

# DEPARTMENT OF THE ARMY

*FISCAL YEAR (FY) 2006/2007 PRESIDENT'S BUDGET*



**MILITARY PERSONNEL, ARMY**

**JUSTIFICATION BOOK**

**VOLUME I – ACTIVE FORCES**

**FEBRUARY 2005**

DEPARTMENT OF THE ARMY  
JUSTIFICATION OF ESTIMATES FOR FY 2006/2007

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SECTION 1  
SUMMARY OF REQUIREMENTS BY BUDGET PROGRAM  
(AMOUNTS IN THOUSANDS OF DOLLARS)

	ACTUAL FY 2004	ESTIMATE FY 2005	ESTIMATE FY 2006	ESTIMATE FY 2007
<b>DIRECT BASELINE PROGRAM</b>				
PAY AND ALLOWANCES FOR OFFICERS.....	\$ 7,623,318	\$ 8,073,148	\$ 7,987,113	\$ 8,171,886
PAY AND ALLOWANCES FOR ENLISTED.....	18,211,440	18,933,279	17,610,680	18,268,861
PAY AND ALLOWANCES FOR CADETS.....	49,760	50,969	54,331	56,369
SUBSISTENCE OF ENLISTED PERSONNEL.....	1,357,733	1,303,194	1,357,638	1,431,220
PERMANENT CHANGE OF STATION TRAVEL.....	961,305	947,354	1,108,835	1,071,338
OTHER MILITARY PERSONNEL COSTS.....	101,750	101,925	282,089	291,110
<b>TOTAL DIRECT BASELINE PROGRAM.....</b>	<b>\$ 28,305,306</b>	<b>\$ 29,409,869</b>	<b>\$ 28,400,686</b>	<b>\$ 29,290,784</b>
<b>REIMBURSABLE BASELINE PROGRAM</b>				
PAY AND ALLOWANCES FOR OFFICERS.....	\$ 139,452	\$ 175,466	\$ 182,136	\$ 198,749
PAY AND ALLOWANCES FOR ENLISTED.....	313,442	85,292	79,402	80,654
PAY AND ALLOWANCES FOR CADETS.....	0	0	0	0
SUBSISTENCE OF ENLISTED PERSONNEL.....	32,528	24,440	34,463	35,808
PERMANENT CHANGE OF STATION.....	10,634	2,129	2,173	2,219
OTHER MILITARY PERSONNEL COSTS.....	149	133	0	0
<b>TOTAL REIMBURSABLE BASELINE PROGRAM.....</b>	<b>\$ 496,205</b>	<b>\$ 287,460</b>	<b>\$ 298,174</b>	<b>\$ 317,430</b>
<b>TOTAL BASELINE PROGRAM</b>				
PAY AND ALLOWANCES FOR OFFICERS.....	\$ 7,762,770	\$ 8,248,614	\$ 8,169,249	\$ 8,370,635
PAY AND ALLOWANCES FOR ENLISTED.....	18,524,882	19,018,571	17,690,082	18,349,515
PAY AND ALLOWANCES FOR CADETS.....	49,760	50,969	54,331	56,369
SUBSISTENCE OF ENLISTED PERSONNEL.....	1,390,261	1,327,634	1,392,101	1,467,028
PERMANENT CHANGE OF STATION TRAVEL.....	971,939	949,483	1,111,008	1,073,557
OTHER MILITARY PERSONNEL COSTS.....	101,899	102,058	282,089	291,110
<b>TOTAL BASELINE PROGRAM.....</b>	<b>\$ 28,801,511</b>	<b>\$ 29,697,329</b>	<b>\$ 28,698,860</b>	<b>\$ 29,608,214</b>
<b>GWOT PROGRAM</b>				
PAY AND ALLOWANCES FOR OFFICERS.....	\$ 2,104,514	\$ 132,322	\$ 0	\$ 0
PAY AND ALLOWANCES FOR ENLISTED.....	7,262,127	653,678	0	0
PAY AND ALLOWANCES FOR CADETS.....	0	0	0	0
SUBSISTENCE OF ENLISTED PERSONNEL.....	2,308,270	92,400	0	0
PERMANENT CHANGE OF STATION TRAVEL.....	176,230	0	0	0
OTHER MILITARY PERSONNEL COSTS.....	206,519	37,300	0	0
<b>TOTAL GWOT PROGRAM.....</b>	<b>12,057,660</b>	<b>915,700</b>	<b>0</b>	<b>0</b>
<b>TOTAL PROGRAM</b>				
PAY AND ALLOWANCES FOR OFFICERS.....	\$ 9,867,284	\$ 8,380,936	\$ 8,169,249	\$ 8,370,635
PAY AND ALLOWANCES FOR ENLISTED.....	25,787,009	19,672,249	17,690,082	18,349,515
PAY AND ALLOWANCES FOR CADETS.....	49,760	50,969	54,331	56,369
SUBSISTENCE OF ENLISTED PERSONNEL.....	3,698,531	1,420,034	1,392,101	1,467,028
PERMANENT CHANGE OF STATION TRAVEL.....	1,148,169	949,483	1,111,008	1,073,557
OTHER MILITARY PERSONNEL COSTS.....	308,418	139,358	282,089	291,110
<b>TOTAL PROGRAM.....</b>	<b>\$ 40,859,171</b>	<b>\$ 30,613,029</b>	<b>\$ 28,698,860</b>	<b>\$ 29,608,214</b>
Medicare-Eligible Retiree Health Fund Contribution	\$ 0	\$ 0	\$ 2,281,171	\$ 2,601,551

## Section 2

### Introduction

The American Soldier -- fierce, well trained, well equipped, and well-led -- is central to all of the Army's combat formations and systems. The Military Personnel, Army (MPA) appropriation provides the resources needed to compensate those active duty Soldiers who man the approved force structure. In addition to personnel in the force structure, the appropriation also provides compensation for personnel in the individual accounts: students, trainees, transients, cadets, and holdees (holdees include patients and others). The Army's manning goal is to provide, in a timely manner, the right number of high quality people in the appropriate grades and skills to satisfy force structure authorizations. Accomplishment of this goal will ensure a high degree of personnel and combat readiness in units.

The FY 06/07 budget continues to emphasize Army transformation towards the future, while providing our Soldiers with what they need for the current fight. America's all-volunteer Army, the world's dominant land force remains actively engaged in the Global War on Terrorism. Current and future MPA funding levels are critical indicators of our nation's commitment to maintain the all-volunteer force. MPA also funds the Army's continuing commitment to taking care of Soldiers' families, allowing Soldiers to remain focused on their primary duties. The current operational environment has the potential to impact our recruiting and retention efforts, so this budget resources a set of incentives to allow the Army to continue to attract and retain the right people.

### Management Characteristics of MPA

MPA is a centrally managed, single-year, specific, and open allotment appropriation which funds pay and allowances, monetary benefits/incentives, subsistence, and permanent change of station (PCS) for Soldiers. Entitlements are set by statute, with the biggest cost driver being the average number of personnel on active duty. There are other factors, such as overseas strength, percentage of married personnel, and personnel policy, which also impact heavily on requirements in this appropriation.

### Major Changes in the Active Army Budget Estimates include:

The FY 2005 estimate is based on a 494,420 manyear program (excluding contingency operations). The total authorized base end strength was increased by 20,000 in NDAA 2005 to 502,400, however, the Army's budgeted end strength remains at a steady state level of 482,400. Funding for the additional 20,000 end strength will be requested through FY 2005 Supplemental Appropriations.

The FY 2006/2007 estimate (excluding contingency operations) is based on a 482,558 manyear program for FY 2006 and 482,083 manyear program for FY 2007. The total authorized base end-strength is 502,400.

### Other Major Changes Include:

- The annualized FY 2005 DOD military pay raise of 3.5% is budgeted with a 1 January 2005 effective date.
- The FY 2006 DOD military pay raise of 3.1% is budgeted with a 1 January 2006 effective date.
- The normal cost percentage used to calculate payments to the military retired pay trust fund are 26.5% in FY 2006.
- BAH housing growth is an overall 4.0%, effective 1 January 2006.
- BAH - Residential Communities Initiative (RCI). The RCI program is a major initiative within the Army to leverage private capital to alleviate housing shortages, rapidly improve the condition of existing housing and eliminate inadequate family housing by FY 2007. This initiative is fully funded in FY 2006. This program focuses on developing and managing communities and embraces comprehensive planning and execution, as opposed to piecemeal projects. The following Forts are funded through FY 2007: Hood, Lewis, Meade, Hamilton, Bragg, Campbell, Irwin, Stewart, Polk, Eustis, Detrick, Shafter, Walter Reed Medical Center, Picatinney Arsenal, Schofield Barracks, Hunter Army Airfield, Moffet Field, Presidio of Monterey, Leonard Wood, Drum, Sam Houston, Carlisle Barracks, Monmouth, Benning, Knox, Rucker, Leavenworth, Gordon, Redstone Arsenal, McPherson, Riley, and White Sands Missile Range.
- The rates for subsistence are indexed to changes in the US Department of Agriculture food plan.
- The estimates for overseas station allowances are based on rates of exchange of €0.8785 Euro/\$1 U.S.
- The Ronald W. Reagan National Defense Authorization Act for Fiscal Year 2005 (P.L. 108-375) provided permanent, indefinite appropriations to finance the cost of TRICARE benefits accrued by uniformed service members. Previously, the military personnel accounts were required to pay the accrued costs, using annual appropriations. Since these costs are actually borne in support of the Department of Defense, they will be shown as part of the DoD discretionary total. Ten new accounts corresponding to each of the existing military personnel accounts have been created to show the cost of these payments. Beginning in 2006, the appropriations requested for the military personnel accounts exclude funding to make the retiree health accrual payments. Total obligations on behalf of military personnel include both the amounts requested for appropriation and amounts paid from the permanent, indefinite authority. This budget submission includes transfers of \$2.3 billion in FY 2006 and \$2.6 billion in FY 2007 from the MPA appropriation to the new Medicare-Eligible Retiree Health Fund Contribution, Army account (Treasury Code 1004A).

**Global War On Terrorism (GWOT):**

This baseline MPA appropriation request does not include estimates for Global War on Terrorism (GWOT). The Department plans to seek supplemental funding to finance the incremental costs above the baseline budget for on-going military operations: Operation Enduring Freedom (OEF) and Operation Iraqi Freedom (OIF). In FY 2005, the Army requires a total of \$14.2 billion to sustain the level of support necessary to continue military operations in Iraq, Afghanistan, and elsewhere. The Congress has already provided \$915.7 million to finance this requirement in Public Law 108-287, Title IX, FY 2005 Department of Defense Appropriations Act. The Army's FY 2005 Supplemental Request includes \$13.3 billion to finance the remainder of the incremental costs for Operation Enduring Freedom (OEF) and Operation Iraqi Freedom (OIF). The Army plans to seek supplemental appropriations in FY 2006 to finance the military personnel costs associated with the GWOT.

**End Strength**

In FY 2005 and FY 2006, the Army needs to continue to increase its end strength to meet deployment commitments in support of the GWOT and to convert to Army Modular Force structure which will add 10 new active duty Brigade Combat Teams (BCTs) by 2007 (growing to 43 from 33 brigades in FY 2003.) The result will be creation of a larger pool of more capable and lethal units for rotational deployments tailored to meet Combatant Commander's requirements. This process is already underway: In FY 2004, the Army added three new Active BCTs and converted ten existing brigades. In FY 2005, the Army will add three new BCTs, and convert nine existing (five active and four reserve) brigades. The required resources for the increase in end strength above the baseline, peacetime level is not included in the baseline budget.

- o FY 2005: The Army projects to end FY 2005 with end strength of 511,800 or 29,400 above the baseline budget request (9,400 above the permanent level authorized by Congress). The FY 2005 supplemental request includes \$1.551 billion to fund pay and allowances for the overstrength.

	<u>End Strength</u>
Current Plan	511,800
Current Funded Level	<u>482,400</u>
Difference	+29,400

- o FY 2006: Since the military operations for GWOT is inherently unpredictable and are not part of routine force deployments, the Army plans to seek supplemental funding in FY 2006 for the additional end strength of 20,000 up to the FY 2005 permanent authorized level of 502,400. The cost estimate for this additional end strength is about \$1.2 billion (pay and allowances only). The actual number of end strength required for FY 2006 is currently under review.

	<u>End Strength</u>
FY 2005 Permanent Authorized End Strength	502,400
FY 2006 Budget Estimate	<u>482,400</u>
Difference	+20,000

**President's Management Agenda (PMA) - Budget Performance Metrics:**

The Department of Defense is adopting a DOD-wide approach to establishing performance outputs and tracking performance results, based on the President's Management Agenda, MPA is implementing Budget and Performance Integration (BPI) goals. The MPA appropriation has associated performance metrics with resources beginning in FY04 and will continue reporting on metrics for selected programs in future budgets. A performance measurement and evaluation summary can be found in Section 5 - Special Analysis. Additional performance metrics are used in the preparation of this Justification Book may be found in the FY 06 Army Performance Budget Justification Book, dated 18 February 2005.

**MILITARY PERSONNEL, ARMY**  
**Fiscal Year (FY) 2005 President's Budget**  
**Performance Measures and Evaluation Summary**

Activity: Active Military Personnel

Activity Goal: Maintain the correct Active Military Personnel to execute National Strategy.

Description of Activity: The Active Military Personnel appropriation provides resources necessary to compensate military personnel required to man approved force structure and support infrastructure, which includes pay, allowances, individual clothing, subsistence, and permanent changes of station.

**PERFORMANCE MEASURES:**

	<u>FY 2004 Actual</u>	<u>FY 2005 Planned</u>	<u>FY 2006 Planned</u>	<u>FY 2007 Planned</u>
Average Strength	616,323	496,835	484,312	484,313
End Strength	499,543	482,400	482,400	482,400
Authorized End Strength	482,400			
Additional End Strength		20,000		

FY 2004 NDAA authorized an increase to end strength of 502.4K. This brings the Army's end strength to 482K beginning FY 2004. This metric measures the variance in planned versus actual manyears. This display provides the information to meet the Office of Management and Budget requirement for PART-Program Assessment Rating Tool.

Recruiting

1. Numeric goals	77,000	80,000	80,000	82,200
Actual	77,587			

- Total Recruiting mission is compared to actual accessions for the fiscal year. The percent goal accomplished is the measurement.

Narrative: Recruiting goals were met for FY 2003 due to the Army's recruiters and sustained investments in recruiting resources including personnel, incentives, operations, advertising, and quality of life/well-being initiatives. The FY 2005 recruiting environment expects to be a challenge due to increased alternatives for youth, the historically low propensity to enlist, and the increased operating tempo. In addition, the goals for FY 2006 and FY 2007 will change due to the temporary 30,000-end strength increase.

**2. Quality goals**

a. HSDG percent (Tier I)	90%	90%	90%	90%
Actual	92.4%	91.2%		
b. Test Score Category I-III A percent	67%	67%	67%	67%
Actual	71%	77%		

a. The percent Tier 1 High School Degree Graduate (HSDG) is the measure, which is a measure of educational achievement - Total number of Tier 1 (HSDG) non-prior service accessions + Delayed Entry Program (DEP) is compared to total number of non-prior service accessions + DEP for the fiscal year. (DOD target is 90%)

Narrative: Quality goals serve as a screening mechanism; the Army does not directly resource to quality levels. Recruiting efforts focus on high school degree graduates and graduating seniors who are Cat I-III A.

b. The percent of Cat I-III A is the measure - Total number of non-prior service accessions + DEP who scored at or above 50<sup>th</sup> percentile (Cat I-III A) is compared to total number of non-prior service accessions + DEP for the fiscal year. (DOD target is 60%. Cat I-III A - scores at or above 50 on the Armed Forces Qualification Test (measure of aptitude). Cat IV - percentages are not shown as the Services historically have no difficulty meeting the 4% limitation.)

Narrative: Quality goals serve as a screening mechanism; the Army does not directly resource to quality levels. Recruiting efforts focus on high school degree graduates and graduating seniors who are Cat I-III A. The implementation of upgraded Armed Services Vocational Aptitude Battery norms may impact quality achievement in the future as enlistment standards will increase.



