

**BY ORDER OF THE  
SECRETARY OF THE AIR FORCE**

**AIR FORCE INSTRUCTION 14-101**

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***Intelligence***

***INTELLIGENCE CONTINGENCY  
FUNDS***

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This publication implements Air Force Policy Directive (AFPD) 14-1, *Intelligence, Surveillance, and Reconnaissance (ISR) Planning, Resources, and Operations*. It provides guidance and procedures for executing the Air Force Intelligence Contingency Funds (ICF) program. This publication applies to Regular Component, Air Force Reserve (AFR), Air National Guard, and Department of the Air Force (DAF) Civilians. Ensure all records created as a result of processes prescribed in this publication are maintained in accordance with (IAW) Air Force Manual (AFMAN) 33-363, *Management of Records*, and disposed of IAW Air Force Records Disposition Schedule (RDS) located in the Air Force Records Information Management System (AFRIMS). Refer recommended changes and questions about this publication to the Office of Primary Responsibility (OPR) using the AF Form 847, *Recommendation for Change of Publication*; route AF Forms 847 from the field through the appropriate functional chain of command. This publication may be supplemented at any level, but all direct supplements are routed to the OPR of this publication for coordination prior to certification and approval. Major Commands (MAJCOMs) need to provide a copy to the OPR upon publication. IAW Air Force Instruction (AFI) 33-360, *Publications and Forms Management*, the authorities to waive wing/unit level requirements in this publication are identified with a tier (“T-0, T-1, T-2, T-3”) number following the compliance statement. Submit requests for waivers through the chain of command to the appropriate tier waiver approval authority, or alternately, to the Publication OPR for non-tiered compliance items.

### ***SUMMARY OF CHANGES***

This publication has been significantly revised and should be reviewed in its entirety. This revision includes changes due to the US Air Force Intelligence, Surveillance, and Reconnaissance (ISR) Enterprise Realignment, specifically the establishment of an ISR Numbered Air Force, designated the Twenty-Fifth Air Force (25 AF) that realigned the Air Force Intelligence, Surveillance and Reconnaissance Agency under Air Combat Command (ACC); and the designation of AF/A2RX (Execution Division) as the OPR for this publication. Additional changes include: adds Military Intelligence Program (MIP) Program Element Code (PEC) for MIP Human Intelligence (HUMINT) ICF (35183F); differentiates between GDIP (General Defense Intelligence Program) HUMINT ICF and MIP HUMINT ICF expenditures; introduces the newly published AFI 14-101 Addendum; eliminates Deputy Undersecretary of the Air Force for International Affairs as an ICF manager and their reported Attaché category of ICF; eliminates Scientific and Technical Intelligence category of ICF; prescribes the use of the “ICF Inventory Gift Tracking List” spreadsheet in lieu of the rescinded AF Form 277, *Commodity Log*; posts change in Consumer Price Index Minimal Value (increased to \$375.00 or less); changes the quarterly ICF Execution Report-Field Activity reporting template and ICF Incentive Gift Inventory List template; delineates the process to properly dispose of ICF inventory by transfer, turn-in, or destruction; and clarifies the roles and responsibilities of the ICF accountable personnel.

## Chapter 1

### OVERVIEW

**1.1. Authority for Emergency and extraordinary expenses (E&EE) is found in Title 10, United States Code (USC), Section 127 (10 USC 127), *Emergency and Extraordinary Expenses*.** Section 127(a) states, "Subject to the limitations of subsection (c), and within the limitation of appropriations made for the purpose, the Secretary of Defense, the Inspector General of the Department of Defense (DoD), and the Secretary of a military department within his department, may provide for any emergency or extraordinary expense which cannot be anticipated or classified." ICF expenditures are generally considered extraordinary due to the confidential military purposes; therefore, they cannot be processed through normal accounting and finance channels. Section 127(a) further states, "When it is so provided in such an appropriation, the funds may be spent on approval or authority of the Secretary concerned or the Inspector General for any purpose he determines to be proper, and such a determination is final and conclusive upon the accounting officers of the United States (US). The Secretary concerned or the Inspector General may certify the amount of any such expenditure authorized by him that he considers advisable not to specify, and his certificate is sufficient voucher for the expenditure of that amount."

## Chapter 2

### ROLES AND RESPONSIBILITIES

**2.1. Administrative Assistant to the Secretary of the Air Force (SAF/AA).** IAW Headquarters Air Force Mission Directive (HAFMD) 1-6, *Administrative Assistant to the Secretary of the Air Force*, establishes the annual expenditure limitation for the ICF program and is responsible for overall management of the expenditure of contingency funds for E&EE. SAF/AA will:

2.1.1. Provide funding allocation, to include administrative and fiscal limitations to AF/A2 from within Air Force Operation and Maintenance Appropriations, IAW 10 USC 127 and the National Defense Authorization Act.

2.1.2. The office of the Secretary of the Air Force, Resource Directorate (SAF/AAR) reviews quarterly ICF Execution Reports, certifies that ICF expenditures are within the annual limitation authority, and extracts the summary data from the ICF Congressional Report (Part I). SAF/AAR then consolidates all ICF input into the Exhibit OP-24 Emergency and Extraordinary Expense Limitation outlined in Volume 2A, Chapter 3 of DoD 7000.14-R, *Department of Defense Financial Management Regulation (DoD FMR)*.

**2.2. Deputy Chief of Staff (DCS) for Intelligence, Surveillance, and Reconnaissance (ISR) (AF/A2).** AF/A2 will:

2.2.1. Establish procedures to expend, manage, and account for ICF funds, and exercise final approval authority on all ICF issues contained in this instruction.

2.2.2. Approve Major Command (MAJCOM)/Field Operating Agency (FOA) annual ICF operating budgets, as appropriate.

2.2.3. Review quarterly ICF Execution Reports.

2.2.4. Review ICF audit reports and take corrective actions, if appropriate.

2.2.5. Perform periodic reviews of MAJCOM/FOA ICF programs to ensure users follow ICF controls.

**2.3. Director for Intelligence, Surveillance, and Reconnaissance Resources (AF/A2R).** AF/A2R will:

2.3.1. Perform AF/A2 point of contact (POC) responsibilities for the ICF program.

2.3.2. Program and manage annual budgets and limitations for ICF resources.

**2.4. Division Chief for Intelligence, Surveillance, and Reconnaissance Resources Execution (AF/A2RX).** AF/A2RX will:

2.4.1. Serve as the Office of Primary Responsibility (OPR) for the Air Force ICF Program.

2.4.2. Consolidate ICF managers' quarterly ICF Execution Report-Field Activity (Part II) submissions and submit the consolidated report to AF/A2R and SAF/AAR.

