



# Business Process Procedure for U.S. Army

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## Resource Utilization



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Business Process Procedure  
(BPP) — Resource Utilization

Reference No. » BPP—LTT.3.0001



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## Revision History

Reference Number	Revision Date	Summary of Changes	Revised By
BPP–1.1	03/16/2017	Published	Jordan Holt
BPP–1.2	04/04/2017	First Internal Review	Jordan Holt
BPP–1.3	12/19/2018	Updating relationships to other documents	Jennifer Burke

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## Document Location

<https://cpp.army.mil/webcenter/portal/ACMPortal/KNOWLEDGE%20CENTER/BPP%20Documents>

## Relationship to Other Documents

### Authoritative Documents

Authoritative Documents	
Document Name	Document Location
Statement of Federal Financial Accounting Standards 4: Managerial Cost Accounting Standards and Concepts	<a href="http://www.fasab.gov/document-by-chapter/">http://www.fasab.gov/document-by-chapter/</a>
DOD 7000-14R FMR Volume 4 Accounting Policy	<a href="http://comptroller.defense.gov/FMR/fmrvolumes.aspx">http://comptroller.defense.gov/FMR/fmrvolumes.aspx</a>
DFAS 37-1-R Ch. 15 Cost Accounting	<a href="http://asafm.army.mil/offices/BU/Dfas371.aspx?OfficeCode=1200">http://asafm.army.mil/offices/BU/Dfas371.aspx?OfficeCode=1200</a>

### Required Documents

Required Documents	
Document Name	Document Location
NA	

### Supportive Documents

Supportive Documents	
Document Name	Document Location
RTS.2.0002 (Resource Rates)	<a href="https://cpp.army.mil/webcenter/portal/ACMPortal/KNOWLEDGE%20CENTER/BPP%20Documents">https://cpp.army.mil/webcenter/portal/ACMPortal/KNOWLEDGE%20CENTER/BPP%20Documents</a>



Cost Models	<a href="https://cpp.army.mil/webcenter/portal/ACMPortal/KNOWLEDGE%20CENTER/Command%20Cost%20Models">https://cpp.army.mil/webcenter/portal/ACMPortal/KNOWLEDGE%20CENTER/Command%20Cost%20Models</a>
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## Purpose

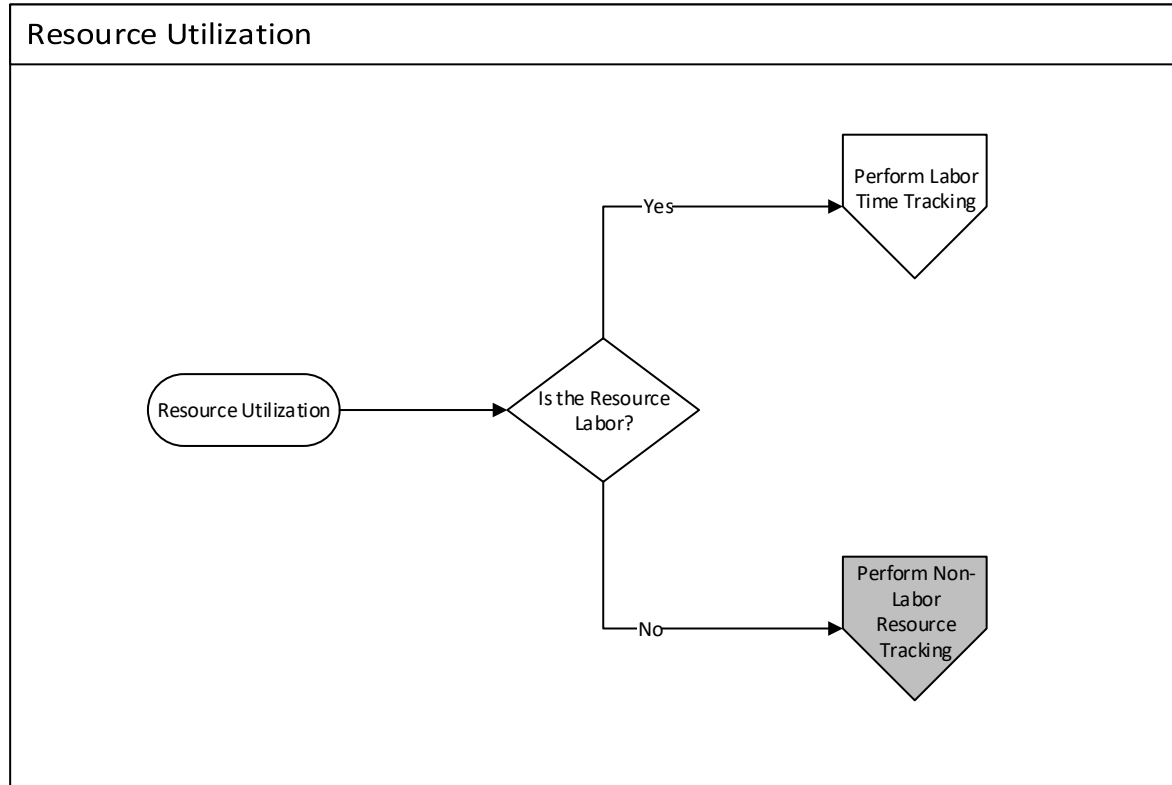
The purpose of this document is to provide an introduction to Resource Utilization, also called Resource Tracking, for Army operations. Resource Utilization is the collection of non-monetary quantitative values and figures which reflect the consumption of resources e.g. labor, assets, equipment, etc. Resource Utilization is tracked via a unit of measure with respect to a benefiting cost object. For example, 80 labor hours worked on a customer order, 400 miles driven in a training exercise, or 50 flight hours for a mission.