SECTION 3  
SUMMARY OF MILITARY PERSONNEL STRENGTH

	FY 2004 ACTUAL		FY 2005 ESTIMATE		FY 2006 ESTIMATE		FY 2007 ESTIMATE	
	AVERAGE STRENGTH	END STRENGTH 30 SEP 2004	AVERAGE STRENGTH	END STRENGTH 30 SEP 2005	AVERAGE STRENGTH	END STRENGTH 30 SEP 2006	AVERAGE STRENGTH	END STRENGTH 30 SEP 2007
DIRECT BASELINE PROGRAM								
OFFICERS.....	79,859	79,344	79,035	77,867	79,859	77,567	79,113	77,567
ENLISTED.....	398,883	397,395	399,099	398,809	398,883	399,309	399,630	399,309
ACADEMY CADETS.....	4,071	4,137	4,046	4,200	4,046	4,000	4,046	4,000
TOTAL DIRECT PROGRAM.....	482,813	480,876	482,180	480,876	482,788	480,876	482,789	480,876
REIMBURSABLE BASELINE PROGRAM								
OFFICERS.....	625	633	633	633	633	633	633	633
ENLISTED.....	5,371	891	891	891	891	891	891	891
TOTAL REIMBURSABLE PROGRAM.....	5,996	1,524	1,524	1,524	1,524	1,524	1,524	1,524
TOTAL BASELINE PROGRAM								
OFFICERS.....	80,484	79,977	79,668	78,500	80,492	78,200	79,746	78,200
ENLISTED.....	404,254	398,286	399,990	399,700	399,774	400,200	400,521	400,200
ACADEMY CADETS.....	4,071	4,137	4,046	4,200	4,046	4,000	4,046	4,000
TOTAL BASELINE PROGRAM.....	488,809	482,400	483,704	482,400	484,312	482,400	484,313	482,400
FY2004 SUPPLEMENTAL (P.L. 108-106)								
FY2005 TITLE IX (P.L. 108-287)								
OFFICERS.....	15,623	3,105	1,336					
ENLISTED.....	111,891	14,038	11,795					
SUPPLEMENTAL FUNDED STRENGTH.....	127,514	17,143	13,131					
REVISED TOTAL PROGRAM								
OFFICERS.....	96,107	83,082	81,004	78,500	80,492	78,200	79,746	78,200
ENLISTED.....	516,145	412,324	411,785	399,700	399,774	400,200	400,521	400,200
ACADEMY CADETS.....	4,071	4,137	4,046	4,200	4,046	4,000	4,046	4,000
REVISED TOTAL PROGRAM.....	616,323	499,543	496,835	482,400	484,312	482,400	484,313	482,400

SECTION 3  
END STRENGTHS BY GRADE (TOTAL PROGRAM)

	ACTUAL FY 2004		ESTIMATE FY 2005		ESTIMATE FY 2006		ESTIMATE FY 2007	
	30 SEPT	REIMB INCLUDED	30 SEPT	REIMB INCLUDED	30 SEPT	REIMB INCLUDED	30 SEPT	REIMB INCLUDED
<b>COMMISSIONED OFFICERS</b>								
GEN.....	10	0	10	0	10	0	10	0
LTG.....	43	0	43	0	43	0	43	0
MG.....	103	2	103	2	103	2	103	2
BG.....	157	4	157	4	157	4	157	4
COL.....	3,708	26	3,708	29	3,465	29	3,302	29
LTC.....	9,465	69	9,329	78	8,662	78	8,427	78
MAJ.....	16,156	138	14,297	155	14,541	155	15,047	155
CPT.....	23,778	272	24,383	228	24,662	228	24,233	228
1LT.....	9,629	104	8,477	117	7,919	117	8,116	117
2LT.....	8,023	2	5,833	2	6,677	2	6,750	2
TOTAL COMMISSIONED OFFICERS.....	71,072	617	66,340	615	66,239	615	66,188	615
<b>WARRANT OFFICERS</b>								
CW5.....	407	1	411	1	407	1	408	1
CW4.....	1,609	4	1,629	4	1,603	4	1,610	4
CW3.....	4,851	5	3,009	6	2,954	6	2,967	6
CW2.....	4,851	5	4,911	6	4,832	6	4,853	6
WO1.....	2,173	1	2,200	1	2,165	1	2,174	1
TOTAL WARRANT OFFICERS.....	12,010	16	12,160	18	11,961	18	12,012	18
TOTAL OFFICER PERSONNEL.....	83,082	633	78,500	633	78,200	633	78,200	633
<b>ENLISTED PERSONNEL</b>								
SGM.....	4,001	23	3,997	23	2,886	23	2,953	23
1SG/MSG.....	7,999	45	7,994	45	10,093	45	10,199	45
PSG/SFC.....	35,995	158	35,973	158	34,927	158	35,268	158
SSG.....	60,661	190	55,958	197	55,349	190	55,578	190
SGT.....	73,970	191	71,946	184	72,475	191	73,188	191
CPL/SPC.....	114,907	158	111,916	158	113,784	158	114,594	158
PFC.....	61,687	110	59,955	110	54,036	110	52,977	110
PV2.....	32,636	13	31,976	13	33,029	13	32,458	13
PV1.....	20,468	3	19,985	3	23,621	3	22,985	3
TOTAL ENLISTED PERSONNEL.....	412,324	891	399,700	891	400,200	891	400,200	891
TOTAL OFF & ENL PERSONNEL.....	495,406	1,524	478,200	1,524	478,400	1,524	478,400	1,524
CADETS.....	4,137	0	4,200	0	4,000	0	4,000	0
TOTAL END STRENGTH.....	499,543	1,524	482,400	1,524	482,400	1,524	482,400	1,524

MPA FINANCIAL MANAGEMENT SYSTEM  
SECTION 3 MONTHLY END STRENGTHS BY PAY GRADE  
FY 2004

	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP
<b>COMMISSIONED OFFICERS</b>												
GEN.....	9	10	9	10	10	10	10	10	11	11	11	10
LTC.....	40	41	39	41	39	39	40	40	38	36	38	43
MG.....	105	104	99	104	104	104	103	104	102	105	101	103
BG.....	148	147	141	147	146	147	147	147	149	147	151	157
COL.....	3,642	3,664	3,656	3,644	3,667	3,730	3,805	3,816	3,790	3,751	3,704	3,708
LTC.....	8,909	8,824	8,861	8,913	8,956	9,037	9,124	9,212	9,188	9,169	9,081	9,465
MAJ.....	14,169	14,276	14,217	14,196	14,137	14,062	14,035	14,123	14,235	14,231	14,217	16,156
CPT.....	24,982	24,674	24,498	24,430	24,440	24,317	24,264	23,979	23,922	23,785	23,488	23,778
1LT.....	7,139	7,333	9,318	9,270	9,314	9,557	9,553	9,407	9,624	9,851	9,952	9,629
2LT.....	8,953	8,819	6,874	7,155	7,000	6,683	6,704	7,704	8,248	8,216	8,144	8,023
TOTAL.....	68,096	67,892	67,712	67,910	67,813	67,686	67,785	68,542	69,307	69,302	68,887	71,072
<b>WARRANT OFFICERS</b>												
CW5.....	401	397	424	421	414	418	419	421	417	415	417	407
CW4.....	1,543	1,525	1,570	1,567	1,571	1,590	1,598	1,605	1,619	1,627	1,631	1,609
CW3.....	3,505	3,488	3,552	3,549	3,546	3,548	3,553	3,549	3,544	3,527	3,525	2,970
CW2.....	4,554	4,615	4,579	4,609	4,540	4,594	4,624	4,597	4,598	4,602	4,611	4,851
WO1.....	2,206	2,162	2,117	2,100	2,138	2,096	2,070	2,115	2,133	2,121	2,127	2,173
TOTAL.....	12,209	12,187	12,242	12,246	12,209	12,246	12,264	12,287	12,311	12,292	12,311	12,010
TOTAL OFFICERS.....	80,305	80,079	79,954	80,156	80,022	79,932	80,049	80,829	81,618	81,594	81,198	83,082
<b>ENLISTED PERSONNEL</b>												
SGM.....	3,328	3,328	3,357	3,389	3,424	3,427	3,439	3,447	3,446	3,437	3,425	4,001
LSG/MSG.....	11,373	11,319	11,227	11,212	11,153	11,165	11,232	11,273	11,227	11,203	11,162	7,999
PSG/SFC.....	37,872	37,870	37,738	37,694	37,609	37,552	37,573	37,562	37,507	37,582	37,367	35,995
SSG.....	57,009	56,670	56,284	56,344	56,291	56,228	56,197	56,422	56,615	58,309	58,190	60,661
SGT.....	74,260	73,330	71,975	73,192	73,442	73,654	74,076	74,438	74,370	74,755	74,617	73,970
CPL/SPC.....	122,082	122,269	118,462	117,174	117,891	118,344	118,874	119,880	121,012	118,032	117,687	114,907
PFC.....	63,278	62,902	60,988	61,942	61,510	61,276	61,607	61,211	61,325	62,211	61,378	61,687
PV2.....	30,639	30,655	30,517	31,276	31,389	31,353	31,705	30,787	29,738	29,833	30,045	32,636
PV1.....	18,435	17,800	15,526	15,724	16,033	16,779	16,521	16,801	19,085	18,576	18,249	20,468
TOTAL ENLISTED.....	418,276	416,143	406,074	407,947	408,742	409,778	411,224	411,821	414,325	413,938	412,120	412,324
CADET/MIDSHIPMEN.....	4,197	4,188	4,146	4,139	4,118	4,106	4,099	3,113	4,260	4,171	4,145	4,137
TOTAL END STRENGTH.....	502,778	500,410	490,174	492,242	492,882	493,816	495,372	495,763	500,203	499,703	497,463	499,543

MPA FINANCIAL MANAGEMENT SYSTEM  
SECTION 3 MONTHLY END STRENGTHS BY PAY GRADE  
FY 2005

	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP
<b>COMMISSIONED OFFICERS</b>												
GEN.....	11	11	11	10	10	10	10	10	10	10	10	10
LTG.....	38	39	39	41	41	41	41	41	41	41	41	43
MG.....	103	103	100	99	99	99	99	99	99	99	99	103
BG.....	151	152	151	151	151	151	151	151	151	151	151	157
COL.....	3,611	3,648	3,659	3,612	3,605	3,607	3,609	3,634	3,657	3,635	3,620	3,708
LTC.....	8,958	9,020	9,092	8,930	8,910	8,913	8,880	8,907	8,993	8,979	8,870	9,329
MAJ.....	14,073	14,033	14,039	13,919	13,901	13,907	13,821	13,889	14,006	13,868	14,102	14,297
CPT.....	21,961	23,666	23,473	23,115	22,988	23,598	23,463	23,023	23,146	25,238	24,728	24,383
1LT.....	9,635	9,697	9,755	9,890	9,810	9,481	9,442	9,528	9,702	8,453	8,454	8,477
2LT.....	8,309	6,350	6,423	6,285	6,334	5,883	6,047	7,534	7,673	6,846	7,072	5,833
TOTAL.....	66,850	66,719	66,742	66,052	65,849	65,690	65,563	66,816	67,478	67,320	67,147	66,340
<b>WARRANT OFFICERS</b>												
CW5.....	418	418	429	407	406	408	410	412	416	420	423	411
CW4.....	1,548	1,552	1,561	1,488	1,490	1,495	1,502	1,513	1,528	1,530	1,535	1,629
CW3.....	3,412	3,398	3,402	3,277	3,250	3,219	3,213	3,209	3,200	3,184	3,168	3,009
CW2.....	4,560	4,593	4,578	4,467	4,437	4,457	4,459	4,529	4,556	4,567	4,571	4,911
WO1.....	2,105	2,073	2,051	2,037	2,048	2,072	2,090	2,055	2,057	2,059	2,106	2,200
TOTAL.....	12,043	12,034	12,021	11,676	11,631	11,651	11,674	11,718	11,757	11,760	11,803	12,160
TOTAL OFFICERS.....	78,893	78,753	78,763	77,728	77,480	77,341	77,237	78,534	79,235	79,080	78,950	78,500
<b>ENLISTED PERSONNEL</b>												
SGM.....	3,297	3,286	3,276	3,372	3,334	3,424	3,400	3,368	3,326	3,281	3,244	3,997
LSG/MSG.....	10,894	11,042	11,176	11,173	11,056	10,884	10,840	10,847	10,854	10,756	10,665	7,994
PSG/SFC.....	36,816	36,855	37,176	38,139	38,049	38,068	38,118	38,219	38,050	37,835	37,601	35,973
SSG.....	57,063	57,165	57,170	56,711	57,069	57,702	58,376	58,816	58,584	58,333	58,088	55,958
SGT.....	73,556	73,352	73,468	72,613	73,101	73,411	73,650	73,737	73,532	73,319	73,040	71,946
CPL/SPC.....	113,915	114,035	112,878	108,457	108,664	109,026	109,599	110,418	111,581	112,222	112,702	111,916
PFC.....	60,203	59,303	58,383	52,610	53,734	53,925	53,791	53,733	52,393	52,373	53,741	59,955
PV2.....	30,469	30,422	30,962	33,005	32,065	32,725	32,153	31,619	30,956	31,185	31,260	31,976
PV1.....	18,264	18,125	15,647	18,533	18,479	18,411	19,162	19,802	21,600	21,659	22,398	19,985
TOTAL ENLISTED.....	404,477	403,585	400,136	394,613	395,551	397,576	399,089	400,559	400,876	400,963	402,739	399,700
CADET/MIDSHIPMEN.....	4,125	4,123	4,096	4,088	4,067	4,054	4,050	3,070	4,232	4,174	4,154	4,200
TOTAL END STRENGTH.....	487,495	486,461	482,995	476,429	477,098	478,971	480,376	482,163	484,343	484,217	485,843	482,400

MPA FINANCIAL MANAGEMENT SYSTEM  
SECTION 3 MONTHLY END STRENGTHS BY PAY GRADE  
FY 2006

	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP
<b>COMMISSIONED OFFICERS</b>												
GEN.....	10	10	10	10	10	10	10	10	10	10	10	10
LTG.....	43	43	43	43	43	43	43	43	43	43	43	43
MG.....	103	103	103	103	103	103	103	103	103	103	103	103
BG.....	157	157	157	157	157	157	157	157	157	157	157	157
COL.....	3,644	3,634	3,629	3,644	3,634	3,626	3,620	3,691	3,728	3,722	3,713	3,465
LTC.....	8,986	8,962	8,949	8,987	8,961	8,941	8,926	9,101	9,193	9,177	9,157	8,662
MAJ.....	14,025	13,989	13,968	14,027	13,987	13,955	13,932	14,205	14,350	14,325	14,292	14,541
CPT.....	23,862	23,799	23,764	23,865	23,796	23,742	23,703	24,167	24,413	24,371	24,316	24,662
1LT.....	7,821	8,193	8,483	8,716	8,614	8,769	8,594	8,013	8,039	7,953	7,859	7,919
2LT.....	6,694	6,283	5,972	5,800	5,861	5,673	5,825	6,688	6,811	6,871	6,931	6,677
TOTAL.....	65,345	65,173	65,078	65,352	65,166	65,019	64,913	66,178	66,847	66,732	66,581	66,239
<b>WARRANT OFFICERS</b>												
CW5.....	401	402	406	407	406	407	408	409	411	411	413	407
CW4.....	1,579	1,584	1,599	1,605	1,600	1,603	1,606	1,613	1,619	1,620	1,626	1,603
CW3.....	2,911	2,920	2,948	2,959	2,949	2,954	2,961	2,973	2,984	2,986	2,997	2,954
CW2.....	4,762	4,777	4,821	4,840	4,823	4,832	4,843	4,863	4,881	4,883	4,903	4,832
WO1.....	2,133	2,140	2,160	2,168	2,161	2,165	2,170	2,179	2,187	2,188	2,197	2,165
TOTAL.....	11,786	11,823	11,934	11,979	11,939	11,961	11,988	12,037	12,082	12,088	12,136	11,961
TOTAL OFFICERS.....	77,131	76,996	77,012	77,331	77,105	76,980	76,901	78,215	78,929	78,820	78,717	78,200
<b>ENLISTED PERSONNEL</b>												
SGM.....	3,085	3,090	3,132	3,200	3,242	3,272	3,278	3,275	3,232	3,186	3,149	3,043
LSG/MSG.....	10,545	10,632	10,693	10,720	10,670	10,637	10,651	10,688	10,772	10,756	10,710	10,468
PSG/SFC.....	36,634	36,712	36,882	36,871	36,780	36,718	36,888	37,139	37,356	37,538	37,357	36,631
SSG.....	56,952	57,117	57,357	57,564	57,323	57,123	57,219	57,598	57,947	58,264	58,110	56,676
SGT.....	72,609	72,831	73,126	73,507	73,301	73,028	73,218	73,794	74,320	74,777	74,615	73,476
CPL/SPC.....	109,853	109,561	109,353	109,117	110,301	111,955	113,105	113,023	112,642	111,570	111,840	111,144
PFC.....	54,049	54,367	52,733	53,462	54,725	54,747	55,406	55,897	54,679	56,688	57,252	55,801
PV2.....	30,964	31,056	31,989	31,767	31,621	32,172	32,013	32,004	31,283	31,221	31,371	30,928
PV1.....	23,243	22,860	21,048	21,273	19,999	18,989	19,319	20,034	21,099	22,114	23,118	22,778
TOTAL ENLISTED.....	397,934	398,226	396,313	397,481	397,962	398,641	401,097	403,452	403,330	406,114	407,522	400,943
CADET/MIDSHIPMEN.....	4,108	4,098	4,096	4,088	4,067	4,054	4,050	3,070	4,232	4,174	4,154	4,000
TOTAL END STRENGTH.....	479,173	479,320	477,421	478,900	479,134	479,675	482,048	484,737	486,491	489,108	490,393	482,400