2.4.3. Provide staff assistance to all ICF managers, as required.

2.4.4. Provide program oversight and feedback to MAJCOM/FOAs on omissions and errors in their quarterly reports.

**2.5. ICF managers.** ICF managers include the AF/A2 and the Senior Intelligence Officers for the following: Air Combat Command (ACC); Pacific Air Forces; United States Air Forces in Europe-Air Forces Africa; 25 AF; National Air and Space Intelligence Center; and any other person designated by AF/A2. ICF managers will:

2.5.1. Maintain pecuniary accountability for all expenditures (T-0).

2.5.2. Ensure adequate internal controls are in place to fully account for expenditures, inventory of gifts and distribution of gifts (T-1).

2.5.3. Appoint primary and alternate administrators. See paragraph 2.6 for specific duties. All appointments will be in writing and clearly state the duties delegated (T-1).

2.5.4. May appoint approving officials for events costing less than \$1,500.00 for Other Intelligence, if required. All appointments will be in writing and clearly state the duties delegated (T-1).

2.5.5. Develop and administer an ICF training program to include the development and maintenance of a comprehensive continuity book and self-inspection checklist (T-2).

2.5.6. Ensure unit personnel have a working knowledge of all applicable instructions (T-3).

2.5.7. Prepare and forward ICF quarterly reports to AF/A2RX (T-1).

2.5.8. Manage and submit annual budget programs for ICF resources, unless otherwise specified in a separate publication (T-1).

2.5.9. Forward delegation of authority memorandums to AF/A2RX (T-1).

2.5.10. Appoint an ICF property custodian, if incentive supplies are maintained.

2.5.11. Publish a local supplement for expense or procedures not covered in this publication (T-3).

**2.6. ICF administrators.** Each ICF manager will designate an individual to administer the ICF program according to this instruction, as well as any applicable MAJCOM/FOA supplements (T-1). The administrator must be a commissioned officer, non-commissioned officer, or a general schedule employee or excepted service equivalent (GS-09 and above) (T-1). The ICF administrator will be appointed in writing by each respective ICF manager (T-1). Copies of appointment memos will be forwarded to AF/A2RX (T-1). ICF administrators will:

2.6.1. Serve as primary POC to AF/A2RX (T-1).

2.6.2. Develop and maintain ICF continuity book and program checklist (T-2).

2.6.3. Validate ICF claims for funds availability and correctness of authorization and payment documentation (T-1).

**2.7. ICF approving officials.** The ICF manager may delegate authority to an ICF approving official to authorize and approve ICF expenditures. This individual will be appointed in writing by the ICF manager (T-1). Copies of appointment memorandums will be forwarded to AF/A2RX (T-1).

**2.8. ICF certifying officials.** ICF certifying officials are resource managers who are appointed in writing by the ICF manager for the purpose of certifying availability of ICF funds. This does not create pecuniary liability consequences, but may have Anti-Deficiency Act implications IAW DoD 7000.14-R (FMR) Volume 5, **Chapter 5**, Section 050202. This function is separate and distinct from certifying officers who are responsible for voucher payment certification. Copies of appointment memos will be forwarded to AF/A2RX (T-1). ICF certifying officials will:

2.8.1. Ensure requests for expenditures are properly documented (T-1).

2.8.2. Ensure funds are available prior to approval (T-1).

**2.9. ICF property custodians.** ICF property custodians will:

2.9.1. Develop and maintain a system for managing incentive supplies. ICF gift inventory items must be stored in a secure location (T-1). ICF inventory items may not be commingled with non-ICF gift inventory items (T-1).

2.9.2. Prepare and maintain a document of authorization memorandum and a document of payment memorandum for each incentive supply purchase (to include purchase receipts) (T-1).

2.9.3. Record and maintain all ICF inventory items in the ICF Inventory Gift Tracking List. The list will be maintained in the spreadsheet format depicted in Figure 3.2 (T-1).

2.9.4. Be appointed in writing by the ICF manager and trained on inventory management procedures (T-1).

2.9.5. Not perform as certifying or approving official for ICF (T-1).

**2.10. Air Force Audit Agency (AFAA).** AFAA performs audits of the AF ICF program when requested by SAF/AA.

## Chapter 3

### ICF REQUIRED DOCUMENTATION

**3.1. General Provisions.** ICF managers may expend available funds for requirements that enhance the intelligence mission. All personnel involved in planning, approving, and conducting ICF functions are required to use prudence and discretion in the use of ICF. When ICF funds are used, a written statement outlining the reason must be created, to include benefits to be expected from the use of ICF (T-1). Record all ICF expenditures in the accounting and finance system in PEC 31321F or PEC 35183F, as appropriate. PEC 31321F is used for authorized and approved GDIP HUMINT or Other Intelligence expenses. PEC 35183F is used for authorized and approved MIP HUMINT expenses. Refer to AFI 14-101 Addendum, *Intelligence Contingency Funds Use in Support of Human Intelligence (HUMINT) (S)* for additional guidelines on HUMINT expenses. All organizations will have a dedicated Responsibility Cost Center (RC/CC), exclusively for ICF (T-1). Each ICF category (GDIP HUMINT, MIP HUMINT, and Other Intelligence) must be recorded in separate RC/CCs (T-1). All RC/CCs will be identified to AF/A2RX for the upcoming fiscal year (FY) no later than the 1st of September in a memorandum for record (T-1). A dedicated government credit card may be used for ICF purposes. In the event that electronic copies of credit card related documents are created, follow the guidelines in paragraph 3.7 (T-3).

