsible for paying their own detention charges.



Beginning in FY 2009, all container detention charges for contingency operations will be billed separately and shall be assessed against the lead Military Service for those countries in the AOR where container detention occurs, as specified by the Geographical Combatant Commander (i.e., the Army will be billed for container detention occurring in Kuwait, Afghanistan, Pakistan, and Iraq). The Services will be billed for activities assigned under an existing executive agency (e.g., Army pays detention for containers consigned to the Army and Air Force Exchange System). Commercial vendors will be responsible for paying detention charges for all containers assigned to them. For non-contingency operations, detention continues to be paid by the responsible party in accordance with Defense Travel Regulation (DTR), Part II. The Office of the Under Secretary of Defense (Acquisition, Technology, and Logistics) (OUSD(AT&L)) will revise DoD Instruction 4500.57 and USTRANSCOM will revise the DTR to reflect these changes. This new policy is intended to limit the danger to personnel attempting to establish responsibility for detained containers located in contingency zones.

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