MPA FINANCIAL MANAGEMENT SYSTEM  
SECTION 3 MONTHLY END STRENGTHS BY PAY GRADE  
FY 2007

	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP
<b>COMMISSIONED OFFICERS</b>												
GEN.....	10	10	10	10	10	10	10	10	10	10	10	10
LTG.....	43	43	43	43	43	43	43	43	43	43	43	43
MG.....	103	103	103	103	103	103	103	103	103	103	103	103
BG.....	157	157	157	157	157	157	157	157	157	157	157	157
COL.....	3,587	3,577	3,569	3,583	3,572	3,563	3,555	3,621	3,655	3,646	3,635	3,302
LTC.....	8,884	8,859	8,840	8,875	8,848	8,824	8,805	8,969	9,052	9,030	9,002	8,427
MAJ.....	14,035	13,995	13,966	14,021	13,978	13,939	13,910	14,168	14,300	14,266	14,222	15,047
CPT.....	23,912	23,845	23,794	23,888	23,814	23,749	23,699	24,139	24,363	24,306	24,230	24,233
1LT.....	7,642	8,361	8,200	8,170	8,375	8,452	8,492	8,027	8,106	8,060	7,944	8,116
2LT.....	6,809	6,049	6,179	6,267	6,017	5,900	5,830	6,562	6,617	6,628	6,699	6,750
TOTAL.....	65,182	64,999	64,861	65,117	64,917	64,740	64,604	65,799	66,406	66,249	66,045	66,188
<b>WARRANT OFFICERS</b>												
CW5.....	406	407	411	412	410	411	411	413	414	414	415	408
CW4.....	1,602	1,606	1,619	1,624	1,618	1,619	1,621	1,626	1,630	1,630	1,635	1,610
CW3.....	2,953	2,960	2,984	2,994	2,982	2,984	2,988	2,998	3,005	3,005	3,013	2,967
CW2.....	4,830	4,842	4,882	4,897	4,878	4,881	4,887	4,903	4,916	4,915	4,929	4,853
WO1.....	2,164	2,169	2,187	2,194	2,185	2,187	2,190	2,197	2,202	2,202	2,208	2,174
TOTAL.....	11,955	11,984	12,083	12,121	12,073	12,082	12,097	12,137	12,167	12,166	12,200	12,012
TOTAL OFFICERS.....	77,137	76,983	76,944	77,238	76,990	76,822	76,701	77,936	78,573	78,415	78,245	78,200
<b>ENLISTED PERSONNEL</b>												
SGM.....	3,050	3,040	3,080	3,135	3,175	3,197	3,205	3,211	3,174	3,128	3,083	2,953
LSG/MSG.....	10,667	10,674	10,732	10,726	10,669	10,640	10,653	10,681	10,700	10,684	10,641	10,199
PSG/SFC.....	36,468	36,301	36,453	36,337	36,241	36,218	36,259	36,365	36,599	36,669	36,507	35,268
SSG.....	56,072	55,845	56,049	55,992	55,796	55,763	55,742	55,890	56,123	56,335	56,264	55,578
SGT.....	73,145	72,645	72,783	72,731	72,521	72,410	72,405	72,534	72,721	73,076	73,043	73,188
CPL/SPC.....	112,147	113,314	112,839	112,963	113,870	114,798	115,964	116,578	116,132	115,091	114,941	114,594
PFC.....	56,575	56,772	54,018	56,233	58,050	57,059	56,527	55,727	53,344	55,310	54,783	52,977
PV2.....	31,043	31,648	32,306	32,438	32,022	31,887	31,796	32,168	31,112	31,450	31,781	32,458
PV1.....	22,858	22,733	19,722	19,926	19,680	19,098	18,789	18,129	19,442	20,081	18,835	22,985
TOTAL ENLISTED.....	402,025	402,972	397,982	400,481	402,024	401,070	401,340	401,283	399,347	401,824	399,878	400,200
CADET/MIDSHIPMEN.....	4,108	4,098	4,096	4,088	4,067	4,054	4,050	3,070	4,232	4,174	4,154	4,000
TOTAL END STRENGTH.....	483,270	484,053	479,022	481,807	483,081	481,946	482,091	482,289	482,152	484,413	482,277	482,400

SECTION 3  
AVERAGE STRENGTHS BY GRADE (TOTAL PROGRAM)

	ACTUAL FY 2004		ESTIMATE FY 2005		ESTIMATE FY 2006		ESTIMATE FY 2007	
	30 SEPT	REIMB INCLUDED	30 SEPT	REIMB INCLUDED	30 SEPT	REIMB INCLUDED	30 SEPT	REIMB INCLUDED
<b>COMMISSIONED OFFICERS</b>								
GEN.....	10	0	10	0	10	0	10	0
LTG.....	39	0	41	0	43	0	43	0
MG.....	121	2	100	2	103	2	103	2
BG.....	173	3	152	4	157	4	157	4
COL.....	4,365	71	3,634	29	3,646	29	3,572	29
LTC.....	10,610	118	9,982	78	9,324	78	8,868	78
MAJ.....	16,874	127	13,988	155	14,633	155	14,626	155
CPT.....	29,596	162	24,565	228	25,335	228	24,998	228
1LT.....	10,770	82	9,360	117	8,748	117	8,862	117
2LT.....	9,133	7	6,716	2	6,517	2	6,418	2
TOTAL COMMISSIONED OFFICERS.....	81,691	572	68,547	615	68,516	615	67,657	615
<b>WARRANT OFFICERS</b>								
CW5.....	488	6	415	1	407	1	411	1
CW4.....	1,866	17	1,531	4	1,605	4	1,620	4
CW3.....	4,158	14	3,245	6	2,958	6	2,986	6
CW2.....	5,400	16	5,187	6	4,838	6	4,884	6
WO1.....	2,504	0	2,078	1	2,168	1	2,188	1
TOTAL WARRANT OFFICERS.....	14,416	53	12,456	18	11,976	18	12,090	18
TOTAL OFFICER PERSONNEL.....	96,107	625	81,004	633	80,492	633	79,746	633
<b>ENLISTED PERSONNEL</b>								
SGM.....	4,197	30	4,080	23	3,169	23	3,119	23
1SG/MSG.....	13,674	109	11,182	45	10,631	45	10,639	45
PSG/SFC.....	46,314	401	38,075	158	35,902	158	36,307	158
SSG.....	72,380	803	57,686	197	57,327	190	55,954	190
SGT.....	92,497	2,001	74,227	184	73,467	191	72,767	191
CPL/SPC.....	148,159	1,821	113,284	158	111,342	158	114,136	158
PFC.....	76,465	165	60,345	110	54,837	110	55,567	110
PV2.....	38,691	30	32,566	13	31,708	13	31,842	13
PV1.....	23,768	11	20,339	3	21,393	3	20,190	3
TOTAL ENLISTED PERSONNEL.....	516,145	5,371	411,785	891	399,774	891	400,521	891
TOTAL OFF & ENL PERSONNEL.....	612,252	5,996	492,789	1,524	480,266	1,524	480,267	1,524
CADETS.....	4,071	0	4,046	0	4,046	0	4,046	0
TOTAL AVERAGE STRENGTH.....	616,323	5,996	496,835	1,524	484,312	1,524	484,313	1,524

SECTION 3  
ACTIVE DUTY STRENGTHS BY MONTH  
( IN THOUSANDS )

	ACTUAL FY 2004				ESTIMATE FY 2005				ESTIMATE FY 2006				ESTIMATE FY 2007			
	OFF	ENL	CAD	TOTAL	OFF	ENL	CAD	TOTAL	OFF	ENL	CAD	TOTAL	OFF	ENL	CAD	TOTAL
SEPTEMBER.....	80.325	414.769	4.207	499.301	80.968	414.438	4.137	499.543	80.001	398.253	4.146	482.400	79.924	398.330	4.146	482.400
OCTOBER.....	80.305	418.276	4.197	502.778	79.746	400.389	4.128	484.263	79.701	400.475	4.128	484.304	79.492	398.681	4.128	482.301
NOVEMBER.....	80.079	416.143	4.188	500.410	79.531	400.903	4.118	484.552	79.483	401.169	4.118	484.770	79.181	398.811	4.118	482.110
DECEMBER.....	79.954	406.074	4.146	490.174	79.423	396.641	4.116	480.180	79.373	396.966	4.116	480.455	78.994	394.850	4.116	477.960
JANUARY.....	80.156	407.947	4.139	492.242	79.677	398.736	4.108	482.521	79.626	398.903	4.108	482.637	79.137	396.734	4.108	479.979
FEBRUARY.....	80.022	408.742	4.118	492.882	79.364	398.099	4.087	481.550	79.310	398.215	4.087	481.612	78.705	397.190	4.087	479.982
MARCH.....	79.932	409.778	4.106	493.816	79.174	397.295	4.074	480.543	79.118	397.359	4.074	480.551	78.426	397.506	4.074	480.006
APRIL.....	80.049	411.224	4.009	495.282	79.990	398.720	4.070	482.780	78.931	398.597	4.070	481.598	78.152	399.742	4.070	481.964
MAY.....	80.829	411.821	3.113	495.763	80.243	399.480	3.090	482.813	81.181	399.292	3.090	483.563	79.278	401.604	3.090	483.972
JUNE.....	81.618	414.325	4.260	500.203	80.812	398.369	4.252	483.433	80.746	398.391	4.252	483.389	79.688	401.607	4.252	485.547
JULY.....	81.594	413.938	4.171	499.703	80.491	399.328	4.194	484.013	80.422	399.178	4.194	483.794	79.157	402.018	4.194	485.369
AUGUST.....	81.199	412.120	4.145	497.464	80.250	398.269	4.174	482.693	80.179	398.341	4.174	482.694	78.752	400.549	4.174	483.475
SEPTEMBER.....	83.082	412.324	4.137	499.543	78.500	399.700	4.200	482.400	78.200	400.943	4.000	482.400	78.200	400.200	4.000	482.400
AVERAGE STRENGTH.....	96.107	516.145	4.071	616.323	81.004	411.785	4.046	496.835	80.492	399.774	4.046	484.312	79.746	400.521	4.046	484.313
(TTAD MANYRS INCL).....	0.259	1.048		1.307	0.177	0.136		0.313	0.241	0.187		0.428	0.240	0.185		0.425
TTAD \$M.....	26.813	52.857		79.670	18.872	7.120		25.992	26.702	10.066		36.768	27.526	10.282		37.808
(CONTINGENCY MANYRS INCLUDED)....	1.166	2.720		3.886	0.542	1.309		1.851	0.498	0.987		1.485	0.499	0.989		1.488
CONTINGENCY \$M.....	36.681	85.590		122.271	51.925	84.494		136.419	47.704	63.705		111.409	49.279	65.651		114.930
MOBILIZED MANYRS.....	0.000	0.000		0.000	0.000	0.000		0.000	0.000	0.000		0.000	0.000	0.000		0.000



SECTION 3  
GAINS AND LOSSES BY SOURCE AND TYPE

	ACTUAL FY 2004	ESTIMATE FY 2005	ESTIMATE FY 2006	ESTIMATE FY 2007
OFFICERS				
BEGINNING STRENGTH.....	80,325	80,962	79,485	79,409
GAINS (BY SOURCE)				
SERVICE ACADEMIES.....	1,497	682	625	1,032
ROTC.....	5,016	1,999	1,762	3,001
OFFICER CANDIDATE SCHOOL.....	1,432	731	670	1,107
VOLUNTARY ACTIVE DUTY.....	92	195	247	315
DIRECT APPOINTMENTS.....	1,909	917	840	1,374
WARRANT OFFICER PROGRAMS.....	1,883	841	771	1,273
OTHER.....	307	0	0	0
TOTAL GAINS.....	12,137	5,367	4,915	8,102
LOSSES (BY TYPE)				
EXPIRATION OF CONTRACT.....	2,561	2,040	881	1,323
RETIREMENT	3,903	2,697	2,423	3,637
DISABILITY.....	(118)	(140)	(134)	(161)
NON-DISABILITY.....	(3,785)	(2,557)	(2,289)	(3,476)
15 YEAR RETIREMENT.....	0	0	0	0
VOLUNTARY SEPARATION - VSI.....	0	0	0	0
VOLUNTARY SEPARATION - SSB.....	0	0	0	0
INVOLUNTARY SEP OF RESERVE.....	75	107	100	125
INVOLUNTARY SEP OF REGULAR.....	21	49	46	57
REDUCTION-IN-FORCE.....	0	0	0	0
ATTRITION.....	0	0	0	0
OTHER.....	2,820	2,937	2,750	4,168
TOTAL LOSSES.....	9,380	7,829	6,200	9,311
END STRENGTH.....	83,082	78,500	78,200	78,200

SECTION 3  
GAINS AND LOSSES BY SOURCE AND TYPE

	ACTUAL FY 2004	ESTIMATE FY 2005	ESTIMATE FY 2006	ESTIMATE FY 2007
ENLISTED				
BEGINNING STRENGTH.....	414,769	412,982	412,732	416,742
GAINS (BY SOURCE)				
NON-PRIOR SERVICE ENLISTMENTS.....	72,535	55,368	56,953	57,886
MALES.....	(60,380)	(43,187)	(44,423)	(45,151)
FEMALES.....	(12,155)	(12,181)	(12,530)	(12,735)
PRIOR SERVICE ENLISTMENTS.....	7,440	4,012	3,848	4,195
REENLISTMENT (IMM).....	53,865	43,920	47,109	46,283
RESERVE COMPONENTS.....	0	0	0	0
RETURNED TO MILITARY CONTROL.....	1,757	2,565	2,614	2,777
OTHER.....	0	0	0	0
GAIN ADJUSTMENT.....	0	0	0	0
TOTAL GAINS.....	135,597	105,865	110,524	111,141
LOSSES (BY TYPE)				
DRAFTEE AND REGULAR ARMY				
ESTIMATED TERMINATION OF SERVICE...	35,558	25,955	24,282	30,924
NORMAL EARLY RELEASE.....	0	0	0	0
PROGRAMMED EARLY RELEASE.....	0	0	0	0
SEPARATIONS -VSI.....	0	0	0	0
SEPARATION - SSB.....	0	0	0	0
TO COMMISSIONED OFFICER				
AND WARRANT OFFICER.....	0	0	0	0
REENLISTMENT.....	54,130	49,337	53,957	50,915
RETIREMENT.....	8,641	7,443	7,185	7,140
15 YEAR RETIREMENT.....	0	0	0	0
DROPPED FROM ROLLS.....	3,018	3,801	3,948	4,028
ATTRITION ADVERSE CAUSES.....	15,561	14,506	15,032	15,457
OTHER ATTRITION.....	21,135	18,105	18,652	19,218
RESERVE COMPONENTS.....	0	0	0	0
TOTAL LOSSES.....	138,042	119,147	123,056	127,683
END STRENGTH.....	412,324	399,700	400,200	400,200
CADETS				
GAINS				
ENTERING CADETS.....	1,203	1,162	1,162	1,162
LOSSES				
ATTRITION.....	1,273	1,162	1,162	1,162
GRADUATES.....	0	0	0	0

SECTION 3  
SUMMARY OF ENTITLEMENTS BY SUBACTIVITY  
(AMOUNTS IN THOUSANDS OF DOLLARS)