**3.2. Document of Authorization and Payment Memorandums.** ICF managers must complete and maintain on file a document of authorization memorandum and a document of payment memorandum for each ICF expenditure (T-1). The document of authorization memorandum authorizes the expenditure of ICF funds for the actual event and must be prepared and approved prior to the expenditure of ICF funds (T-1). After-the-fact approvals will not be granted, unless extenuating circumstances are present (T-1). In such an event, a rationale statement must be prepared explaining the circumstances that necessitated each after-the-fact approval (T-1). The document of payment memorandum authorizes the payment of ICF expenses. These two memorandums, along with supporting documentation (e.g., rationale statements, waiver approvals, etc.), serve as the cornerstone for ICF audits. ICF credit card holders must use care when recording transactions to avoid the compromise of classified details (T-0). Refer to paragraph 3.7 of this publication; AFI 33-364, *Records Disposition—Procedures and Responsibilities*; AFMAN 33-363; and AFI 33-322, *Records Management Program*, for guidance on creating, maintaining, retiring, and disposing of electronic and hard-copy records (T-1).

**3.3. Rationale Statements.** The ICF manager must prepare and maintain a rationale statement for any deviation from standard guidelines (T-1). The ICF manager must sign this statement and forward it to AF/A2RX for review as part of Part II-ICF Execution Report-Field Activity (Figure 4.2) (T-1).

**3.4. Incentive Supplies and Gifts.** Items such as plaques, mementos, etc., may be kept on hand to be used for presentations as gifts or incentive awards to a person that enhances Air Force intelligence activities. Under no circumstances will such supplies be given to US Government personnel or any other individual who does not meet the provisions of enhancing Air Force intelligence activities under an official ICF event. Under no circumstances may such supplies be

sold. The quantity on hand should not exceed what is expected to be distributed during the current FY (T-1).

3.4.1. Incentives and gifts to a single person. The aggregate cost of mementos and gifts presented to a single person in one year may not exceed the minimal value as established by the General Services Administration (GSA) IAW Title 41—Code of Federal Regulations (CFR), Section 102-42.10, Federal Management Regulation—Change in Consumer Price Index Minimal Value, and as applicable, Title 22 USC, Section 2694, Limitation on Purchase of Gifts for Foreign Individuals; Report to Speaker of the House and Chairman of the Committee on Foreign Relations of the Senate. Currently, the GSA has established the minimal value limit as \$375.00. This amount is based on the Consumer Price Index and is subject to change. Consult Title 41, CFR, Section 102-42.10 for the most recent authorized amount.

3.4.2. Individual Purchases of Incentive Supplies or Gifts. The ICF manager may authorize the purchase of incentive items individually. When this occurs, the settlement voucher must show the item purchased, cost, recipient, date of purchase, and purpose (T-1). Items not presented within five calendar days must be returned to the ICF property custodian or a rationale for holding the items must be submitted to the custodian (T-1). The purchase of each item must be documented in the following two spreadsheets (T-1):

3.4.2.1. ICF Incentive Gift Inventory List. This list must be created in the format depicted in Figure 3.1 (T-1). As items are purchased, a description of each item is entered into the center column, and the corresponding cost of the item is entered in the right-hand column. In the event that a purchase is made of an item that is already in the inventory, and the price of the newly purchased item differs from the cost already listed in the inventory, a new entry must be created to document new item's cost (T-1).

**Figure 3.1. ICF Incentive Gift Inventory List.**

ICF Incentive Gift Inventory List				Fiscal Year	Value on 1 Oct	\$	40.00
				2016	Net Changes	\$	(10.00)
					TOTAL	\$	30.00
No.	Command	Items	Description	Cost	Qty on 1 Oct	Changes Qty	Current Qty
1	PACAF	Glass	Etched with AF logo	EA \$ 10.00	4	1	3 \$ 30.00
2				EA \$ -	-	-	- \$ -

3.4.2.2. ICF Inventory Gift Tracking List. This list must be created in the format depicted in Figure 3.2 (T-1). This list includes the quantity of each type of item on hand and tracks the status of each item in the inventory (distributed and received). When items are received (either purchased from each respective ICF manager or received from another ICF manager), the items are tracked in the "Received From" column. When items are distributed (either given out as part of an ICF event or transferred to another ICF manager), the items are tracked in the "Distributed To" column.



**Figure 3.2. ICF Inventory Gift Tracking List.**

PACAF								
ICF Gift Inventory Received/Distributed List								
Fiscal Year								
2016								
					Received		Distributed	
					Total	Cost	Total	Cost
					-	-	1	10.00
Date	Item No.	Gift	Received From	Distributed To	Qty	Cost	Qty	Cost
15-Jan-16	1	Glass		Foreign dignitary	-	-	1	10.00
					-	-	-	-

3.4.3. Inspection and Inventory. Once each fiscal year, the ICF manager or ICF administrator will appoint two disinterested individuals, in writing, to conduct a physical inspection and count of the inventory (T-1). The ICF manager or ICF administrator will prepare formal reports due to AF/A2RX not later than 30 calendar days after the end of the fiscal year (T-1). The inspection may not be performed earlier than 30 September of the current fiscal year, nor later than 15 calendar days after the end of the fiscal year (i.e., it must be performed between 30 September and 15 October) (T-1). The inventory should be performed in one day, when possible. If the ICF manager maintains inventory at geographically separated units (GSUs), the ICF manager or ICF administrator will appoint two disinterested parties, in writing, at each GSU to conduct inventories, and will consolidate their reports into a final MAJCOM/FOA report (T-1). A memorandum for record is required that certifies that an end-of-year inventory gift count was conducted and signed by both the disinterested individuals who conducted the inspection (T-1). This annual inspection/inventory report is due 30 calendar days after the end of the fiscal year. If the annual inspection/inventory is accomplished on 30 Sep, it may be submitted in conjunction with the 4th quarter Part III report. If the two reports differ due to an ICF event between 1 October and 15 October, then the variation must be explained in the annual inspection/inventory report (T-1).

3.4.3.1. Physical counts of incentive items must match the information contained in the ICF Inventory Gift Tracking List (Figure 3.2) (T-1).

3.4.3.2. Proper posting and accounting are accomplished by cross-referencing the document of payment memorandum with the ICF Inventory Gift Tracking List (T-1).

