Real Property Exchange (RPX)  
Funded Reimbursable Authority (FRA)  

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Real Property Exchange (RPX)

In a time of shrinking federal budgets for military construction, how does the Army Reserve gain new facilities to train and equip their Soldiers?

RPX allows the Army Reserve to transfer property to a developer, called an exchange partner, and in return, the partner provides new or upgraded facilities elsewhere for that Army Reserve Readiness Division.

- The Army’s Real Estate Agent
- New facilities must be valued at or above fair market value of the Army Reserve property.
- The exchange authority is a great way for us to get replacement facilities for our Soldiers without using money appropriated from Congress.
Lessons Learned

Camp Parks Real Property Exchange Project

- RPX is not a speedy process
- An RPX will take as long as the Exchange Partner wants it to take
- Environmental requirements should be addressed early
- Title/deed search to identify any restrictions should be completed in the early stages of the RPX
- Known restrictions; i.e. environmental, deeds, easements, etc., must be resolved early in the process
- Schedule events early
Funded Reimbursable Authority (FRA)

✓ FRA (Reserve Component – Military Intelligence) was founded in direct response to the Secretary of Defense’s direction

✓ The main purpose of the authority is to gain greater operational utilization of the available Reserve Military Intelligence Forces

✓ Process:

   Army Military Intelligence (MI) agencies, who don’t have appropriated Reserve Personnel Army, funding, send Military Interdepartmental Purchase Requests (MIPR) to the U.S. Army Human Resources Command (HRC), Reserve Component

   Funding is converted (with legal authority) to RPA dollars to place Reserve MI Soldiers on Active Duty Operational Support - Reserve Component (ADOS-RC) orders to support the mission

✓ Ability to use operation and maintenance comes from each year’s Appropriations Act

✓ The program limitation is currently $43M
U.S. Army, G8, is given authority through Section 8046 of the Combined Appropriations Act (CAA) annually to convert O&M funding to Reserve Personnel Army funding,…” for Military Departments, Combatant Commands and Defense Agencies for reimbursement of pay, allowances and other expenses which would otherwise be incurred against appropriations for the National Guard and Reserve when members of the national guard and Reserve provide intelligence or counterintelligence support to Combatant Commands, Defense Agencies and Joint Intelligence Activities”...
✓ Congress currently allows the Army to convert $43 million of O&M funding to Reserve Pay funding. This is the section 8046 of the CAA

✓ In order to participate in the FRA program, you must be a customer of FRA. You must have an established MOA, DD form 1144

✓ First and foremost to be a FRA customer you must, must, must have O&M dollars to spend!

✓ Who regulates the $43 million?
   The Office of the Chief of Army Reserve regulates the FRA ceiling
Challenges within the FRA program

- FY 2018 Lapse of Appropriation impact to FRA Program
- Reserve Program Managers and Budget Analysts scrambling to extend soldiers and find money
Summary

✓ Funded Reimbursable Authority provided by Congress in Section 8046 of the CAA

✓ Legal authority to convert O&M dollars to Reserve pay dollars to support military intelligence missions

✓ USARC controls operational ceilings. HRC G8 is responsible for the funding portion of the program
Questions