	ACTUAL FY 2004			ESTIMATE FY 2005			ESTIMATE FY 2006			ESTIMATE FY 2007		
	OFFICER	ENLISTED	TOTAL	OFFICER	ENLISTED	TOTAL	OFFICER	ENLISTED	TOTAL	OFFICER	ENLISTED	TOTAL
1. BASIC PAY.....	5408842	13393632	18802474	4544419	9726163	14270582	4616228	10035315	14651543	4703916	10399936	15103852
2A. RETIRED PAY ACCRUAL.....	1440153	3599348	5039501	1249715	2674695	3924410	1223300	2659358	3882658	1241834	2745583	3987417
2B. HEALTH CARE ACCRUAL.....	371267	1909904	2281171	426390	2175161	2601551	0	0	0	0	0	0
3. BASIC ALLOWANCE FOR HOUSING.....	1214241	3103143	4317384	1084250	2914495	3998745	1271542	2673850	3945392	1343147	2835366	4178513
A. DOMESTIC.....	1081162	2918916	4000078	999772	2772756	3772528	1152250	2529669	3681919	1224872	2690100	3914972
1. WITH DEPENDENTS.....	834992	2308953	3143945	774379	2395255	3169634	880949	2169696	3050645	942242	2323388	3265630
2. WITHOUT DEPENDENTS..	245775	597021	842796	224974	365109	590083	270878	347512	618390	282203	354306	636509
3. SUBSTANDARD HOUSING	0	301	301	0	243	243	0	270	270	0	268	268
4. PARTIAL.....	395	12641	13036	419	12149	12568	423	12191	12614	427	12138	12565
B. OVERSEAS.....	133079	184227	317306	84478	141739	226217	119292	144181	263473	118275	145266	263541
1. WITH DEPENDENTS.....	54657	89243	143900	41558	70276	111834	59622	71615	131237	59131	72091	131222
2. WITHOUT DEPENDENTS..	78422	94984	173406	42920	71463	114383	59670	72566	132236	59144	73175	132319
4. SUBSISTENCE.....	211916	3698531	3910447	173198	1420034	1593232	177968	1392101	1570069	182299	1467028	1649327
A. BASIC ALLOWANCE FOR SUBSISTENCE.....	211916	1072921	1284837	173198	897810	1071008	177968	827257	1005225	182299	860428	1042727
1. AUTHORIZED TO MESS SEPARATELY.....	211916	1191466	1403382	173198	1027103	1200301	177968	1009791	1187759	182299	1043103	1225402
2. LEAVE RATIONS.....		0	0		0	0		0	0		0	0
3. RATIONS-IN-KIND NOT AVAILABLE.....		64377	64377		59521	59521		0	0		0	0
4. AUGMENTATION FOR SEPARATE MEALS.....		0	0		0	0		0	0		0	0
5. LESS COLLECTIONS....		182922	182922		188814	188814		182534	182534		182675	182675
B. SUBSISTENCE IN KIND....		2624354	2624354		520687	520687		561600	561600		604998	604998
1. SUBSISTENCE IN MESSSES.....		2300856	2300856		300415	300415		310310	310310		328618	328618
2. OPERATIONAL RATIONS		315419	315419		183818	183818		213672	213672		236783	236783
3. AUGMENTATION RATIONS/OTHER.....		8079	8079		36454	36454		37618	37618		39597	39597
C. FAMILY SUBSISTENCE SUPPLE ALLOW( FSSA)....		1256	1256		1537	1537		3244	3244		1602	1602

SECTION 3  
SUMMARY OF ENTITLEMENTS BY SUBACTIVITY  
(AMOUNTS IN THOUSANDS OF DOLLARS)

	ACTUAL FY 2004			ESTIMATE FY 2005			ESTIMATE FY 2006			ESTIMATE FY 2007		
	OFFICER	ENLISTED	TOTAL	OFFICER	ENLISTED	TOTAL	OFFICER	ENLISTED	TOTAL	OFFICER	ENLISTED	TOTAL
5. INCENTIVE PAY, HAZARDOUS DUTY, AND AVIATION CAREER.....	94932	100227	195159	99608	78692	178300	98295	85802	184097	99443	85802	185245
A. FLYING DUTY PAY.....	83333	32844	116177	88850	7191	96041	87537	7581	95118	88685	7581	96266
1. AVIATION CAREER, OFFICERS.....	63703		63703	67351		67351	66245		66245	67393		67393
2. CREW MEMBERS, ENLISTED.....		30589	30589		6237	6237		6654	6654		6654	6654
3. NONCREW MEMBERS.....	76	2255	2331	128	954	1082	148	927	1075	148	927	1075
4. AVIATION CONTINUATION PAY....	19404		19404	21252		21252	21000		21000	21000		21000
5. CREW NON-RATED.....	150		150	119		119	144		144	144		144
B. PARACHUTE JUMP PAY.....	11135	62795	73930	10425	62128	72553	10425	62638	73063	10425	62638	73063
C. DEMOLITION PAY.....	401	4282	4683	266	2619	2885	266	8939	9205	266	8939	9205
D. MILITARY FIREFIGHTERS..		0	0		599	599		599	599		599	599
E. ASSIGNMENT INCENTIVE PAY (KOREA)..		0	0		5800	5800		5800	5800		5800	5800
F. OTHER.....	63	306	369	67	355	422	67	245	312	67	245	312
6. SPECIAL PAYS.....	294153	1019473	1313626	212905	456422	669327	220743	493174	713917	220743	497918	718661
A. PHYSICIAN MEDICAL.....	156084		156084	153374		153374	162747		162747	162747		162747
B. DENTIST MEDICAL.....	23592		23592	28700		28700	28757		28757	28757		28757
C. NURSE MEDICAL.....	2171		2171	4901		4901	4903		4903	4903		4903
D. BOARD CERTIFIED PAY FOR NONPHYSICIAN HEALTH CARE PROVIDER...	1614		1614	2245		2245	1614		1614	1614		1614
E. DIPLOMATE PAY FOR PSYCHOLOGISTS.....	196		196	174		174	174		174	174		174
F. OPTOMETRIST MEDICAL....	828		828	836		836	836		836	836		836
G. PHARMACY MEDICAL.....	1568		1568	1560		1560	1560		1560	1560		1560
H. VETERINARIAN MEDICAL...	1195		1195	1169		1169	1169		1169	1169		1169
I. SEA AND FOREIGN DUTY...	48246	317884	366130	6373	43442	49815	8234	50501	58735	8234	50501	58735
1. SEA DUTY.....	464	531	995	460	612	1072	674	926	1600	674	926	1600
2. HARDSHIP DUTY PAY...	47782	314683	362465	5913	33050	38963	7560	45000	52560	7560	45000	52560
3. OVERSEAS EXTENSION PAY.....		2670	2670		9780	9780		4575	4575		4575	4575
J. FOREIGN LANGUAGE PROFICIENCY PAY.....	3527	12626	16153	6163	18303	24466	4532	22743	27275	4532	22743	27275
K. DIVING DUTY PAY.....	140	1526	1666	97	866	963	140	866	1006	140	866	1006
L. REENLISTMENT BONUS.....		142936	142936		100810	100810		102666	102666		104062	104062
M. SPECIAL DUTY ASSIGN PAY		79666	79666		79814	79814		100079	100079		100079	100079
N. ENLISTMENT BONUS.....		125983	125983		135231	135231		135171	135171		138974	138974
O. EDUCATION BENEFITS.....		42054	42054		18378	18378		17836	17836		18401	18401
P. LOAN REPAYMENT.....		31302	31302		44399	44399		50147	50147		49127	49127
Q. HOSTILE FIRE PAY.....	53590	265496	319086	4115	15179	19294	2867	13165	16032	2867	13165	16032
R. JUDGE ADVOCATE CONTINUATION PAY.....	1402		1402	3198		3198	3210		3210	3210		3210
S. HIGH-DEPLOYMENT PER DIEM ALLOWANCE.....	0	0	0	0	0	0	0	0	0	0	0	0

SECTION 3  
SUMMARY OF ENTITLEMENTS BY SUBACTIVITY  
(AMOUNTS IN THOUSANDS OF DOLLARS)

	ACTUAL FY 2004			ESTIMATE FY 2005			ESTIMATE FY 2006			ESTIMATE FY 2007		
	OFFICER	ENLISTED	TOTAL	OFFICER	ENLISTED	TOTAL	OFFICER	ENLISTED	TOTAL	OFFICER	ENLISTED	TOTAL
7. ALLOWANCE.....	378188	1332768	1710956	167347	630104	797451	149132	689097	838229	152844	697695	850539
A. UNIFORM/CLOTHING												
ALLOWANCE.....	4038	274010	278048	5040	273767	278807	5046	305880	310926	5061	304489	309550
1. INITIAL ISSUE.....	2370	95450	97820	3613	90654	94267	3581	113213	116794	3601	108063	111664
A. MILITARY.....	1958	94359	96317	2862	88040	90902	2815	110547	113362	2820	105345	108165
B. CIVILIAN.....	412	1091	1503	751	2614	3365	766	2666	3432	781	2718	3499
2. ADDITIONAL ALLOWANCE	1668		1668	1427		1427	1465		1465	1460		1460
3. BASIC MAINTENANCE...		51098	51098		56758	56758		58977	58977		59576	59576
4. STANDARD MAINTENANCE		112035	112035		110769	110769		115822	115822		118708	118708
5. SUPPLEMENTARY.....		8165	8165		8151	8151		9736	9736		9853	9853
6. OTHER.....		7262	7262		7435	7435		8132	8132		8289	8289
B. STATION ALLOWANCE												
OVERSEAS.....	308077	404591	712668	140015	251433	391448	106475	283561	390036	109929	292663	402592
1. COST OF LIVING.....	299640	390646	690286	128584	228435	357019	94824	261083	355907	98089	269801	367890
2. TEMPORARY LODGING...	8437	13945	22382	11431	22998	34429	11651	22478	34129	11840	22862	34702
C. CONUS COLA.....	3554	10221	13775	2956	20826	23782	6461	21717	28178	6461	21372	27833
D. FAMILY SEPARATION												
ALLOWANCES.....	62469	643944	706413	19284	84076	103360	31102	77937	109039	31345	79169	110514
1. PCS - NO GOVERNMENT												
QUARTERS.....	4383	9657	14040	3849	8011	11860	4513	11136	15649	4675	11609	16284
2. PCS - DEPENDENTS												
NOT AUTHORIZED.....	9276	58107	67383	7923	35895	43818	16899	37047	53946	16998	37497	54495
3. TDY.....	48810	576180	624990	7512	40170	47682	9690	29754	39444	9672	30063	39735
E. PERSONAL MONEY												
ALLOWANCE.....	50	2	52	52	2	54	48	2	50	48	2	50

SECTION 3  
SUMMARY OF ENTITLEMENTS BY SUBACTIVITY  
(AMOUNTS IN THOUSANDS OF DOLLARS)

	ACTUAL FY 2004			ESTIMATE FY 2005			ESTIMATE FY 2006			ESTIMATE FY 2007		
	OFFICER	ENLISTED	TOTAL	OFFICER	ENLISTED	TOTAL	OFFICER	ENLISTED	TOTAL	OFFICER	ENLISTED	TOTAL
8. SEPARATION PAY.....	47746	310204	357950	73755	287375	361130	61999	294164	356163	69086	299549	368635
A. TERMINAL LEAVE PAY.....	17582	77678	95260	24518	77433	101951	21871	82412	104283	27143	83776	110919
B. DONATIONS.....		4	4		4	4		0	0		0	0
C. SEVERANCE PAY, DISABILITY.....	5903	75999	81902	6826	91475	98301	5856	79765	85621	6004	81718	87722
D. SEVERANCE PAY, NON-PROMOTION.....	0		0	0		0	0		0	0		0
E. SEVERANCE PAY, INVOL HALF (5%).....	20	13427	13447	106	15476	15582	87	7524	7611	90	8987	9077
F. SEVERANCE PAY, INVOL FULL (10%).....	4234	21930	26164	15565	31103	46668	7444	15765	23209	9359	16021	25380
G. SEVERANCE PAY, VSI.....	18622	4935	23557	21640	5760	27400	22841	5760	28601	22590	5760	28350
H. SEVERANCE PAY, SSB.....	0	0	0	0	0	0	0	0	0	0	0	0
I. SEVERANCE PAY, 15 YR RETIREMENT.....	0	0	0	0	0	0	0	0	0	0	0	0
J. \$30,000 LUMP SUM BONUS	1385	116231	117616	5100	66124	71224	3900	102938	106838	3900	103287	107187
9. SPECIAL COMPENSATION FOR COMBAT RELATED DISABLED...	0	0	0	0	0	0	0	0	0	0	0	0
10. RC RETURNED FOR DISABILITY (HIGH 36MTHS AVG).....		0	0		300	300		300	300		300	300
11. SOCIAL SECURITY TAX PAYMENTS.....	405846	1018310	1424156	349349	728842	1078191	350042	759022	1109064	357323	787366	1144689
12. PERMANENT CHANGE OF STATION TRAVEL.....	435961	712208	1148169	346554	602929	949483	399405	711603	1111008	396436	677121	1073557
13. OTHER MILITARY PERSONNEL COSTS.....	8846	299572	308418	6038	133320	139358	119160	162929	282089	118176	172934	291110
A. APPREHENSION OF DESERTERS.....		470	470		615	615		1416	1416		1414	1414
B. INTEREST ON SOLDIERS' DEPOSIT.....	2990	3193	6183	1057	1145	2202	98	105	203	98	105	203
C. DEATH GRATUITIES.....	2256	12048	14304	1938	5030	6968	4481	2599	7080	1178	5614	6792
D. UNEMPLOYMENT COMPENSATION.....		267161	267161		108595	108595		146549	146549		153791	153791
E. SURVIVOR BENEFITS.....		4309	4309		4398	4398		3724	3724		3394	3394
F. EDUCATION BENEFITS.....		4723	4723		9268	9268		4268	4268		4272	4272
G. ADOPTION EXPENSES.....	344	114	458	336	112	448	340	112	452	562	188	750
H. SPECIAL COMPENSATION...		0	0		0	0		0	0		0	0
I. MASS TRANSIT SUBSIDY...	2185	2185	4370	2182	2182	4364	2183	2181	4364	2183	2181	4364
J. PARTIAL DLA.....	168	630	798	525	1975	2500	525	1975	2500	525	1975	2500
K. SGLI EXTRA HAZARD PAYMENTS.....	903	4739	5642	0	0	0	0	0	0	0	0	0
L. JROTC.....	0		0	0		0	28600		28600	29060		29060
M. ROTC.....	0		0	0		0	82933		82933	84570		84570

SECTION 3  
SUMMARY OF ENTITLEMENTS BY SUBACTIVITY  
(AMOUNTS IN THOUSANDS OF DOLLARS)

	ACTUAL FY 2004			ESTIMATE FY 2005			ESTIMATE FY 2006			ESTIMATE FY 2007		
	OFFICER	ENLISTED	TOTAL	OFFICER	ENLISTED	TOTAL	OFFICER	ENLISTED	TOTAL	OFFICER	ENLISTED	TOTAL
14. CADET.....	49760		49760	50969		50969	54331		54331	56369		56369
SUBTOTAL, ALL MILITARY PERSONNEL APPROPRIATION REQUEST.....												
	10361851	30497320	40859171	8784497	21828532	30613029	8742145	19956715	28698860	8941616	20666598	29608214
15. LESS REIMBURSABLES.....	139452	356753	496205	175466	111994	287460	182136	116038	298174	198749	118681	317430
A. RETIRED PAY ACCRUAL...	8082	34537	42619	10503	16026	26529	32584	14933	47517	35577	15031	50608
B. OTHER.....	131370	322216	453586	164963	95968	260931	149552	101105	250657	163172	103650	266822
TOTAL, ALL MILITARY PERSONNEL APPROPRIATION REQUEST.....												
	10222399	30140567	40362966	8609031	21716538	30325569	8560009	19840677	28400686	8742867	20547917	29290784

SECTION 3  
ANALYSIS OF APPROPRIATION CHANGES AND SUPPLEMENTAL REQUIREMENTS  
(AMOUNTS IN THOUSANDS OF DOLLARS)  
FY 2005

	FY 2005 PRESIDENTS BUDGET	CONGRESSIONAL ACTION	SUPPLEMENTAL	AVAILABLE APPROPRIATION	INTERNAL REALIGNMENT/ REPROGRAMMING	SUBTOTAL	PROPOSED DD 1415 ACTIONS	FY 2005 REVISED
PAY AND ALLOWANCES OF OFFICERS								
BASIC PAY.....	4,456,012	(4,940)	93,347	4,544,419	0	4,544,419	0	4,544,419
RETIRED PAY ACCRUAL.....	1,225,403	(1,359)	25,671	1,249,715	0	1,249,715	0	1,249,715
HEALTH CARE ACCRUAL.....	426,390	0	0	426,390	0	426,390	0	426,390
INCENTIVE PAY.....	99,608	0	0	99,608	0	99,608	0	99,608
SPECIAL PAY.....	212,957	0	0	212,957	0	212,957	0	212,957
BASIC ALLOWANCE FOR HOUSING.....	1,105,159	(20,909)	0	1,084,250	0	1,084,250	0	1,084,250
BASIC ALLOWANCE FOR SUBSISTENCE	173,198	0	0	173,198	0	173,198	0	173,198
STATION ALLOWANCES OVERSEAS.....	140,015	0	0	140,015	0	140,015	0	140,015
CONUS COLA.....	2,956	0	0	2,956	0	2,956	0	2,956
UNIFORM ALLOWANCES.....	5,040	0	0	5,040	0	5,040	0	5,040
FAMILY SEPARATION ALLOWANCES....	13,754	0	5,530	19,284	0	19,284	0	19,284
SEPARATION PAYMENTS.....	73,122	0	633	73,755	0	73,755	0	73,755
SOCIAL SECURITY TAX -								
EMPLOYER CONTRIBUTION.....	342,544	(336)	7,141	349,349	0	349,349	0	349,349
SUPPLEMENTAL FUNDING.....	0	0	0	0	0	0	0	0
REIMBURSABLES.....	175,466	0	0	175,466	0	175,466	0	175,466
TOTAL OBLIGATIONS.....	8,451,624	(27,544)	132,322	8,556,402	0	8,556,402	0	8,556,402
LESS REIMBURSABLES.....	175,466	0	0	175,466	0	175,466	0	175,466
TOTAL OFFICER DIRECT OBLIGATIONS..	8,276,158	(27,544)	132,322	8,380,936	0	8,380,936	0	8,380,936