3.4.3.3. A MFR that includes the information in Figure 3.2 will be signed by the two disinterested individuals that conducted the inspection, certifying that an annual inspection/inventory was conducted (T-1). This annual inspection/inventory report will also be reviewed and endorsed by the ICF manager and submitted to AF/A2RX (T-1). The ICF manager or ICF administrator must maintain the signed annual inspection/inventory reports on file (T-1). Refer to paragraph 3.7 for records disposition guidelines.

3.4.3.4. A first-in first-out (FIFO) inventory management system is used if more than one of the same item is in the inventory and the items have different costs (T-1).

3.4.4. Disposal of ICF Inventory. ICF custodians may dispose of ICF inventory due to excess, damage, appearance, or other extenuating circumstances by transfer, turn-in, or destruction, provided the action is authorized in writing by the ICF manager. ICF property will not be given or sold to US Government personnel (T-1). ICF records must be adjusted

to document disposal of ICF inventory (T-1). Regardless of the method used, official supporting documentation will be maintained on file with the ICF inventory reports (T-1).

3.4.4.1. Transfers. Excess ICF inventory is transferred to other ICF custodians by adjusting the ICF records based on copies of shipping documents and/or receiving reports. Any such documents or reports must be signed by the ICF custodian of the gaining organization (T-1). Transferred ICF inventory must be accounted for in the gaining organization's ICF inventory reports (T-1). The gaining organization customarily pays transportation costs for property it acquires.

3.4.4.2. Turn-ins. Outdated and surplus ICF property must be disposed of IAW AFI 34-204, *Property Management*, and/or local supply procedures to the Defense Logistics Agency (DLA) Disposition Services for disposal (T-1). ICF records must be adjusted to document transfers of ICF inventory based on a receipt from DLA Disposition Services that documents the turn-in (T-1).

3.4.4.3. Destruction. Unserviceable or obsolete inventory must be destroyed IAW AFI 34-204 (T-1). If guidance in AFI 34-204 does not apply or is not feasible, the inventory should be destroyed as refuse. When destroying as refuse, the ICF manager will appoint a disinterested person in writing to witness the destruction and to prepare a written statement, signed by the custodian and witness, to verify that the commodity was destroyed beyond the original intended purpose (T-1). Once the destruction action is complete, ICF records must be adjusted to document destruction of ICF inventory based on the signed statement of destruction (T-1).

3.4.5. Accounting for Lost, Damaged, or Destroyed Property. Property that is lost, damaged, or destroyed may generally be removed from accountable records. This action is accomplished by following the report of survey (ROS) procedures contained in AFMAN 23-220, *Reports of Survey for Air Force Property*. ICF managers must initiate a ROS for any property losses in excess of \$75.00 (T-1). ICF managers must submit a copy of the finalized ROS (DD Form 200, Financial Liability Investigation of Property Loss) as an attachment to the quarterly Part II-ICF Execution Report-Field Activity (T-1).

**3.5. Liaison Function (also referred to as "Traditional ICF").** ICF managers may authorize ICF to fund liaison functions for persons not employed by the US Government if the presence of these persons can assist AF organizations in the performance of intelligence-related activities. ICF managers may authorize ICF to cover the cost for entertainment, beverages, meals, gifts, and other liaison expenses. Liaison functions are designated as "ICF Events" and are categorized as "Other Intelligence" in the ICF Execution Report.

3.5.1. The liaison function must be conducted on a modest basis that complies with socially acceptable behavior (T-1). Invite only the number of guests necessary to extend proper courtesy to the guest(s) of honor. Ratios of DoD personnel (including spouses or escorts) to non-DoD guests must be shown in the request for approval to fund a liaison function IAW AFI 65-603, *Official Representation Funds* (T-1). When honoring guests, the following procedures apply:

3.5.1.1. Functions that involve fewer than 30 persons should not consist of more than 80 percent DoD personnel. Functions of 30 or more persons should not be more than 50 percent DoD personnel. In determining the ratio, do not consider individuals who will

pay for their own expenses. Any deviation of more than 5 percent requires that a rationale statement that justifies the activity is included in the request for approval IAW AFI 65-603 (T-1).

3.5.1.2. ICF-funded attendance by spouses of US Government personnel may be approved only if their presence will enhance the intelligence activities (T-1). For example, this condition may be met when other non-US Government spouses attend. If spouses of US Government personnel are approved to attend functions at ICF expense, official documents stating how their attendance is expected to enhance the intelligence mission must be created and maintained on file for audit purposes (T-1).

3.5.1.3. ICF-funded attendance by US government contractors may only be approved if their presence enhances the intelligence activities. If US Government contractors are approved to attend ICF-funded activities, official documents stating how attendance by the US Government contractor is expected to enhance the intelligence activities must be created and maintained (T-1). These documents must be maintained by ICF managers for audit purposes (T-1).

3.5.2. Approval Levels. Approval levels are dependent upon dollar thresholds and ICF categories:

3.5.2.1. Other Intelligence. The ICF manager, as delegated by the AF/A2, is authorized to approve ICF events projected to cost between \$1,500.00 and \$3,000.00 within their respective ICF program (T-1). Any functions costing under \$1,500.00 may be approved by an ICF approving official only if this authority has been delegated in writing by the appropriate ICF manager. Any functions costing over \$3,000.00 must be forwarded to AF/A2RX for review and comments (T-1).

3.5.2.2. GDIP HUMINT and MIP HUMINT. The ICF manager, as delegated by the AF/A2, is authorized to approve ICF functions projected to cost \$10,000.00 or less within their respective ICF program (T-1).

3.5.2.3. After reviewing requests exceeding approval thresholds, AF/A2RX attaches any comments it deems appropriate, along with a recommendation for approval or disapproval, and forwards the documentation to AF/A2R. AF/A2R makes the final decision to approve or disapprove the action.

3.5.3. The liaison function document of authorization memorandum must contain:

3.5.3.1. The date, location, and purpose of the function (T-1).

3.5.3.2. The intelligence-connected justification and description of the expected benefit for the projected expenditure (T-1).

3.5.3.3. The names and titles of US Government personnel and their spouses projected to attend at ICF expense (T-1).

3.5.3.4. The names of non-US Government personnel and their spouses projected to attend at ICF expense (T-1).

3.5.3.5. A calculation that depicts the ratio of DoD personnel (including spouses or escorts) to non-DoD guests. This calculation includes only personnel who receive the benefit of ICF funds (T-1).