Collecting this quantitative data with respect to its benefiting cost object provides information that can be used to identify such figures as idle capacity, total utilization, and usage requirements by activity, etc. This type of information is used to make informed management decisions such as forecasting replacement of resources, redistribution of resources based on idle capacity, planning of exercises and missions based on resource capacities and requirements, etc. Quantitative data can provide extremely useful information across Army operations. The Army tracks both labor and non-labor resources to gain insight into Army operations.

Not only does the capturing of quantitative data have its advantages as highlighted above, but quantitative data can be coupled with Resource Rates to derive cost, which is the monetary value of resources used or sacrificed to achieve an objective. A Resource Rate is the calculation of cost per unit of measure for a resource, for example \$20 per hour for a resource or \$12 per mile for a resource. Essentially the quantity of Resource Utilization can be multiplied by the respective Resource Rate to calculate cost. For example 80 hours of utilization of a GSA vehicle multiplied by the resource rate of \$20 per hour for that GSA vehicle produces a cost of \$1600. (See the **RTS.2.0002 (Resource Rates)** to understand the generation and calculation of Resource Rates by resource.) In this way, Resource Utilization and the measuring and assigning of resource consumption to a benefiting cost object produces extremely useful information and insight into Army operations.



## Process Flow



## System, Roles, Transactions, Reports

This BPP does not require the use of any systems or roles.

System	Swim Lane	Transaction/ Report	Descriptive Role Name	Technical Role Name
NA				

## Previous Activity

Prior to tracking Resource Utilization:

- The Army has designed a Cost Model which defines the resources and the units of measure to be tracked. Refer to **Cost Models** within the 'Supportive Documents' section.
- There are established methods or interfaces for capturing and assigning resource utilization to benefiting Cost Objects.



## Process

1. Determine which Resource Utilization process to view.
2. To view the tracking of labor, see **LTT.3.0002 (Perform Labor Time Tracking)**.
3. To view the tracking on non-labor resources, see **LTT.3.TBD (Perform Non-Labor Resource Tracking)**.

## Results/Comments

An overview of the need to track resources utilization via a defined unit of measure with respect to a benefiting Cost Object is understood. The Army tracks both the consumption of labor and non-labor resources to gain insight into Army operations.

## Next Activity

After performing this business process, one of the types of Resource Utilization tracking processes has been selected to further drill into and understand the process.

Document Name	Document Location
LTT.3.0002 (Perform Labor Time Tracking)	<a href="https://cpp.army.mil/webcenter/portal/ACMPortal/KNOWLEDGE%20CENTER/BPP%20Documents">https://cpp.army.mil/webcenter/portal/ACMPortal/KNOWLEDGE%20CENTER/BPP%20Documents</a>
LTT.3.TBD (Perform Non-Labor Resource Tracking)	TBD