



DEPARTMENT OF THE ARMY
266th FINANCIAL MANAGEMENT CENTER
UNIT 23122
APO AE 09227

AETS-FCZ

25 October 2011

MEMORANDUM FOR COMMANDER, KOSOVO FORCE (KFOR) FINANCIAL
MANAGEMENT DETACHMENT (FMD)

SUBJECT: Policy Letter 5, Finance Policy for Operations in Kosovo

1. References.

- a. Department of Defense Financial Management Regulation (DoDFMR), Volume 5, Disbursing Policies and Procedures, August 2011.
- b. Department of Defense Financial Management Regulation (DoDFMR), Vol. 7a, Military Pay Policies and Procedures, August 2011.
- c. Joint Federal Travel Regulation (JFTR), Volume 1, September 2011.
- d. Field Manual 1-06, Financial Management Operations, 21 September 2006.
- e. Finance Policy Letter #2, Check-Cashing Policy, 17 October 2011.
- f. Finance Policy Letter #3, Paying Agent Policy, 12 September 2011.
- g. Finance Policy Letter #7, Payments to VIP and Finance Personnel, 26 September 2011.

2. Purpose. The purpose of this memorandum is to establish finance policy for use in the Kosovo area of operations (AOR). The provisions of this policy apply directly to the FMD assigned to the KFOR Task Force.

3. Duties and Responsibilities. The KFOR FMD will provide the following services to all US Soldiers, civilians, and contractors in the KFOR AOR. Exceptions to this policy may be granted through the FMC Policy/Operations Officer to the appropriate FMC office.

a. Contract/Commercial Vendor Service (CVS) Support. The KFOR FMD will provide disbursing support to contracting officers (KO's) and Army/Joint contracting centers and activities within the KFOR AOR.

b. Paying Agents. Funding of paying agents will be in accordance with 266th FMC Policy Letter #3, Paying Agent Policy.

c. Solatium Payments. These payments are a result of an incident or accident caused by a member or members of the US Armed Forces, DOD Employees and or Contractors within the

respective AOR. The Disbursing Agent, if required, will pay legal claims (i.e. property damage, injury or death) after completion and pre-certification of an SF 1034 by the servicing Staff Judge Advocate (SJA). Payments will be made directly to the parties involved by the Disbursing Office in the presence of a witness.

d. Check Cashing. For general guidance on check-cashing see 266th FMC Policy Letter #2, Check Cashing Policy. The check cashing limit within the Kosovo AOR is \$100.00 (US) per pay period for a total of \$200 per month. Starter and third-party checks will not be accepted. A personal check exceeding the \$200 limit may be cashed for extraordinary circumstances (i.e. emergency leave) or R&R designated programs.

e. Casual Pays. Casual Payments are generally not allowed, save for extraordinary situations when the Soldier's Commander certifies that the Soldier has no other way of obtaining money. All cash from Casual Pays (CP's) will normally be placed on the ECC.

f. Foreign Currency Conversions. The KFOR finance team will encourage Soldiers to exchange currency only at official exchange locations (finance office, banks, hotels, etc). You may limit currency conversion amounts based on foreign currency availability. Convert dollars to local currencies using the Average Purchase Rate Method as outlined in the DoDFMR Volume 5, Chapter 13, Paragraph 130402. Reconversion of foreign currency to U.S dollars up to the Soldier's base pay is only authorized within 72 hours of redeployment or under emergency conditions.

g. Cash Collection Voucher. Acquisition and Cross-Servicing Agreement (ACSA) Completed DD Form 1131s will be brought into the finance office and processed against the Deposit Tickets for incoming wire transfers. All AAFES & Postal deposits are loaded on the Eagle Cash Card.

h. Eagle Cash Card (ECC). KFOR Soldiers will use the ECC to the maximum extent possible. The goal of this program is to reduce U.S. currency in the AOR. The ECC can be used to make purchases and payments at all military locations. All soldiers and civilians must clear their Eagle Cash Cards prior to redeployment. The finance office will exchange the balance on the Soldier's Eagle Cash Card for U.S. currency 10 days prior to departure from Kosovo.

i. Military Pay. The FMD will provide complete military pay support within the KFOR AOR. All pay inquiries/documents other than extreme/emergency cases will be forwarded from the units' PACs to their local KFOR finance office for processing. Leave and Earning Statement print-outs, Allotments, and changes to TSP account will be made via the MyPay website.

4. Entitlements.

a. Family Separation Allowance (FSA) Type II. Soldiers separated from their family members for more than 30 days are entitled to FSA-II. This is payable at \$250.00 per month or

b. Basic Allowance for Subsistence (BAS). Per DoDFMR, Volume 7a, Chapter 25, Paragraph 250105 A.4., BAS is authorized for all enlisted personnel and officers in the KFOR Task Force deployed under TCS orders. Soldiers will NOT have meal deductions collected from their pay while deployed under KFOR orders.

c. Cost of Living Allowances (COLA), Basic Allowance for Housing (BAH), and Overseas Housing Allowance (OHA). Military personnel deployed with the KFOR Task Force in a TCS status are entitled to retain CONUS COLA and housing allowances that were justified during mobilization based on their principal residence.