3.5.3.6. A statement of how attendance by spouses projected to attend at ICF expense is expected to enhance the intelligence mission (T-1).

3.5.3.7. An itemized list of projected costs (e.g., invitations, refreshments, decorations, food, gifts, etc.) (T-1).

3.5.3.8. A statement that attendees in official travel status have been instructed to claim the meal on their travel vouchers, if appropriate (T-1).

3.5.3.9. Signatures of the requester, administrator, and approving official or ICF manager (T-1).

3.5.4. The liaison function document of payment memorandum must contain:

3.5.4.1. The names and titles of US Government personnel and their spouses (if applicable) who actually attended at ICF expense (T-1).

3.5.4.2. The names and titles of non-US Government personnel and their spouses (if applicable) who actually attended at ICF expense (T-1).

3.5.4.3. Actual receipts or claimant's signed statement as to why receipts are not available if the amount is under \$75.00 or a MFR signed by a ICF administrator or ICF approving official (T-1).

3.5.4.4. The signatures of the claimant, administrator, and approving official or ICF manager (T-1).

3.5.4.5. The liaison function document of authorization memorandum (T-1).

3.5.4.6. An explanation of any expenses not included in the authorization document (T-1).

**3.6. Payment Vouchers.** Prepare payment vouchers according to local policy provided by the servicing Disbursing Office. DoD FMR guidelines are referenced in Volume 10, **Chapter 12**, Paragraph 120319, "*Representation and Contingencies Fund Use*." The ICF administrator and ICF approving official must sign the request for payment memorandum (T-1). A copy of vouchers paid using ICF funds must be on file and must state, "The expenditures shown on this voucher were for emergency or extraordinary expenses. The authorization for the expenditure and the supporting documentation are maintained in (identify location where documents are maintained)" (T-1). If a voucher is not available, a justification must be retained on file (T-1).

**3.7. Maintaining Records.** Follow guidance contained in AFMAN 33-363 to ensure proper creation and maintenance of ICF records. ICF documents must be retained on file with associated accounting and finance reports in accordance with the following guidance (T-1):

3.7.1. ICF expenditures. Records of expenditures (paper or electronic), to include credit card records, may be destroyed two years after the end of the FY in which they were created, unless otherwise directed in AFMAN 33-363 and/or DoD 7000.14-R (FMR). Prior to destruction, all ICF expenditures will be reconciled in the accounting system (T-1). Destroy paper records after electronic recordkeeping copy has been created and filed, or when no longer needed for revision, dissemination, or reference, whichever is later. (T-1)

3.7.2. ICF reports. May be destroyed three years after the end of the FY in which they were created, unless otherwise directed in AFMAN 33-363 and/or DoD 7000.14-R (FMR).

3.7.3. Electronic systems. Records maintained in electronic systems may be destroyed when the ICF administrator determines that the records are superseded, obsolete, or no longer required for administrative, legal, audit, or other operational purposes.

## Chapter 4

### QUARTERLY REPORTS

**4.1. Quarterly Reconciliation Goal.** The goal of a quarterly reconciliation is to ensure all transactions can be explained after comparing the previous quarter's end-of-month balance position in the accounting system to the current quarter's end-of-month balance position in the accounting system. The reconciliation also provides SAF/AA with the data and analysis necessary to complete reports for Congress. The Inventory value report informs ICF managers about the current value of assets and the need for purchasing any gifts. ICF managers must maintain complete copies of the quarterly reports (Parts I thru III) with a copy of the end-of-month balance position in the accounting system for audits and historical purposes (T-1).

**4.2. ICF Execution Report.** The ICF Program requires a three-part quarterly ICF Execution Report. Submit data requirements in this category as prescribed, or as soon as possible after submission of priority reports (T-1). The three report parts are: Part I—ICF Congressional report; Part II—ICF Execution Report-Field Activity; and Part III—ICF Inventory Value Report. These reports are completed in two phases. In the first phase, Part I is completed and forwarded to SAF/AAR. In the second phase, Part II and Part III are combined and forwarded to AF/A2RX, with the ICF manager's signature on Part II of the report.

4.2.1. Part I—ICF Congressional Report. Prepare the Part I report and transmit via memorandum (electronically scanned or hardcopy) to SAF/AAR and send an information copy to AF/A2RX (T-1). Part I must be provided to SAF/AAR, even if no ICF funds were spent by the unit during the quarter (T-1). Submit Part I no later than 18 calendar days after the end of the fiscal quarter (T-1). Prepare the report in the format depicted in Figure 4.1 (T-1). Congressional reports may be reported electronically or by hard copy. Electronic submissions may be accomplished by scanning the document and transmitting it to SAF/AAR. In either case, an information copy must be sent to AF/A2RX (T-1). The report includes:

4.2.1.1. Categories of obligations (GDIP HUMINT, MIP HUMINT, and Other Intelligence).

4.2.1.2. The organization's current FY legal limitation (by category), and calculate percent executed (by category).

4.2.1.3. Quarterly transactions for obligations by FY and category. The report includes current FY and prior FY for the quarter.

4.2.1.4. A calculation of the net change (Current FY – Prior FY) and percentage change (Net Change/Prior FY).

4.2.1.5. Explanation of changes from the prior year to the current year in the block labeled "Remarks" by category. Remarks are optional.

Figure 4.1. Part I-ICF Congressional Report.

DEPARTMENT OF THE AIR FORCE ICF CONGRESSIONAL REPORT EMERGENCY AND EXTRAORDINARY EXPENSES FY2015 / FY2016 SUMMARY COMPARISON - FIRST QUARTER FY16 First Quarter a/o 31 December 2015				
Categories	OAC	COMMAND	POC	
	74	PACAF	Mr. A. Hamilton DSN 555-7890	
	FY16 Year to Date Gross	FY16 All Legal Limitation	Percent Executed	
GDP HUMINT	0.00	0.00	0%	
MIP HUMINT	0.00	0.00	0%	
Other Intelligence	645.82	6,000.00	11%	
Limit:	645.82	6,000.00	0%	

  

	31-Dec-14	31-Dec-15	Net Change	% of Change
HUMINT	0.00	0.00	0.00	0%
MIP HUMINT	0.00	0.00	0.00	0%
Other Intelligence	1,149.52	645.82	(503.70)	-44%
<b>SUBTOTAL: Air Force Intelligence (ICF)</b>	<b>1,149.52</b>	<b>645.82</b>	<b>(503.70)</b>	<b>-44%</b>

  

REMARKS:

Executed two less liaison events in FY16 than in FY15.