SECTION 3  
ANALYSIS OF APPROPRIATION CHANGES AND SUPPLEMENTAL REQUIREMENTS  
(AMOUNTS IN THOUSANDS OF DOLLARS)  
FY 2005

	FY 2005 PRESIDENTS BUDGET	CONGRESSIONAL ACTION	SUPPLEMENTAL	AVAILABLE APPROPRIATION	INTERNAL REALIGNMENT/ REPROGRAMMING	SUBTOTAL	PROPOSED DD 1415 ACTIONS	FY 2005 REVISED
PAY AND ALLOWANCES OF ENLISTED								
BASIC PAY.....	9,395,731	(129,902)	460,334	9,726,163	0	9,726,163	0	9,726,163
RETIRED PAY ACCRUAL.....	2,583,826	(35,723)	126,592	2,674,695	0	2,674,695	0	2,674,695
HEALTH CARE ACCRUAL.....	2,175,161	0	0	2,175,161	0	2,175,161	0	2,175,161
INCENTIVE PAY.....	78,692	0	0	78,692	0	78,692	0	78,692
SPECIAL PAY.....	73,825	0	4,267	78,092	0	78,092	0	78,092
SPECIAL DUTY ASSIGNMENT PAY.....	79,814	0	0	79,814	0	79,814	0	79,814
REENLISTMENT BONUS.....	107,110	(6,300)	0	100,810	0	100,810	0	100,810
ENLISTMENT BONUS.....	135,231	0	0	135,231	0	135,231	0	135,231
EDUCATIONAL BENEFITS.....	18,378	0	0	18,378	0	18,378	0	18,378
LOAN REPAYMENT PROGRAM.....	44,399	0	0	44,399	0	44,399	0	44,399
BASIC ALLOWANCE FOR HOUSING.....	2,795,642	(6,881)	0	2,788,761	0	2,788,761	0	2,788,761
STATION ALLOWANCES OVERSEAS.....	376,868	0	0	376,868	0	376,868	0	376,868
CONUS COLA.....	2,826	0	0	2,826	0	2,826	0	2,826
CLOTHING ALLOWANCES.....	273,767	0	0	273,767	0	273,767	0	273,767
FAMILY SEPARATION ALLOWANCES.....	75,106	0	27,270	102,376	0	102,376	0	102,376
SEPARATION PAYMENTS.....	287,375	0	0	287,375	0	287,375	0	287,375
SOCIAL SECURITY TAX -								
EMPLOYER CONTRIBUTION.....	703,576	(9,950)	35,215	728,841	0	728,841	0	728,841
SUPPLEMENTAL FUNDING.....	0	0	0	0	0	0	0	0
REIMBURSABLES.....	85,292	0	0	85,292	0	85,292	0	85,292
TOTAL OBLIGATIONS.....	19,292,619	(188,756)	653,678	19,757,541	0	19,757,541	0	19,757,541
LESS REIMBURSABLES.....	85,292	0	0	85,292	0	85,292	0	85,292
TOTAL ENLISTED DIRECT OBLIGATIONS	19,207,327	(188,756)	653,678	19,672,249	0	19,672,249	0	19,672,249
PAY AND ALLOWANCES OF CADETS								
TOTAL OBLIGATIONS.....	50,969	0	0	50,969	0	50,969	0	50,969
TOTAL CADET DIRECT OBLIGATIONS....	50,969	0	0	50,969	0	50,969	0	50,969

SECTION 3  
ANALYSIS OF APPROPRIATION CHANGES AND SUPPLEMENTAL REQUIREMENTS  
(AMOUNTS IN THOUSANDS OF DOLLARS)  
FY 2005

	FY 2005 PRESIDENTS BUDGET	CONGRESSIONAL ACTION	SUPPLEMENTAL	AVAILABLE APPROPRIATION	INTERNAL REALIGNMENT/ REPROGRAMMING	SUBTOTAL	PROPOSED DD 1415 ACTIONS	FY 2005 REVISED
SUBSISTENCE OF ENLISTED PERSONNEL								
TOTAL OBLIGATIONS.....	1,352,074	0	92,400	1,444,474	0	1,444,474	0	1,444,474
SUPPLEMENTAL FUNDING.....	0	0	0	0	0	0	0	0
REIMBURSABLES.....	24,440	0	0	24,440	0	24,440	0	24,440
TOTAL ENL SUBSISTENCE								
DIRECT OBLIGATIONS.....	1,327,634	0	92,400	1,420,034	0	1,420,034	0	1,420,034
PERMANENT CHANGE OF STATION								
ACCESSION TRAVEL.....	185,506	0	0	185,506	0	185,506	0	185,506
TRAINING TRAVEL.....	50,536	0	0	50,536	0	50,536	0	50,536
OPERATIONAL TRAVEL.....	182,324	0	0	182,324	0	182,324	0	182,324
ROTATIONAL TRAVEL.....	425,612	(125,750)	0	299,862	0	299,862	0	299,862
SEPARATION TRAVEL.....	181,491	0	0	181,491	0	181,491	0	181,491
ORGANIZED UNIT TRAVEL.....	1,528	0	0	1,528	0	1,528	0	1,528
NON-TEMPORARY STORAGE.....	30,605	0	0	30,605	0	30,605	0	30,605
TEMPORARY LODGING EXPENSE.....	17,631	0	0	17,631	0	17,631	0	17,631
SUPPLEMENTAL FUNDING.....	0	0	0	0	0	0	0	0
REIMBURSABLES.....	2,129	0	0	2,129	0	2,129	0	2,129
TOTAL OBLIGATIONS.....	1,077,362	(125,750)	0	951,612	0	951,612	0	951,612
LESS REIMBURSABLES.....	2,129	0	0	2,129	0	2,129	0	2,129
TOTAL PCS DIRECT OBLIGATIONS.....	1,075,233	(125,750)	0	949,483	0	949,483	0	949,483

SECTION 3  
ANALYSIS OF APPROPRIATION CHANGES AND SUPPLEMENTAL REQUIREMENTS  
(AMOUNTS IN THOUSANDS OF DOLLARS)  
FY 2005

	FY 2005 PRESIDENTS BUDGET	CONGRESSIONAL ACTION	SUPPLEMENTAL	AVAILABLE APPROPRIATION	INTERNAL REALIGNMENT/ REPROGRAMMING	SUBTOTAL	PROPOSED DD 1415 ACTIONS	FY 2005 REVISED
OTHER MILITARY PERSONNEL COSTS								
APPREHENSION OF MILITARY DESERTERS								
ABSENTEES AND ESCAPED MILITARY								
PRISONERS.....	612	0	0	612	0	612	0	612
DEATH GRATUITIES.....	6,968	0	0	6,968	0	6,968	0	6,968
UNEMPLOYMENT BENEFITS PAID TO								
EX-SERVICE MEMBERS.....	78,592	0	30,000	108,592	0	108,592	0	108,592
SURVIVOR BENEFITS.....	4,098	0	300	4,398	0	4,398	0	4,398
ADOPTION COSTS.....	452	0	0	452	0	452	0	452
EDUCATIONAL BENEFITS.....	4,271	0	5,000	9,271	0	9,271	0	9,271
SOLDIER INTEREST ON DEPOSIT.....	202	0	2,000	2,202	0	2,202	0	2,202
SPECIAL COMPENSATION.....	0	0	0	0	0	0	0	0
MASS TRANSIT.....	4,364	0	0	4,364	0	4,364	0	4,364
PARTIAL DLA.....	2,500	0	0	2,500	0	2,500	0	2,500
ROTC.....	0	0	0	0	0	0	0	0
JROTC.....	0	0	0	0	0	0	0	0
OTHER.....	0	0	0	0	0	0	0	0
SUPPLEMENTAL FUNDING.....	0	0	0	0	0	0	0	0
REIMBURSABLES.....	133	0	0	133	0	133	0	133
TOTAL OBLIGATIONS.....	102,192	0	37,300	139,492	0	139,492	0	139,492
LESS REIMBURSABLES.....	133	0	0	133	0	133	0	133
TOTAL OMPC DIRECT OBLIGATIONS.....	102,059	0	37,300	139,359	0	139,359	0	139,359
TOTAL DIRECT OBLIGATIONS.....	30,039,380	(342,050)	915,700	30,613,030	0	30,613,030	0	30,613,030

Section 3  
Schedule of Increases and Decreases  
(Amounts in thousands of dollars)

	<u>BA 1</u>	<u>BA 2</u>	<u>BA 3</u>	<u>BA 4</u>	<u>BA 5</u>	<u>BA 6</u>	<u>TOTAL</u>
<b>FY 2005 Direct Program</b>	<b>8,205,470</b>	<b>19,586,957</b>	<b>50,969</b>	<b>1,395,594</b>	<b>947,354</b>	<b>139,226</b>	<b>30,325,570</b>
<b>Increases:</b>							
<b>Pricing Increases</b>							
1. Annualization of FY 2005 Pay Raise (3.5% effective 1 Jan 2005)							
a. Basic Pay	36,497	84,293	176				120,966
b. Retired Pay Accrual	9,672	22,338					32,010
c. Selective Reenlistment Bonus		-					-
d. BAH Differential	-	-					-
e. Overseas Cost of Living Allowance	804	2,214					3,018
f. Separation Pay		1,122					1,122
g. Severance Pay (Disability)	-	676					676
h. Separation Pay (Involuntary Half-Pay)	-	64					64
i. Separation Pay (Involuntary Full-Pay)	-	134					134
j. Federal Insurance Contribution Act (FICA)	3,038	6,447	20				9,505
k. Dislocation Allowance		-			507		507
l. Dislocation Allowance -Training Travel		-			-		-
m. Dislocation Allowance -Operational Travel		-			-		-
n. Dislocation Allowance -Rotational Travel		-			-		-
o. Dislocation Allowance -Organized Unit Travel		-			-		-
<b>SUBTOTAL ANNUALIZATION OF FY 2005 PAY RAISE</b>	<b>50,011</b>	<b>117,288</b>	<b>196</b>	<b>-</b>	<b>507</b>	<b>-</b>	
2. FY 2006 Pay Raise (3.1% effective 1 Jan 2006)							
a. Basic Pay	107,519	228,755	1,091				337,365
b. Retired Pay Accrual	28,493	60,620					89,113
c. Selective Reenlistment Bonus		2,002					2,002
d. BAH Differential	-	-					-
e. Overseas Cost of Living Allowance	2,153	5,944					8,097
f. Separation Pay	648	1,877					2,525
g. Severance Pay (Disability)	-	1,813					1,813
h. Separation Pay (Involuntary Half-Pay)	-	171					171
i. Separation Pay (Involuntary Full-Pay)	-	358					358
j. Federal Insurance Contribution Act (FICA)	7,621	17,501	77				25,199
k. Dislocation Allowance - Accession Travel		-			1,555		1,555
l. Dislocation Allowance -Training Travel		-			-		-
m. Dislocation Allowance -Operational Travel		-			-		-
n. Dislocation Allowance -Rotational Travel		-			-		-

	<u>BA 1</u>	<u>BA 2</u>	<u>BA 3</u>	<u>BA 4</u>	<u>BA 5</u>	<u>BA 6</u>	<u>TOTAL</u>
o. Dislocation Allowance -Organized Unit Travel		-			-		-
<b>SUBTOTAL FY 2006 PAY RAISE</b>	<b>146,434</b>	<b>319,041</b>	<b>1,168</b>	<b>-</b>	<b>1,555</b>	<b>-</b>	
3. Inflation Rate							
a. Station Allowances, Overseas: Temporary Lodging	171	316					487
b. Military Clothing - Initial Allowance		11,562					11,562
c. Military Clothing - Maintenance Allowance		3,425					3,425
d. Civilian Clothing	15	52					67
e. Cadet Rations		-	441				441
f. Enlisted Subsistence in Mess		-		6,727			6,727
g. Enlisted Operational Rations		-		5,512			5,512
h. Family Subsistence Supplemental Allowance		-		88			88
i. Permanent Change of Station		-					-
(1) Member Travel		-			11,894		11,894
(2) Dependent Travel		-			2,008		2,008
(3) Transportation of Household Goods (HHG)		-			9,517		9,517
(4) Trailer Allowance		-			10		10
(5) Private Owned Vehicle		-			5,284		5,284
(6) Port Handling (HHG)		-			101		101
(7) Temporary Lodging Expense		-			-		-
(8) Non-Temporary Storage		-			1,393		1,393
<b>SUBTOTAL INFLATION</b>	<b>186</b>	<b>15,355</b>	<b>441</b>	<b>12,327</b>	<b>30,207</b>	<b>-</b>	
4. BAH and FSA-I Rates - Annualization of FY 2005 housing cost growth (3.0% effective 1 Jan 2005)							
a. BAH Domestic With Dependents	13,041	32,111					45,152
b. BAH Domestic Without Dependents	4,013	5,135					9,148
c. BAH Domestic Inadequate		5					5
d. Family Separation Allowance (Type I)	132	81					213
<b>SUBTOTAL BAH AND FSA RATES</b>	<b>17,186</b>	<b>37,332</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
5. BAH and FSA-I Rates - FY 2006 housing cost growth (4.0% effective 1 Jan 2006)							
a. BAH Domestic With Dependents		63,171					63,171
b. BAH Domestic Without Dependents	25,658	10,139					35,797
c. BAH Domestic Inadequate	7,888	7					7,895
d. Family Separation Allowance (Type I)		244					244
<b>SUBTOTAL BAH AND FSA RATES</b>	<b>33,546</b>	<b>73,561</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
6. Base Pay Rates longevity		49,631					49,631
7. RPA Rate change longevity		13,152					13,152
8. FICA rates longevity		11,201					11,201
9. FICA Rates - (Increase in OASDI wage cap from \$89,700 to \$91,800)	20	-					20
10. BAS Rates - Annualization of USDA food cost index (5.0% effective 1 Jan 2005)	2,978	-		48,740			51,718

	<u>BA 1</u>	<u>BA 2</u>	<u>BA 3</u>	<u>BA 4</u>	<u>BA 5</u>	<u>BA 6</u>	<u>TOTAL</u>
11. BAS Rates - FY 2006 BAS Rate increase (5.0% effective 1 Jan 2006)							
<b>SUBTOTAL BAS RATES</b>	<b>2,978</b>	<b>73,984</b>	<b>-</b>	<b>48,740</b>	<b>-</b>	<b>-</b>	
12. Health Care Accrual Rates	-	-					-
13. Incentive Pay Rate Change (ULB Proposal for Demolition Duty)	-	5,010	-	-	-	-	5,010
14. Special Pay Rates for Health Care Professionals	14,917	20,489	-	-	-	-	35,406
15. Other Special Pays Rates		-					-
<b>SUBTOTAL HEALTH PROFESSIONALS AND OTHER SPECIAL PAYS</b>	<b>14,917</b>	<b>20,489</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
16. Selective Reenlistment Bonus Rate for Anniversary Payments	-	2,150	-	-	-	-	2,150
17. Enlisted Educational Benefits Rate Increases		-					-
a. 6-Year Commitment (\$50K)		165					165
b. 5-Year Commitment (\$47K)		578					578
c. 4-Year Commitment (\$42K)		5,625					5,625
<b>SUBTOTAL ENLISTED EDUCATIONAL BENEFITS</b>	<b>-</b>	<b>6,368</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
18. Other Military Personnel Costs							
a. Apprehension of Deserters		-				800	800
b. Interest on Soldiers Deposit		-				1	1
c. Death Gratuities		-				211	211
d. Unemployment Benefits		-				84,548	84,548
<b>SUBTOTAL OTHER MILITARY PERSONNEL COSTS</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>84,760</b>	<b>-</b>
<b>TOTAL PRICING INCREASES</b>	<b>265,278</b>	<b>670,578</b>	<b>1,805</b>	<b>61,067</b>	<b>32,269</b>	<b>84,760</b>	<b>996,850</b>