d. Hardship Duty Pay-Location (HDP-L). HDP-L is authorized at \$100.00 per month (prorated for partial months) in Kosovo. Soldiers must serve more than 30 days in the AOR in order to be eligible for the entitlement. This entitlement is paid on the 31st day retroactive back to date of arrival in Kosovo.

e. Savings Deposit Program (SDP). The Kosovo AOR is classified as a Combat Zone Tax Exclusion (CZTE) area; therefore SDP is available for this location. SDP deposits are limited to each service member's disposable income. This is the amount remaining after collection and payment of all existing taxes, allotments and debt obligations. The maximum amount that you can accumulate into your SDP account is \$10,000. Deposits will be allowed consistent with the guidance given in DoDFMR, Volume 7a, Chapter 51, Section 5103.

f. Combat Zone Tax Exclusion (CZTE). Physical presence in the land mass of Kosovo still qualifies an individual for CZTE pay for the entire month. Service members will notice Federal Taxes being deducted from their LES each pay period; however, a tax credit will appear on the End of Month LES.

g. TDY Incidental Expenses. All deployed military personnel in a TDY/ TCS status are entitled to a daily per diem while deployed. In nearly all cases, government lodging and government meals will be provided and the net per diem entitlement for each individual will be \$5.00 per day. If KFOR Soldiers are required to billet in other than a US installation, they may be entitled to the commercial rate of incidental expenses. (Note: This refers to KFOR Soldiers residing on other than Camp Bondsteel and not TDY). Upon redeployment all Soldiers must file a manual DD Form 1351-2, travel settlement voucher at home station to receive this entitlement. Partial or accrued per diem payments of the incidental expense will NOT be paid.

5. Reporting. A rollup of the previous weeks' business will be provided to the FMC Disbursing Director weekly. This report will include cumulative figures from the first day of finance operations.

6. Defense Travel System (DTS). Use of DTS is mandatory for all TDY within and outside the KFOR AOR. Prior to commencement of travel, units will route the authorization in DTS to appropriate personnel for approval. Orders will not be approved in DTS if a Soldier has not been released by their losing station.

7. Occasional Meals. The Commanding General, USAREUR, has approved an “occasional meal” policy whereby Soldiers who are required to consume meals commercially at personal expense may be reimbursed the actual meal cost, not to exceed the proportional meal limit for the location involved. Any such payments must be made in DTS and must have the prior approval from the Task Force Commander’s designated representative, and a receipt showing the cost of the meal consumed. See JFTR, Chapter 4, Paragraph 4510 for more guidance on claiming occasional meals.

8. Government Travel Charge Card.

a. Activation and Deactivation of Cards. Commanders should consider obtaining Government Travel Charge Cards for all assigned personnel; however, only eligible traveler accounts should be activated. Cardholders are required to take the online GTCC initial and refresher training at <http://fss.gsa.gov/webtraining/trainingdocs/traveltraining/index.cfm>

b. Agency Program Coordinator (APC) Training. APCs should be trained to perform their tasks, to include proficiency in the use of the CiTi Direct Electronic Access System (EAS) to include various reports, in order to effectively manage the program and monitor travel charge card use. APC’s must retain on file an initialed and signed Statement of Understanding and a training certificate for each cardholder.

c. TDY In Theater. All KFOR Soldiers traveling on TDY orders in theater will utilize DTS and the GTCC to pay for costs incident to official business. Cardholders who misuse their travel cards shall be subject to appropriate administrative or disciplinary action. The KFOR APC will only have control over card holders pulled into their Hierarchy Level (*HL*) or cards requested through KFOR for upcoming TDY trips.

9. Additional Information.

a. The KFOR Finance Detachment Commander will coordinate office hours with the KFOR chain of command. Maximum flexibility to the Soldiers we support should be the standard upon which daily office hours are designed.

b. All KFOR FD Soldiers must be coded into the Pay Record Accountability (PRA) listing. Pay entitlement starts/stops/adjustments and all other payments for finance Soldiers assigned to the KFOR FD must be approved by the FD Commander. The KFOR FD Commander will appoint primary and alternate coders and uploaders on written orders, as per FMC Policy Letter on Payments to VIP and Finance Personnel, dated 26 September 2011. Only these appointed individuals may enter transactions into the pay system for KFOR FD Soldiers. Pay documents for the FD Commander must be approved by the FMC Director or Deputy Director.

c. The KFOR FMD will not process pay transactions for personnel who are TDY to Kosovo. Only permanent members assigned or attached to KFOR Task Force organizations may receive financial support from the KFOR FMD.

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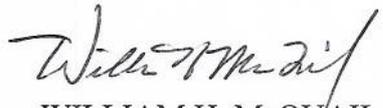
d. Losses of funds will be reported immediately and in accordance with DODFMR Volume 5 through the Detachment Commander and then to the FMC Cash Management Officer.

e. The KFOR FD Commander will be assigned a primary and alternate terminal area security officer (TASO) from the 266th FMC TASO administrator. The KFOR FD TASOs must follow all guidelines contained in the DFAS TASO manual and other instructions issued by the 266th FMC TASOs.

10. POC for this policy is the FMC Policy Section, DSN 483-8150/8216, commercial 0631-411-8150/8216.

First in Finance Support!

FOR THE COMMANDER:



WILLIAM H. McQUAIL
Deputy Director, FMC

cc: CDR, Task Force Falcon