4.2.2. Part II—ICF Execution Report-Field Activity. AF/A2RX and SAF/AA use the Execution Report-Field Activity report to monitor the use of current FY ICF throughout the AF. This report is depicted in Figure 4.2. ICF managers must submit this report to AF/A2RX no later than 25 calendar days after the end of the fiscal quarter (T-1). AF/A2RX will review and provide comments on each report (T-1). AF/A2RX will then forward the consolidated report to SAF/AA no later than 45 calendar days after the end of the fiscal quarter (T-1). Use Figure 4.2, *Report of Contingency Expenditures* to complete this requirement (T-1). Completion instructions for the “*Report of Contingency Expenditures*” template are as follows:

4.2.2.1. Header information. Enter the current reporting period and FY using the date format DD-MMM-YY.

4.2.2.2. Detail Data. Record all transaction detail lines, grouped by stage of accounting (Undelivered Orders Outstanding [UOO], Accrued Expenditures Unpaid [AEU], and Accrued Expenditures Paid [AEP]) by category for the current FY. Each data field under columns A – G must be completed and fully explained (T-1). Additionally, enter sub-total amounts, by category, for each accounting stage in bold face font. Separate each stage of accounting group with a blank line.

4.2.2.3. Summary Data. Enter the administrator name, office symbol, phone number, date of report, command, and printed name of the commander or deputy commander.

4.2.2.3.1. Block 1. *TOTAL ACCRUED EXPENDITURES PAID (Disbursements) THIS REPORTING PERIOD*: Enter total of the amounts shown under column G. Include only those items representing disbursements during the current reporting period in this total.

4.2.2.3.2. Block 2. *ACCRUED EXPENDITURES PAID TO DATE (Disbursements)*: Enter the cumulative disbursements to date. This amount needs to agree with the cumulative AEP reflected in the current quarter's end-of-month balance position in the accounting system for the same month that the Report of Contingency Expenditures shows as the ending month of the reporting period.

4.2.2.3.3. Block 3. *TOTAL ACCRUED EXPENDITURES UNPAID AND UNDELIVERED ORDERS OUTSTANDING*: Enter the cumulative, to date, accrued expenditures unpaid and undelivered orders outstanding.

4.2.2.3.4. Block 4. *TOTAL OBLIGATIONS*: Enter the cumulative obligations to date (block 2 plus block 3). This amount needs to agree with the cumulative obligations reflected in the current quarter's end-of-month balance position in the accounting system for the same month that the Report of Contingency Expenditures shows as the ending month of the reporting period.

4.2.2.3.5. Block 5. *ICF MANAGER QUARTERLY REPORT CERTIFICATION STATEMENT*: The following statement needs to be included: *On DD-MMM-YY, Part II-ICF Execution Report of Contingency Expenditures, was completed and is maintained in accordance with AFI 14-101. Contingency funds reflected in column G were expended for the purpose set forth above and no other appropriated or non-appropriated funds could be properly charged. Expenditures were necessary in the interests of the United States and the United States Air Force.*



Figure 4.2. Part II-Execution Report-Field Activity.

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PAGE 1 OF 1 PAGE(S)

REPORT OF CONTINGENCY EXPENDITURES	MAJCOM: PACAF	TO: HQ USAF/A2RX 1700 Air Force Pentagon Washington, DC 20330-1700	REPORTING PERIOD				REPORT CONTROL
			FROM	TO	QUARTER	FY	SYMBOLS:
			1-Oct-15	31-Dec-15	1st	2016	AF-A2 (Q) 7601
DATE OF OBLIGATION A	FUNCTIONAL GUEST(S) OF HONOR, ACTUAL HOST OF EVENT, LOCATION, AND DATE OF EVENT B		ATTENDEES PAID WITH ICF		CONTINGENCY FUNDS EXPENDED		
			DOO C	NON-DOO D	ALL FOOD AND BEVERAGE ITEMS E	GFTS, MEMENTOS, FLOWERS, OTHER F	TOTAL COST G
<u>UNDELIVERED ORDER &amp; OUTSTANDING (UOO)</u>							
15-Oct-15 Event # 2016-01	Function: Guest(s) of Honor: Event Host(s): Location: Event Date(s):	7 AF ISR Coordination Conference Phon Akat Thi (O-7) Niwat Kaouthai, Chief Intel (Thailand) Col Joseph Taylor, 7 AF/A2 Osan AB, ROK 30-Oct-15	5	10	375.00	0.00	375.00
2-Nov-15 Event # 2016-02	Function: Guest(s) of Honor: Event Host(s): Location: Event Date(s):	ASO Gift Exchange Shouho (O-7), Arita Seido, Chief Intel (Japan) Col Eric Smith, 5 AF/A2 Yokota AB, JA 22-Nov-15	0	2	0.00	150.87	150.87
1-Dec-15 Event # 2016-03	Function: Guest(s) of Honor: Event Host(s): Location: Event Date(s):	Farewell Gift Presentation to Chungjang (O-7) Kim Chungjang (O-7), Sung-ho Kim, Chief Intel (South Korea) Col Eric Smith, 5 AF/A2 Yokota AB, JA 16-Dec-15	0	1	0.00	119.95	119.95
TOTAL UOO THIS REPORTING PERIOD:					375.00	270.82	645.82
<u>ACCRUED EXPENDITURES UNPAID (AEU)</u>							
TOTAL AEU THIS REPORTING PERIOD:					0.00	0.00	0.00
<u>ACCRUED EXPENDITURES PAID (AEP)</u>							
TOTAL AEP THIS REPORTING PERIOD:					0.00	0.00	0.00
NAME (Administrator/Project Officer) Mr. Alexander Hamilton			OFFICE SYMBOL HQ PACAF/A2		TELEPHONE NUMBER (COMM/DSSN) (123-456-7890 / DSN 555)		
1. TOTAL ACCRUED EXPENDITURES PAID (Disbursements) THIS REPORTING PERIOD			\$ -		2. GROSS OBLIGATIONS FOR THE PRIOR QUARTER		
3. TOTAL NET QUARTERLY CHANGES			\$ 645.82		4. GROSS OBLIGATIONS FOR THIS QUARTER		
					\$ 645.82		
5. ICF MANAGER QUARTERLY REPORT CERTIFICATION STATEMENT On 10 Jan 16, Part II-ICF Execution Report of Contingency Expenditures, was completed and is maintained in accordance with AFI 14-101. Contingency funds reflected in column G were expended for the purpose set forth above and no other appropriated or nonappropriated funds could be properly charged. Expenditures were necessary in the interests of the United States and the United States Air Force.							
DATE 10-Jan-16	COMMAND HQ PACAF		PRINTED NAME & SIGNATURE OF COMMANDER OR DEPUTY COMMANDER CHRISTINE J. SUTHERLAND, Colonel, USAF				