**Program Increases**

1. Strength Related:							
a. Basic Pay	46,840		790				47,630
b. Retired Pay Accrual	12,413						12,413
c. Health Care Accrual	-						-
d. Basic Allowance for Housing (BAH)	6,269						6,269
e. BAH Domestic Without Dependents	2,112						2,112
f. BAH Domestic Partial	-						-
g. BAH Overseas With Dependents	434						434
h. BAH Overseas Without Dependents	417		188				605
i. Basic Allowance for Subsistence	1,791		-				1,791
j. Cadet Rations			579				579
k. Federal Insurance Contribution Act (FICA)	3,559		-				3,559

	<u>BA 1</u>	<u>BA 2</u>	<u>BA 3</u>	<u>BA 4</u>	<u>BA 5</u>	<u>BA 6</u>	<u>TOTAL</u>
<b>SUBTOTAL STRENGTH RELATED</b>	<b>73,835</b>	<b>-</b>	<b>1,557</b>	<b>-</b>	<b>-</b>	<b>-</b>	
2. Increase in number of physicians receiving incentive special pay	-						-
3. Crew-Nonrated (increase in number paid)	-						-
4. Incentive pay		2,102					2,102
5. Special Pay (increase in number paid)	-						-
a. Sea Duty Pay	-	193					193
b. Hardship Duty Pay	-	11,560					11,560
6. Special Duty Assignment Pay (increase in number paid)	-	20,264					20,264
7. Selective Reenlistment Bonus (increase in initial payments)	-	-					-
8. Enlisted Bonuses	-						-
9. Enlisted Educational Benefits (new starts in FY 2006)	-	-					-
a. 3-year commitment (\$37K)	-	3,012					3,012
b. 2-year commitment (\$30K)	-	-					-
10. Enlisted repayment Program (increase in number paid)	-	22,450					22,450
11. BAH Domestic With Dependents (ongoing conversion of Army Family Housing to privatized housing under Residential Communities Initiative (RCI))	93,485	142,817	-	-	-	-	236,302
12. BAH Overseas (increase in number paid)	-						-
a. BAH Overseas - With Dependents	17,783	24,478					42,261
b. BAH Overseas - Without Dependents	15,925						15,925
13. Overseas Station Allowances (increase in number paid)	-	-					-
a. Cost of Living Allowance	-	-					-
b. Temporary Lodging Allowance	-						-
14. CONUS COLA (increase in number paid)	6,692	891					7,583
15. Family Separation Allowance (increase in number paid)	-						-
a. FSA-I	535	2,798					3,333
b. FSA-II (PCS)	8,976	-					8,976
c. FSA-II (TDY)	2,178	-					2,178
16. \$30K Lump Sum Bonus (increase in number paid)	-	-					-
17. Clothing Allowances	-	16,943					16,943
18. Separation Payments	-	578					578
19. Enlisted Subsistence In Kind	-	-		24,987			24,987
20. Enlisted Basic Allowance for Subsistence	-	-		-			-
21. Permanent Change of Station	-	-					-
a. Member Travel	-	-			61,430		61,430
b. Dependent Travel	-	-			2,537		2,537

	<u>BA 1</u>	<u>BA 2</u>	<u>BA 3</u>	<u>BA 4</u>	<u>BA 5</u>	<u>BA 6</u>	<u>TOTAL</u>
c. Transportation of Household Goods (HHG)	-	-			37,333		37,333
d. Dislocation Allowance	-	-			3,949		3,949
e. Trailer Allowance	-	-			-		-
f. Private Owned Vehicle	-	-			4,071		4,071
g. Port Handling (HHG)	-	-			1,416		1,416
h. Temporary Lodging Expense	-	-			2,506		2,506
i. Non-Temporary Storage	-	-			21,314		21,314
<b>SUBTOTAL PERMANENT CHANGE OF STATION</b>					<b>134,556</b>		
22. Adoption Expenses	-	-				4	4
23. Mass Transit Subsidy	-	-				88	88
24. ROTC	-	-				82,933	82,933
25. JROTC	-	-				28,600	28,600
26. Reimbursable decrease, hence, requires increase to direct program	-	-		2,769		-	-
27. Miscellaneous	-	-		-		-	-
<b>Total Program Increases</b>	<b>219,409</b>	<b>248,086</b>	<b>1,557</b>	<b>27,756</b>	<b>134,556</b>	<b>111,625</b>	<b>740,887</b>
<b>Total Increases</b>	<b>484,687</b>	<b>918,664</b>	<b>3,362</b>	<b>88,823</b>	<b>166,825</b>	<b>196,385</b>	<b>1,737,737</b>

**Decreases:**

**Pricing Decreases**

1. Retired Pay Accrual (Normal Cost Percentage decreased from 27.5% to 27.4%)	(45,446)	(97,262)	-	-	-	-	(142,708)
2. Basic Pay Rates (longevity)							
a. Basic Pay	(97,804)	-					(97,804)
b. Retired Pay Accrual	(25,918)	-					(25,918)
c. Federal Insurance Contribution Act (FICA)	(7,431)	-					(7,431)
<b>SUBTOTAL BASIC PAY RATES (LONGEVITY)</b>	<b>(131,153)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
3. CONUS COLA Rate	(3,188)	-					(3,188)
4. Loan Repayment Program Rate		(16,702)					(16,702)
5. BAH Overseas - Without Dependents Rates		(17,921)			(5,340)		(23,261)
6. Non-Temporary Storage for Permanent Change of Station					-	(88)	(88)
7. Mass Transit Subsidy (decrease in average rate)							-
8. Overseas COLA rate decrease	(36,714)						
<b>Total Pricing Decreases</b>	<b>(216,501)</b>	<b>(131,885)</b>	<b>-</b>	<b>-</b>	<b>(5,340)</b>	<b>(88)</b>	<b>(317,100)</b>

**Program Decreases**



	<u>BA 1</u>	<u>BA 2</u>	<u>BA 3</u>	<u>BA 4</u>	<u>BA 5</u>	<u>BA 6</u>	<u>TOTAL</u>
1. Strength Related:							-
a. Basic Pay		(39,080)					(39,080)
b. Retired Pay Accrual		(10,356)					(10,356)
c. Heath Care Accrual	(426,390)	(2,175,161)					(2,601,551)
d. Basic Allowance for Housing	-	(12,738)					(12,738)
(1) With Dependents - Domestic	(2,591)						(2,591)
(1) With Dependents - Domestic - differential		(26,818)					
(2) Without Dependents - Domestic		-					-
(3) With Dependents - Overseas		-					-
(4) Without Dependents - Overseas		-					-
e. Federal Insurance Contribution Act (FICA) - GI bill		(877)					(877)
f. Federal Insurance Contribution Act (FICA)		(2,990)					(2,990)
2. Grade Structure Changes							-
a. Basic Pay	(21,242)	(14,445)					(35,687)
b. Retired Pay Accrual	(5,629)	(3,828)					(9,457)
c. Basic Allowance for Housing	(3,225)	(3,372)					(6,597)
(1) Force Manning Change	-	(421,045)					(421,045)
(2) Partial - Domestic	-	-					-
(3) With Dependents - Overseas	-	-					-
(4) Without Dependents - Overseas	-	-					-
(5) Federal Insurance Contribution Act (FICA)		(1,105)					(1,105)
3. Incentive Pay (decrease in number paid)	(1,313)						(1,313)
4. Special Pay (decrease in number paid)	(7,080)	(22,757)					(29,837)
5. Selective Reenlistment Bonus Program (decrease number of anniversary payments)		(2,292)					(2,292)
6. Enlistment Bonus Program		(61)					(61)
a. Decrease in residual payments		-					-
b. Decrease in anniversary payments		-					-
7. Enlisted Education Benefits (decrease in number eligible)		-					-
a. 6-year commitment		(2,426)					(2,426)
b. 5-year commitment		(1,468)					(1,468)
c. 4-year commitment		(6,247)					(6,247)
8. Overseas Station Allowances: (decrease in number paid)		(836)					(836)
9. Family Separation Allowance Type II (PCS) (decrease in number paid)		(9,264)					(9,264)
10. CONUS COLA							-
11. Separation Pay (decrease in number paid)	(12,403)						(12,403)

	<u>BA 1</u>	<u>BA 2</u>	<u>BA 3</u>	<u>BA 4</u>	<u>BA 5</u>	<u>BA 6</u>	<u>TOTAL</u>
12. Enlisted Subsistence							
a. Basic Allowance for Subsistence (decrease in number paid)				(108,674)			(108,674)
Subsistence in Messes				(6,854)			(6,854)
b. Family Subsistence Supplemental Allowance (FSSA) (decrease in number paid)				-			-
13. Permanent Change of Station							
a. Member Travel					-		-
b. Dependent Travel					-		-
c. Private Owned Vehicle					-		-
d. Port Handling (HHG)					(4)		(4)
e. Trailer Allowance					-		-
f. Temporary Lodging Expense (decrease in number paid)					-		-
g. Non-Temporary Storage (decrease in number paid)					-	(1,999)	(1,999)
14. Interest on Soldiers Deposit						(99)	(99)
15. Death Gratuities						(45,661)	(45,661)
16. Unemployment Benefits						(674)	(674)
17. Survivor Benefits						(5,000)	(5,000)
18. Educational Benefits						-	-
19. Increase in reimbursable reduces direct program	(6,670)	(5,890)		(11,251)			(23,811)
<b>Total Program Decreases</b>	<b>(486,543)</b>	<b>(2,763,056)</b>	<b>-</b>	<b>(126,779)</b>	<b>(4)</b>	<b>(53,433)</b>	<b>(3,402,997)</b>
<b>Total Decreases</b>	<b>(703,044)</b>	<b>(2,894,941)</b>	<b>-</b>	<b>(126,779)</b>	<b>(5,344)</b>	<b>(53,521)</b>	<b>(3,720,097)</b>
<b>FY 2006 Direct Program</b>	<b>7,987,113</b>	<b>17,610,680</b>	<b>54,331</b>	<b>1,357,638</b>	<b>1,108,835</b>	<b>282,090</b>	<b>28,400,687</b>

Section 3  
Schedule of Increases and Decreases  
(Amounts in thousands of dollars)

	<u>BA 1</u>	<u>BA 2</u>	<u>BA 3</u>	<u>BA 4</u>	<u>BA 5</u>	<u>BA 6</u>	<u>TOTAL</u>
<b>FY 2006 Direct Program</b>	<b>7,987,113</b>	<b>17,610,680</b>	<b>54,331</b>	<b>1,357,638</b>	<b>1,108,835</b>	<b>282,090</b>	<b>28,400,687</b>
<b>Increases:</b>							
<b>Pricing Increases</b>							
1. Annualization of FY 2007 Pay Raise (3.4% effective 1 Jan 2007)							
a. Basic Pay	32,055	76,765	266				109,086
b. Retired Pay Accrual	8,463	20,266					28,729
c. Selective Reenlistment Bonus		-					-
d. BAH Differential	-	-					-
e. Overseas Cost of Living Allowance	734	2,023					2,757
f. Separation Pay	236	466					702
g. Severance Pay (Disability)	-	613					613
h. Separation Pay (Involuntary Half-Pay)	-	68					68
i. Separation Pay (Involuntary Full-Pay)	-	120					120
j. Federal Insurance Contribution Act (FICA)	2,750	5,873	25				8,648
k. Dislocation Allowance - Accession Travel					531		531
l. Dislocation Allowance -Training Travel					-		-
m. Dislocation Allowance -Operational Travel					-		-
n. Dislocation Allowance -Rotational Travel					-		-
o. Dislocation Allowance -Organized Unit Travel					-		-
<b>SUBTOTAL ANNUALIZATION OF FY 2005 PAY RAISE</b>	<b>44,238</b>	<b>106,194</b>	<b>291</b>	<b>-</b>	<b>531</b>	<b>-</b>	
2. FY 2007 Pay Raise (3.4% effective 1 Jan 2007)							
a. Basic Pay	120,176	259,868	1,091				381,135
b. Retired Pay Accrual	31,726	68,605					100,331
c. Selective Reenlistment Bonus		1,852					1,852
d. BAH Differential	-	-					-
e. Overseas Cost of Living Allowance	2,434	6,705					9,139
f. Separation Pay	1,079	2,093					3,172
g. Severance Pay (Disability)	-	2,032					2,032
h. Separation Pay (Involuntary Half-Pay)	-	223					223
i. Separation Pay (Involuntary Full-Pay)	-	399					399
j. Federal Insurance Contribution Act (FICA)	8,656	19,879	77				28,612
k. Dislocation Allowance - Accession Travel					1,595		1,595
l. Dislocation Allowance -Training Travel					-		-
m. Dislocation Allowance -Operational Travel					-		-
n. Dislocation Allowance -Rotational Travel					-		-
o. Dislocation Allowance -Organized Unit Travel					-		-

	<u>BA 1</u>	<u>BA 2</u>	<u>BA 3</u>	<u>BA 4</u>	<u>BA 5</u>	<u>BA 6</u>	<u>TOTAL</u>
<b>SUBTOTAL FY 2006 PAY RAISE</b>	<b>164,071</b>	<b>361,656</b>	<b>1,168</b>	<b>-</b>	<b>1,595</b>	<b>-</b>	
<b>3. Inflation Rate</b>							
a. Station Allowances, Overseas: Temporary Lodging	198	395					593
b. Military Clothing - Initial Allowance		1,828					1,828
c. Military Clothing - Maintenance Allowance		3,151					3,151
d. Civilian Clothing	15	52					67
e. Cadet Rations			519				519
f. Enlisted Subsistence in Mess				7,132			7,132
g. Enlisted Operational Rations				5,774			5,774
h. Family Subsistence Supplemental Allowance				46			46
i. Permanent Change of Station							-
(1) Member Travel					7,055		7,055
(2) Dependent Travel					2,984		2,984
(3) Transportation of Household Goods (HHG)					6,595		6,595
(4) Trailer Allowance					19		19
(5) Private Owned Vehicle					3,297		3,297
(6) Port Handling (HHG)					5,572		5,572
(7) Temporary Lodging Expense					451		451
(8) Non-Temporary Storage					3,502		3,502
<b>SUBTOTAL INFLATION</b>	<b>213</b>	<b>5,426</b>	<b>519</b>	<b>12,952</b>	<b>29,475</b>	<b>-</b>	
<b>4. BAH and FSA-I Rates - Annualization of FY 2005 housing cost growth (3.0% effective 1 Jan 2005)</b>							
a. BAH Domestic With Dependents	8,803	21,678					30,481
b. BAH Domestic Without Dependents	2,628	3,297					5,925
c. BAH Domestic Inadequate		1					1
d. Family Separation Allowance (Type I)	136	81					217
<b>SUBTOTAL BAH AND FSA RATES</b>	<b>11,567</b>	<b>25,057</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>5. BAH and FSA-I Rates - FY 2006 housing cost growth (4.0% effective 1 Jan 2006)</b>							
a. BAH Domestic With Dependents	27,442	67,654					95,096
b. BAH Domestic Without Dependents	8,227	10,317					18,544
c. BAH Domestic Inadequate		9					9
d. Family Separation Allowance (Type I)	-	257					257
<b>SUBTOTAL BAH AND FSA RATES</b>	<b>35,669</b>	<b>78,237</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	





	<u>BA 1</u>	<u>BA 2</u>	<u>BA 3</u>	<u>BA 4</u>	<u>BA 5</u>	<u>BA 6</u>	<u>TOTAL</u>
a. Member Travel					-		-
b. Dependent Travel					-		-
c. Transportation of Household Goods (HHG)					-		-
d. Dislocation Allowance					-		-
e. Trailer Allowance					517		517
f. Private Owned Vehicle					7,468		7,468
g. Port Handling (HHG)					-		-
h. Temporary Lodging Expense					-		-
i. Non-Temporary Storage					-		-
<b>SUBTOTAL PERMANENT CHANGE OF STATION</b>	-	-	-	-	<b>7,985</b>	-	
19. Apprehension of Deserters						3	3
20. Unemployment Benefits (increase in number eligible)						16,005	16,005
21. ROTC						1,637	1,637
22. JROTC						460	460
23. Education Benefits						4	4
24. Adoption Costs						298	298
25. Reimbursable decrease, hence, requires increase to direct program		-				-	-
26. Miscellaneous	800					-	800
<b>Total Program Increases</b>	<b>43,804</b>	<b>131,594</b>	<b>60</b>	<b>29,090</b>	<b>7,985</b>	<b>18,407</b>	<b>230,940</b>
<b>Total Increases</b>	<b>305,612</b>	<b>714,050</b>	<b>2,038</b>	<b>94,258</b>	<b>39,586</b>	<b>18,631</b>	<b>1,170,182</b>