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4.2.3. Part III—ICF Inventory Value Report. This report is due 25 calendar days after the end of the quarter (T-1). It contains a summary of the inventory status and shows the value of the inventory at the beginning of the FY, the cumulative value of items purchased during the reporting period, the cumulative value of items available for presentation, the cumulative value of items that were presented during the reporting period and reflects the total value of the current ICF inventory. The format of the ICF Inventory Value Report is depicted in Figure 4.3. The ICF manager or ICF administrator will report the current inventory value of gifts for each quarter (T-1). The individual(s) who prepare the report shall:

4.2.3.1. Fill in Command and end-of-quarter date, ICF Property Custodian and category (T-1).

- 4.2.3.2. Provide a separate report for each category (T-1).
- 4.2.3.3. Fill in the beginning balance using the amount that was current as of 1 October for the current FY. This amount should not change throughout the FY (T-1).
- 4.2.3.4. Fill in the cumulative sum of the purchased items for the FY. Any items purchased in the current quarter will be identified in the Part II—ICF Execution Report-Field Activity (T-1).
- 4.2.3.5. Fill in the amount of items available. This figure should equal the sum of beginning inventory and purchased items (T-1).
- 4.2.3.6. Fill in the cumulative value of items issued for the FY (T-1).
- 4.2.3.7. Ensure that the last line is the current value of the inventory and is equal to the available items minus issued items (T-1).
- 4.2.3.8. Ensure that all the reports are retained on file. ICF managers that have multiple geographical inventories must report a consolidated inventory value report (T-1).

**Figure 4.3. Part III-ICF Inventory Value Report.**

<b>ICF INVENTORY VALUE</b>	
<b>PACAF as of 31 March 2016</b>	
<b>CATEGORY</b>	<b>AMOUNT</b>
Beginning Inventory	\$ 40.00
Purchased Items	\$ -
Items Available	\$ 40.00
Issued Items	\$ (10.00)
<b>CURRENT INVENTORY VALUE</b>	<b>\$ 30.00</b>

## Chapter 5

### AUDITING, REVIEWING AND INSPECTING ACCOUNTS

**5.1. General Provisions.** All ICF accounts will be audited, reviewed, and inspected periodically to ensure the program is administered according to the procedures and guidelines contained in this instruction (T-1).

**5.2. Air Force Audit Agency (AFAA) Audits.** In the event that SAF/AA requests that representatives from the AFAA perform an ICF audit, the ICF manager must provide all requested documents to properly cleared AFAA representatives for the audit (T-2). AFAA must provide the identities and clearance data of auditors to the ICF manager, in writing, prior to the audit (T-2).

**5.3. MAJCOM/FOA Inspections.** MAJCOM/FOAs perform an annual ICF property inspection on incentive supplies and other properties no later than 15 Oct, as referenced in section 3.4.2. At a minimum, the property inspections must include review of records associated with the disposal of outdated and surplus ICF property, accounting for lost, damaged or destroyed property and end-of-year inventory reports (T-1). Inventories must also be performed whenever ICF property custodians change (T-1).

ROBERT P. OTTO, Lt Gen, USAF  
Deputy Chief of Staff, Intelligence,  
Surveillance, and Reconnaissance

**Attachment 1****GLOSSARY OF REFERENCES AND SUPPORTING INFORMATION*****References***

- HAFMD 1-6, *Administrative Assistant to the Secretary of the Air Force*, 22 December 2014
- AFPD 14-1, *Intelligence, Surveillance, and Reconnaissance (ISR) Planning, Resources, and Operations*, 2 April 2004
- AFI 14-101 Addendum, *Intelligence Contingency Funds Use in Support of Human Intelligence (HUMINT) (S)*, 4 January 2016
- AFI 14-108, *Air Force Management of General Defense Intelligence Program (GDIP) Resources*, 25 February 2014
- AFI 33-322, *Records Management Program*, 4 June 2012
- AFI 33-324, *The Air Force Information Collections and Reports Management Program*, 6 March 2013
- AFI 33-360, *Publications and Forms Management*, 1 December 2015
- AFI 33-364, *Records Disposition-Procedures and Responsibilities*, 22 December 2006
- AFI 34-204, *Property Management*, 27 August 2004
- AFI 65-603, *Official Representation Funds*, 24 August 2011
- AFMAN 23-220, *Reports of Survey for Air Force Property*, 1 July 1996
- AFMAN 33-363, *Management of Records*, 1 March 2008
- AFMAN 65-604, *Appropriation Symbols and Budget Codes*, 1 October 2015
- Title 10 United States Code, Section 127, *Emergency and Extraordinary Expenses*, January 3, 2007
- DoDD 5143.01, *Under Secretary of Defense for Intelligence (USD(I))*, October 24, 2014
- Title 41, CFR 102-42, *Utilization, Donation, and Disposal of Foreign Gifts and Decorations*, April 17, 2015
- DoD FMR Vol 10 Chap. 12 120319 *Representation and Contingencies Fund Use*, September 2015

***Adopted Forms***

- AF Form 847, *Recommendation for Change of Publication*
- DD Form 200, *Financial Liability Investigation of Property Loss*
- DD Form 281, *Voucher for Emergency or Extraordinary Expense Expenditures*