**Decreases:**

**Pricing Decreases**

1. Retired Pay Accrual (Normal Cost Percentage decreased from 27.5% to 27.4%)	(4,617)	(10,035)	-	-	-	-	(14,652)
2. Basic Pay Rates (longevity)		-					
a. Basic Pay	(11,060)	(19,076)					(30,136)
b. Retired Pay Accrual	(2,920)	(5,036)					(7,956)
c. Federal Insurance Contribution Act (FICA)	(841)	(1,459)					(2,300)
<b>SUBTOTAL BASIC PAY RATES (LONGEVITY)</b>	<b>(14,821)</b>	<b>(25,571)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	

3. CONUS COLA Rate	-	-					-
4. Loan Repayment Program Rate		-					-
5. BAH Overseas - Without Dependents Rates		-					-

	<u>BA 1</u>	<u>BA 2</u>	<u>BA 3</u>	<u>BA 4</u>	<u>BA 5</u>	<u>BA 6</u>	<u>TOTAL</u>
6. TLE Rate for Permanent Change of Station (Organized Unit Travel)					-		-
7. Member Travel Permanent Change of Station					-		-
8. Dependent Travel Permanent Change of Station					-		-
9. Private Owned Vehicle Permanent Change of Station					-		-
10. Temporary Lodging Expense (decrease in number paid)					-		-
11. Dislocation Allowance Permanent Change of Station					-		-
12. Apprehension of Deserters						(4)	(4)
13. Unemployment Benefits (decrease in average rate)						(8,763)	(8,763)
14. Overseas COLA rate decrease							-
<b>Total Pricing Decreases</b>	<b>(19,438)</b>	<b>(35,606)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(8,767)</b>	<b>(63,811)</b>

**Program Decreases**

1. Strength Related:							-
a. Basic Pay	(42,638)	-					(42,638)
b. Retired Pay Accrual	(11,256)	-					(11,256)
c. Health Care Accrual	-	-					-
d. Basic Allowance for Housing	-						-
(1) With Dependents - Domestic	(6,246)	-					(6,246)
(2) Without Dependents - Domestic	(2,028)	-					(2,028)
(3) With Dependents - Overseas	(491)	-					(491)
(4) Without Dependents - Overseas	(462)	-					(462)
e. Federal Insurance Contribution Act (FICA)	(3,240)	-					(3,240)
f. Basic allowance for subsistence	(1,649)						(1,649)
g. Clothing allowance (decrease in number paid)		(6,209)					(6,209)
2. Grade Structure Changes		-					-
a. Basic Pay	(10,841)	(3,981)					(14,822)
b. Retired Pay Accrual	(2,862)	(1,051)					(3,913)
c. Basic Allowance for Housing		(770)					(770)
(1) With Dependents - Domestic	(1,845)	-					(1,845)
(2) Partial - Domestic	(335)	-					(335)
(3) With Dependents - Overseas	(52)	-					(52)
(4) Without Dependents - Overseas	(34)						(34)
(5) Federal Insurance Contribution Act (FICA)	(779)	(305)					(1,084)
3. CONUS COLA	-	(345)					(345)
4. Overseas Stations allowance (decrease in number eligible)	-	(32)					(32)
5. Selective Reenlistment Bonus Program (decrease number of anniversary payments)		(1,605)					(1,605)



	<u>BA 1</u>	<u>BA 2</u>	<u>BA 3</u>	<u>BA 4</u>	<u>BA 5</u>	<u>BA 6</u>	<u>TOTAL</u>
6. Enlistment Bonus Program		(5,013)					(5,013)
a. Decrease in residual payments		-					-
b. Decrease in anniversary payments		-					-
7. Enlisted Education Benefits (decrease in number eligible)							-
a. 6-year commitment (\$50K)		(20)					(20)
b. 5-year commitment (\$47K)		(38)					(38)
c. 4-year commitment (\$42K)		(208)					(208)
c. 3-year commitment (\$42K)		(56)					(56)
8. Army College Fund	-						-
9. Family Separation Allowance Type II (PCS) (decrease in number paid)	-	-					-
10. Separation Pay (decrease in number paid)	-	(629)					(629)
11. Enlisted Subsistence							-
a. Basic Allowance for Subsistence (decrease in number paid)				(16,315)			(16,315)
b. Family Subsistence Supplemental Allowance (FSSA) (decrease in number paid)				-			-
12. Permanent Change of Station							-
(1) Member Travel					(34,744)		(34,744)
(2) Dependent Travel					(887)		(887)
(3) Transportation of household goods Land/Sea					(25,829)		(25,829)
(3) Dislocation Allowance					(4,510)		(4,510)
(3) Private Owned Vehicle					-		-
(4) Port Handling (HHG)					(2,234)		(2,234)
(5) Temporary Lodging Expense (decrease in number paid)					(683)		(683)
(6) Non-Temporary Storage (decrease in number paid)					(8,196)		(8,196)
13. Death Gratuities						(514)	(514)
14. Survivor Benefits						(330)	(330)
15. Education Benefits						-	-
16. Adoption Costs						-	-
17. Increase in reimbursable reduces direct program	(16,643)			(4,361)			(21,004)
<b>Total Program Decreases</b>	<b>(101,401)</b>	<b>(20,262)</b>	<b>-</b>	<b>(20,676)</b>	<b>(77,083)</b>	<b>(844)</b>	<b>(189,927)</b>
<b>Total Decreases</b>	<b>(120,839)</b>	<b>(55,868)</b>	<b>-</b>	<b>(20,676)</b>	<b>(77,083)</b>	<b>(9,611)</b>	<b>(253,738)</b>
<b>FY 2007 Direct Program</b>	<b>8,171,886</b>	<b>18,268,862</b>	<b>56,369</b>	<b>1,431,220</b>	<b>1,071,338</b>	<b>291,110</b>	<b>29,290,785</b>

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Schedule of Increases and Decreases  
(Amounts in thousands of dollars)

Pay and Allowance of Officers		
FY 2005 Direct Program		\$ 8,205,470
Increases:		
Pricing Increases:		
a. Annualization of FY 2005 3.5% pay raise effective 1 Jan 2005.	50,011	
b. FY 2006 3.1% pay raise effective 1 Jan 2006.	146,434	
c. Inflation rate of 2.0% for temporary lodging allowance and civilian clothing allowance.	186	
d. BAH rates (housing cost growth) - Annualization of FY 2005 4.0% cost growth effective 1 Jan 2005.	17,186	
e. BAH rates (housing cost growth) - FY 2006 4.0% inflation effective 1 Jan 2006.	33,546	
f. FICA rates - increase in OASDI wage ceiling from \$89,700 to \$91,800.	20	
g. Increase in pay rates for incentive special pay and multi-year special pay for physicians.	14,917	
h. Increase in rates - Basic Allowance for Subsistence.	2,978	
Total Pricing Increases	265,278	
Program Increases:		
a. Strength Related - increase in officer manyears.	73,835	
b. Increase in BAH Domestic payments.	93,485	
c. Increase in BAH Overseas payments.	33,708	
d. Increased requirement for CONUS COLA.	6,692	
e. Increase in FSA payments.	11,689	
Total Program Increases	219,409	
Total Increases		\$ 484,687
Decreases:		
Pricing Decreases:		
a. Basic Pay Rates (longevity).	(131,153)	
b. Retired Pay Accrual - decrease in NCP from 27.5% to 26.5%.	(45,446)	
c. CONUS/Overseas COLA Rate change.	(39,902)	
Total Pricing Decreases	(216,501)	
Program Decreases:		
a. Strength Related - grade structure changes.	(30,096)	
b. Basic Allowance for Housing - Differential.	(2,591)	
c. Decrease in Special Pay (decrease in number paid).	(7,080)	
d. Decrease in number of officers expected to receive flying duty pay.	(1,313)	
e. Decrease in Separation pay payments.	(12,403)	
f. Decrease in Health Care Accrual.	(426,390)	
g. Increase in reimbursables reduces direct program.	(6,670)	
Total Program Decreases	(486,543)	
Total Decreases		\$ (703,044)
FY 2006 Direct Program		\$ 7,987,113

Schedule of Increases and Decreases  
(Amounts in thousands of dollars)

Pay and Allowance of Officers		
FY 2006 Direct Program		\$ 7,987,113
Increases:		
Pricing Increases:		
a. Annualization of FY 2006 3.1% pay raise effective 1 Jan 2006.	44,238	
b. Price growth.	164,071	
c. Inflation rate of 2.0% for temporary lodging and civilian clothing allowances.	213	
d. BAH rates (housing cost growth) - annualization of FY 2006 4.0% cost growth effective 1 Jan 2006.	11,567	
e. BAH rates (housing cost growth) - FY 2007 4.0% inflation effective 1 Jan 2007.	35,669	
f. FICA rates (increase in OASDI wage ceiling from \$91,800 to \$96,900 effective 1 Jan 2007).	69	
g. Increase in rate - Basic Allowance for Subsistence.	5,981	
Total Pricing Increases	261,808	
Program Increases:		
a. Projected increase in number of officers receiving aviation career incentive pay.	1,148	
b. Projected increase in BAH Domestic payments.	35,974	
c. Increase in officer losses requires additional payments for lump sum terminal leave and involuntary full pay.	5,771	
d. Reimbursables decrease, hence requires increase to direct program.	800	
e. Miscellaneous.	111	
Total Program Increases	43,804	
Total Increases		\$ 305,612
Decreases:		
Pricing Decreases:		
a. Basic Pay Rates Changes.	(14,821)	
b. Retired Pay Accrual - decrease in NCP from 26.5% to 26.4%.	(4,617)	
Total Pricing Decreases	(19,438)	
Program Decreases:		
a. Strength Related (decrease in manyears).	(68,010)	
b. Strength Related (grade structure).	(16,748)	
c. Increase in reimbursables reduces direct program.	(16,643)	
Total Program Decreases	(101,401)	
Total Decreases		\$ (120,839)
FY 2007 Direct Program		\$ 8,171,886

(AMOUNTS IN THOUSANDS OF DOLLARS)

ESTIMATE FY 2007	\$ 4,703,916
ESTIMATE FY 2006	\$ 4,616,228
ESTIMATE FY 2005	\$ 4,544,419
ACTUAL FY 2004	\$ 5,408,842

**Project: Basic Pay - Officers**

**Part I - Purpose and Scope**

The funds requested provide for the basic compensation and length of service pay increments of officers on active duty under provisions of 37 U.S.C. 201, 203, 204, 205, and 1009. Funds also provide for the compensation of officers of the reserve components who have entered active duty as members of the active component of the Army.

**Part II - Justification of Funds Required**

The basic compensation is determined by multiplying the projected average number of personnel by grade by the estimated average annual compensation, including length of service increments, for each grade.

The net change in the basic pay requirement is +\$71.8 million between FY 2005 and FY 2006. This change is based on--

- (1) Annualization of the 1 Jan 2005, 3.5 percent pay raise: +\$36.5 million.
- (2) The 1 Jan 2006, 3.1 percent pay raise: +\$107.5 million.
- (3) Increase in total officer manyears of 822: +\$46.8 million.
- (4) Grade structure changes: -\$21.2 million.
- (5) Change in basic pay rates: -\$97.8 million.

The net change in the basic pay requirement is +\$87.8 million between FY 2006 and FY 2007. This change is based on--

- (1) Annualization of the 1 Jan 2006, 3.1 percent pay raise: +\$32.1 million.
- (2) Price growth: +\$120.2 million.
- (3) Decrease in total officer manyears of 745: -\$42.6 million.
- (4) Grade structure changes: -\$10.8 million.
- (5) Change in basic pay rates: -\$11.1 million.

Detailed cost computations are provided by the following table:

OFFICER BASIC PAY  
(AMOUNTS IN THOUSANDS OF DOLLARS)

	ACTUAL FY 2004			ESTIMATE FY 2005			ESTIMATE FY 2006			ESTIMATE FY 2007		
	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT
GENERAL.....	10	148,801	\$ 1,488	10	146,847	\$ 1,468	10	146,617	\$ 1,466	10	151,138	\$ 1,511
LT. GENERAL.....	39	143,257	5,587	43	141,694	6,093	43	141,606	6,089	43	145,991	6,278
MAJOR GENERAL.....	121	129,926	15,721	103	130,190	13,410	103	131,844	13,580	103	135,916	13,999
BRIG. GENERAL.....	173	115,214	19,932	157	115,437	18,124	157	116,904	18,354	157	120,519	18,921
COLONEL.....	4,365	97,778	426,801	3,703	97,726	361,879	3,464	98,718	341,959	3,339	101,772	339,817
LT. COLONEL.....	10,610	79,231	840,641	9,317	78,954	735,614	8,890	79,521	706,942	8,543	81,979	700,347
MAJOR.....	16,874	67,143	1,132,971	14,643	67,143	983,175	15,146	67,861	1,027,823	15,453	69,961	1,081,107
CAPTAIN.....	29,596	53,099	1,571,518	25,360	53,256	1,350,572	25,784	53,984	1,391,923	25,057	55,655	1,394,547
1ST LIEUTENANT.....	10,770	40,414	435,259	8,289	40,355	334,503	8,811	40,726	358,837	8,779	41,986	368,595
2ND LIEUTENANT.....	9,133	30,580	279,287	6,329	29,906	189,275	6,134	29,561	181,327	6,262	30,473	190,822
SUBTOTAL.....	81,691		\$ 4,729,205	67,954		\$ 3,994,113	68,542		\$ 4,048,300	67,746		\$ 4,115,944
WARRANT OFF. (W-5).....	488	\$ 71,496	\$ 34,890	398	\$ 71,721	\$ 28,545	406	\$ 72,718	\$ 29,524	408	\$ 74,964	\$ 30,585
WARRANT OFF. (W-4).....	1,866	61,821	115,358	1,570	62,052	97,422	1,601	62,627	100,266	1,608	64,564	103,819
WARRANT OFF. (W-3).....	4,158	51,595	214,532	2,893	51,960	150,320	2,952	52,738	155,683	2,964	54,370	161,153
WARRANT OFF. (W-2).....	5,400	41,837	225,920	4,733	41,877	198,204	4,828	42,234	203,906	4,848	43,541	211,087
WARRANT OFF. (W-1).....	2,504	35,518	88,937	2,120	35,762	75,815	2,163	36,315	78,549	2,172	37,444	81,328
SUBTOTAL.....	14,416		\$ 679,637	11,714		\$ 550,306	11,950		\$ 567,928	12,000		\$ 587,972
TOTAL OFFICER BASIC PAY.....	96,107		\$ 5,408,842	79,668		\$ 4,544,419	80,492		\$ 4,616,228	79,746		\$ 4,703,916

(AMOUNTS IN THOUSANDS OF DOLLARS)

ESTIMATE FY 2007	\$ 1,241,834
ESTIMATE FY 2006	\$ 1,223,300
ESTIMATE FY 2005	\$ 1,249,715
ACTUAL FY 2004	\$ 1,440,153

**Project: Retired Pay Accrual - Officers**

**Part I - Purpose and Scope**

The funds requested provide for the Department of Defense's contribution to its Military Retirement Fund, in accordance with 10 U.S.C 1466.

**Part II - Justification of Funds Requested**

The budget estimates are derived as a product of:

- (a) The DOD Actuary-approved full-time normal cost percentage (NCP) of basic pay, i.e., 27.5 percent for FY 2005, 26.5 percent for FY 2006, and 26.4 percent for FY 2007.
- (b) The total amount of the basic pay expected to be paid during the fiscal year to members of the Active Army.

The net change in the retired pay accrual requirement is -\$26.3 million between FY 2005 and FY 2006. This change is based on--

- (1) Annualization of the 1 Jan 2005, 3.5 percent pay raise: +\$9.7 million.
- (2) The 1 Jan 2006, 3.1 percent pay raise: +\$28.5 million.
- (3) Decrease in RPA NCP from 27.5 percent to 26.5 percent: -\$45.4 million.
- (4) Increase in officer manyears: +\$12.4 million.
- (5) Grade structure changes: -\$5.6 million.
- (6) Change in basic pay rates: -\$25.9 million.