***Abbreviations and Acronyms***

- ACC**—Air Combat Command
- AEP**—Accrued Expenditures Paid

**AEU**—Accrued Expenditures Unpaid  
**AF/A2**—Deputy Chief of Staff, Intelligence, Surveillance, and Reconnaissance  
**AF/A2R**—Director of Intelligence, Surveillance, and Reconnaissance Resources  
**AF/A2RX**—Intelligence, Surveillance, and Reconnaissance Resources Execution Division  
**AFAA**—Air Force Audit Agency  
**AFI**—Air Force Instruction  
**AFMAN**—Air Force Manual  
**AFPD**—Air Force Policy Directive  
**AFR**—Air Force Reserve  
**AFRIMS**—Air Force Records Information Management System  
**CFR**—Code of Federal Regulations  
**DAF**—Department of the Air Force  
**DLA**—Defense Logistics Agency  
**DoD**—Department of Defense  
**DoDD**—Department of Defense Directive  
**E&EE**—Emergency and Extraordinary Expenses  
**FIFO**—First-in First-Out  
**FOA**—Field Operating Agency  
**FMR**—Financial Management Regulation  
**FY**—Fiscal Year  
**GDIP**—General Defense Intelligence Program  
**GSU**—Geographically Separated Units  
**HAFMD**—Headquarters Air Force Mission Directive  
**HUMINT**—Human Intelligence  
**IAW**—In Accordance With  
**ICF**—Intelligence Contingency Funds  
**ISR**—Intelligence, Surveillance, and Reconnaissance  
**MAJCOM**—Major Command  
**MFR**—Memorandum for the Record  
**MIP**—Military Intelligence Program  
**NIP**—National Intelligence Program  
**OPR**—Office of Primary Responsibility

**POC**—Point of Contact

**PEC**—Program Element Code

**ROS**—Report of Survey

**SAF**—Secretary of the Air Force

**SAF/AA**—Administrative Assistant to the Secretary of the Air Force

**SAF/AAR**—Secretary of the Air Force, Resource Directorate

**T-0**—Tier 0

**T-1**—Tier 1

**T-2**—Tier 2

**T-3**—Tier 3

**UOO**—Undelivered Orders Outstanding

**US**—United States

**USC**—United States Code

### *Terms*

**Disinterested Person**—Person assigned to the organization who can be relied upon to make a fair and unbiased evaluation.

**First-In First-Out (FIFO) Inventory Management**—System of inventory management seeks to insure that the purchased items are expended in the order that they were purchased. The primary goal is to avoid the accumulation of stagnant and obsolete inventory.

**General Defense Intelligence Program (GDIP)**—GDIP is an integrated National Intelligence Program (NIP) that includes Defense Intelligence Agency, service technical production centers, and special collection activities. The GDIP integrates and produces national intelligence for defense and national consumers. It is designed to represent national defense intelligence priorities for operational customers, national and defense-wide collection management, all-source analysis, Human Intelligence (HUMINT), Measurement and Signature Intelligence, information technology, Department of Defense Intelligence Information System, Intelligence Data Handling System [IDHS], and Joint Worldwide Intelligence Communications System), other special activities (AFI 14-108).

**Human Intelligence (HUMINT)**—Category of intelligence derived from information collected and provided by human sources.

**ICF Administrator**—Individual appointed in writing by the ICF manager to administer MAJCOM/FOA ICF program according to this instruction (and local supplement, if applicable). Serves as primary POC for the Air Staff; develops and maintains ICF continuity book and program checklist; validates ICF claims for funds availability and correctness of authorization and payment documentation. The administrator must be a commissioned officer, Non-Commissioned Officer or a General Schedule employee (GS-09 and above or Excepted Service equivalent).

**ICF Approving Official**—Individual provided delegation of authority in writing by the ICF manager to authorize and approve ICF expenditures.

**ICF Certifying Official**—Individual appointed in writing by the ICF manager to ensure requests for expenditures are properly documented and ensures funds are available prior to approval.

**ICF Manager**—Person responsible directly to the AF/A2 for managing and executing ICF accounts within their MAJCOM/FOA.

**ICF Property**—Supplies and equipment purchased with ICF money.

**ICF Property Custodian**—Person appointed by an ICF manager to account for property purchased with ICF money. This individual cannot be an ICF Approving or Certifying Official.

**Incentive Supplies**—Items purchased or stocked for presentation to non-US Government guests or visitors as gifts.

**Liaison Function (Traditional ICF)**—Official gathering with persons not employed by the US Government who can assist USAF organizations in the performance of intelligence missions. Individuals are senior military foreign intelligence counterparts. Liaison functions are categorized as “ICF events” and are reported in the “Other Intelligence” category of ICF.

**Military Intelligence**—Collection, analysis, production, and dissemination of information relating to any foreign military or military-related situation or activity that is significant to military policy-making or the planning and conduct of military operations and activities (DoDD 5143.01).

**Military Intelligence Program (MIP)**—MIP consists of programs, projects, or activities that support the Secretary of Defense’s intelligence, counterintelligence, and related intelligence responsibilities. This includes those intelligence and counterintelligence programs, projects, or activities that provide capabilities to meet warfighters’ operational and tactical requirements more effectively. Supports Military Intelligence as defined in DoDD 5143.01.

**National Intelligence**—The terms ‘national intelligence’ and ‘intelligence related to national security’ refer to all intelligence, regardless of the source from which derived and including information gathered within or outside the US, that: pertains, as determined consistent with any guidance issued by the President, to more than one US Government agency; and that involves threats to the US, its people, property, or interests; the development, proliferation, or use of weapons of mass destruction; or any other matter bearing on US national or homeland security. As defined in the Intelligence Reform and Terrorism Prevention Act of 2004.

**National Intelligence Program (NIP)**—Supports National Intelligence as defined in the Intelligence Reform and Terrorism Prevention Act of 2004.

**Program Element Code (PEC)**—A description of a mission by the identification of the organizational entities and resources needed to perform the assigned mission. Resources consist of forces, manpower, materiel quantities, and costs, as applicable. The program element is the basic building block of the Future Years Defense Program (AFMAN 65-604).

**Resource Manager**—An individual who verifies and validates the funds cited on a commitment or obligation document are accurate and available (DoD FMR Glossary).