The net change in the retired pay accrual requirement is -\$18.5 million between FY 2006 and FY 2007. This change is based on--

- (1) Annualization of the 1 Jan 2006, 3.1 percent pay raise: +\$8.5 million.
- (2) Price growth: +\$31.7 million.
- (3) Decrease in RPA NCP from 26.5 percent to 26.4 percent: -\$4.6 million.
- (4) Decrease in officer manyears: -\$11.3 million.
- (5) Grade structure changes: -\$2.9 million.
- (6) Change in basic pay rates: -\$2.9 million

Detailed cost computations are provided in the following table:

OFFICER RETIRED PAY ACCRUAL  
(AMOUNTS IN THOUSANDS OF DOLLARS)

	ACTUAL FY 2004			ESTIMATE FY 2005			ESTIMATE FY 2006			ESTIMATE FY 2007		
	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT
RPA.....	96,107	\$ 14,984.89	\$ 1,440,153	79,668	\$ 15,686.54	\$ 1,249,715	80,492	\$ 15,197.78	\$ 1,223,300	79,746	\$ 15,572.37	\$ 1,241,834



(AMOUNTS IN THOUSANDS OF DOLLARS)

ESTIMATE FY 2007	\$ 0
ESTIMATE FY 2006	\$ 0
ESTIMATE FY 2005	\$ 426,390
ACTUAL FY 2004	\$ 371,267

**Project: Health Care Accrual - Officers**

**Part I - Purpose and Scope**

The funds will be used to pay the health care accrual amount into the Department of Defense Medicare-eligible Retiree Health Care Fund for the future Medicare-eligible health care costs for current military personnel.

**Part II - Justification of Funds Requested**

The budgetary estimates are derived as a product of the approved actuarial rate and the average strength.

The health care accrual requirement is +\$426.4 million in FY 2005, funding was transferred to Medicare-Eligible Retiree Health Fund Contribution, Army Account beginning in FY 2006 by The Ronald W. Reagan National Defense Authorization Act for Fiscal Year 2005 (P.L. 108-375).

Detailed cost computations are provided by the following table:

OFFICER HEALTH CARE ACCRUAL  
(AMOUNTS IN THOUSANDS OF DOLLARS)

	ACTUAL FY 2004 AMOUNT	ESTIMATE FY 2005 AMOUNT	ESTIMATE FY 2006 AMOUNT	ESTIMATE FY 2007 AMOUNT
HEALTH CARE ACCRUAL.....	\$ 371,267	\$ 426,390	\$ 0	\$ 0

ESTIMATE FY 2007	\$ 99,443
ESTIMATE FY 2006	\$ 98,295
ESTIMATE FY 2005	\$ 99,608
ACTUAL FY 2004	\$ 94,932

**Project: Incentive Pay for Hazardous Duty - Officers**

**Part I - Purpose and Scope**

The funds requested will provide for pay to officers under provisions of 37 U.S.C. 301 for these types of duty:

Flight Aviation Service (Rated Officers) - includes rated aviators, who are entitled to continuous aviation career incentive pay, regardless of current duty assignment, as prescribed by the Aviation Career Incentive Act of 1974. In addition, aviators who are assigned to operational flying positions and flight surgeons, both of whom are required to fly at least four hours of aerial flight each month, are eligible.

Aviation Continuation Pay - executes a written agreement to remain on active duty in aviation service for at least one year.

Flight Crew Member/Non-crew member (Non-rated Officers) - assigned to a position that requires at least four hours of aerial flight each month. Non-crew members perform duties directly related to the in-flight mission of the aircraft, e.g., ground liaison officers, aviation maintenance technicians, or aeromedical physicians assistants. The duties performed by crew members are essential to the mission of the aircraft, e.g., aerial observers and airborne electrical equipment sensor operators.

Parachute - assigned to a permanent parachute position or airborne unit which requires parachute jumping as an essential part of military duty, or while undergoing airborne-type training, or performing short-term parachute duty. Continuous payment of hazardous duty pay for parachute duty requires at least one parachute jump every three months. Pay for the short-term parachute duty is prorated based on the duration of the period for which parachute jumping is required.

High Altitude Low Opening Jump Pay - assigned to a permanent military free-fall position which requires parachute jumping from at least 2,500 feet with a planned delay between exit and opening as an essential part of military duties, or while undergoing military free-fall type training at the US Army Military Free-fall Course at the US Army John F. Kennedy Special Warfare School. Soldiers must be graduates of military free-fall course or undergoing training for such designation. They must also be required by orders to engage in military free-fall jumps from an aircraft in flight and perform the specified minimum jumps to be entitled to pay. Proficiency requirements will remain the same as static line requirements.

Demolition of Explosives - assigned to a position, which requires the member, as his primary duty, to demolish by the use of explosives, objects, obstacles, or explosives; or recover and render harmless, by disarming or demolition, explosives, which failed to function as, intended

or which become a potential hazard. Demolition pay is limited to those serving in Specialty 91E (Explosive Ordnance Disposal Officer).

Toxic Pesticides Exposure - for duty performed while assigned to entomology, pest control, pest management, or preventive medicine functions for a period of 30 consecutive days or more; that requires a member to performing any calendar month a fumigation task utilizing phosphine, sulfuryl fluoride, hydrogen cyanide, methyl bromide, or a fumigant of comparable high acute toxicity and hazard potential.

Experimental Stress - serving as a human test subject in thermal stress experiments at Natick Laboratories, Natick, MA. The tests conducted include development of equipment (mostly clothing) and physiological testing. Also low pressure, high altitude chamber training is conducted at the US Army Aeromedical Center; Fort Rucker, AL. and the Armed Forces Institute of Pathology; Washington, DC.

Chemical Munitions - this is a peacetime hazardous incentive pay for members of the uniformed services whose primary duties require the routine physical handling of chemical munitions or chemical surety material. Routine physical handling must be incident to manufacturing, maintenance, storage, testing, laboratory analysis, transportation, surveillance, assembly, disassembly, demilitarization, or disposal of chemical munitions or chemical surety material. This incentive pay is not authorized for individuals who handle the individual components of binary munitions, dilute solutions of toxic chemicals, riot control agents, chemical defoliants, herbicides, smoke, flame and incendiaries, or industrial chemicals.

## **Part II - Justification of Funds Requested**

The projected average number of payments is based on the total spaces where each type of pay is authorized to meet force structure requirements. The compensation for aviation service (rated officers) is obtained by multiplying the projected average number of personnel authorized for this type of pay by rates established in 37 U.S.C. 301a for years of aviation service or years of officer service to include a specified number of years in jobs which justify flying. The compensation for all other types of incentive pay is arrived at by multiplying the projected number of each type by the statutory rate.

The net change in incentive pay requirement is -\$1.3 million between FY 2005 and FY 2006. This change is based on--

- (1) Decrease in number of officers receiving aviation career incentive pay: -\$1.1 million.
- (2) Decrease in number of payments for aviation continuation pay: -\$0.2 million.

Between FY 2006 and FY 2007, an increase in the number of officers projected to receive aviation career incentive pay requires an additional +\$1.1 for incentive pay.

Detailed cost computations are provided by the following table:

OFFICER INCENTIVE PAY FOR HAZARDOUS DUTY  
(AMOUNTS IN THOUSANDS OF DOLLARS)

	ACTUAL FY 2004			ESTIMATE FY 2005			ESTIMATE FY 2006			ESTIMATE FY 2007		
	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT
INCENTIVE PAY												
FLYING DUTY COMMISSIONED OFFICERS CATEGORY												
Crew 125.....	659	\$ 1,500	\$ 989	420	\$ 1,500	\$ 630	420	\$ 1,500	\$ 630	420	\$ 1,500	\$ 630
Crew 156.....	285	1,874	534	280	1,874	525	278	1,874	521	278	1,874	521
Crew 188.....	282	2,256	636	280	2,256	632	280	2,256	632	275	2,256	620
Crew 206.....	586	2,473	1,449	592	2,473	1,464	577	2,473	1,427	553	2,473	1,368
Crew 250.....	10	3,000	30	17	3,000	51	22	3,000	66	41	3,000	123
Crew 385.....	38	4,620	176	14	4,620	65	15	4,620	69	17	4,620	79
Crew 495.....	44	5,940	261	66	5,940	392	73	5,940	434	75	5,940	446
Crew 585.....	60	7,020	421	73	7,020	512	96	7,020	674	93	7,020	653
Crew 650.....	1,661	7,800	12,956	1,777	7,800	13,861	1,610	7,800	12,558	1,602	7,800	12,496
Crew 840.....	1,242	10,080	12,519	1,498	10,080	15,100	1,484	10,080	14,959	1,470	10,080	14,818
SUBTOTAL.....	4,867		\$ 29,971	5,017		\$ 33,232	4,855		\$ 31,970	4,824		\$ 31,754
WARRANT OFFICERS CATEGORY												
Crew 125.....	1,102	1,500	1,653	1,119	1,500	1,679	1,119	1,500	1,679	1,119	1,500	1,679
Crew 156.....	452	1,872	846	558	1,872	1,045	560	1,872	1,048	560	1,872	1,048
Crew 188.....	388	2,256	875	559	2,256	1,261	559	2,256	1,261	538	2,256	1,214
Crew 206.....	718	2,472	1,775	728	2,472	1,800	893	2,472	2,207	1,096	2,472	2,709
Crew 650.....	1,770	7,800	13,806	1,729	7,800	13,486	1,703	7,800	13,283	1,645	7,800	12,831
Crew 840.....	1,466	10,080	14,777	1,473	10,080	14,848	1,468	10,080	14,797	1,603	10,080	16,158
SUBTOTAL.....	5,896		\$ 33,732	6,166		\$ 34,119	6,302		\$ 34,275	6,561		\$ 35,639
TOTAL FLYING DUTY CREW.....	10,763		\$ 63,703	11,183		\$ 67,351	11,157		\$ 66,245	11,385		\$ 67,393
FLYING DUTY NON-CREW MEMBERS												
AVIATION CONTINUATION PAY....	42	1,800	76	71	1,800	128	82	1,800	148	82	1,800	148
CREW-NONRATED.....	1,617	12,000	19,404	1,771	12,000	21,252	1,750	12,000	21,000	1,750	12,000	21,000
	54	2,775	150	43	2,775	119	52	2,775	144	52	2,775	144
TOTAL FLYING DUTY PAY.....	12,476		\$ 83,333	13,068		\$ 88,850	13,041		\$ 87,537	13,269		\$ 88,685
OTHER HAZARDOUS DUTY												
EXPERIMENTAL STRESS	14	1,800	25	20	1,800	36	20	1,800	36	20	1,800	36
TOXIC PESTICIDES EXPOSURE	6	1,800	11	2	1,800	4	2	1,800	4	2	1,800	4
CHEMICAL MUNITIONS	15	1,800	27	15	1,800	27	15	1,800	27	15	1,800	27
OTHER	35		\$ 63	37		\$ 67	37		\$ 67	37		\$ 67
PARACHUTE JUMP (REGULAR)	5,859	1,800	10,546	5,592	1,800	10,066	5,592	1,800	10,066	5,592	1,800	10,066
PARACHUTE JUMP (HALO)	218	2,700	589	133	2,700	359	133	2,700	359	133	2,700	359
PARACHUTE JUMP	6,077		\$ 11,135	5,725		\$ 10,425	5,725		\$ 10,425	5,725		\$ 10,425
DEMOLITION OF EXPLOSIVES	223	1,800	401	148	1,800	266	148	1,800	266	148	1,800	266
TOTAL	6,335		\$ 11,599	5,910		\$ 10,758	5,910		\$ 10,758	5,910		\$ 10,758
TOTAL OFFICER INCENTIVE PAY FOR HAZARDOUS DUTY.....	18,811		\$ 94,932	18,978		\$ 99,608	18,951		\$ 98,295	19,179		\$ 99,443

(AMOUNTS IN THOUSANDS OF DOLLARS)

ESTIMATE FY 2007	\$ 220,791
ESTIMATE FY 2006	\$ 220,791
ESTIMATE FY 2005	\$ 212,957
ACTUAL FY 2004	\$ 294,203

**Project: Special Pay - Officers**

**Part I - Purpose and Scope**

The Army continues to attract highly qualified and motivated young people to serve. To maintain the quality force that we have, we must retain good Soldiers. We are proud of the men and women who come into the Armed Forces to make a difference, to be part of something larger than themselves and to give something back to their country.

The Army continues to adjust policies and incentives to access new Soldiers, to reenlist current Soldiers and to reduce unit attrition rates. This ensures that our Army is manned with top-quality people, and capitalizes on investments in training, education and mentoring.

Funds requested in this account are authorized to provide monetary incentives for the procurement and retention of officers assigned as physicians, dentists, nurses, psychologists, non-physician health care providers, veterinarians, optometrists, divers, and linguists. Additionally, this account includes special pays authorized to general officers to partially offset extraordinary expenses incurred in the performance of their official duties. Finally, this account covers special pays authorized for officers, who are assigned sea duty and those who are on duty subject to hostile fire or imminent danger.

Special Pay for Physicians - these payments are authorized by 37 U.S.C. 302, as amended. They are intended to provide a monetary incentive for the procurement and retention of medical officers. A physician may qualify for the following pays:

(1) Variable Special Pay - paid monthly as an automatic entitlement to all medical corps officers on active duty. The annual rate of pay is based upon the number of years of creditable service for special pay. The annual amounts range from \$1,200 to \$12,000.

(2) Board Certified Pay - paid on a monthly basis to medical corps officers who are currently certified by an American medical or osteopathic examining board. The annual rate payable is determined by the number of years of creditable service for special pay. The annual amounts range from \$2,500 to \$6,000.

(3) Additional Special Pay - paid as a lump sum bonus to medical corps officers who are not undergoing internship or initial residency training and who execute an agreement to remain on active duty for one year. The annual payment for all recipients is \$15,000.

(4) Incentive Special Pay (ISP)/Medical Incentive Pay - paid as a lump sum bonus to administratively eligible medical officers who are fully qualified in Department of Army (DA) selected specialty categories and who execute an agreement to remain on active duty for a period

of not less than 12 months. The Office of the Surgeon General develops an ISP program annually tailored to meet the critical needs of the following year. Payment amounts range from \$12,000 to \$50,000.

(5) Multi-year Special Pay - the FY 1991 DOD Authorization Act (PL 101-510) authorized a new multi-year special pay to be used in conjunction with ISP. Officers must be either unobligated for medical education and training or must have at least eight years of creditable service. There are several categories of specialties/pays with different pay levels for two-year, three-year, and four-year contracts. The annual amounts range from \$12,000 to \$50,000.

Other Special Pay - Dentist Pay - these payments are authorized by 37 U.S.C. 302b, 302h, and 311 and are intended to provide monetary incentives for the procurement and retention of dental officers. A dentist may qualify for the following special pays:

(1) Variable Special Pay - paid monthly as an automatic entitlement to all dental corps officers on active duty. The annual rate of pay is based on the number of years of creditable service for special pay. The annual rate ranges from \$3,000 to \$12,000.

(2) Board Certified Pay - paid on a monthly basis to dental corps officers who are currently certified by an American dental association specialty examining board or who have been awarded board certification equivalency by the Surgeon General. The annual rate is based on the number of years of creditable service for special pay. The annual rate ranges from \$2,500 to \$6,000.

(3) Additional Special Pay - paid as a lump sum bonus to dental corps officers who are not undergoing internship of initial residency training, who have a minimum of three years of creditable service for special pay, and who execute an agreement to remain on active duty for one year. The rate of pay is based on the number of years of creditable service for special pay. The payment amount ranges from \$4,000 to \$15,000.

(4) Multi-year Retention Bonus - the FY 1998 DOD Authorization Act (PL 105-85) authorized the use of a retention bonus for dental officers who execute a written agreement to remain on active duty for two, three, or four years after completion of any other active duty service commitment. Eligibility criteria require that a dental corps officer must be below the pay grade of O-7 and have a dental specialty in oral and maxillofacial surgery; have at least eight years of creditable service or have completed any active duty service commitment incurred for dental education and training; and have completed initial residency training (or will complete such training before 30 Sep of the fiscal year in which the officer enters into an agreement). The payment amount ranges from \$6,000 to \$50,000.

(5) Accession Bonus - paid to an individual who is a graduate of an accredited dental school and who executes an agreement to remain on active duty as a commissioned officer for a period of not less than four years. The amount of the accession bonus may not exceed \$30,000.

Nurses - nurse anesthetists are authorized to receive a special pay of \$15,000 per individual for one year and requires a written agreement to remain on active duty for a period of not less than 12 months. A nurse anesthetist can receive a payment of \$50,000 for multi year obligations. The accession bonus up to \$30,000 per individual requires acceptance of a commission as an officer combined with an agreement to remain on active duty for four years.

Diplomate Pay for Psychologists and Board Certified Pay for Non-physician Health Care Providers - paid on a monthly basis to an officer who is designated a psychologist and has been awarded a diploma as a Diplomate in Psychology, or an officer who is a health care provider based on the DoD definition approved by the Assistant Secretary of Defense (Health Affairs (ASD(HA))) in coordination with the Services, has a post baccalaureate degree in the officer's clinical specialty, and has obtained advance level (past entry level) certification by an approved professional board in the officer's specialty. The annual amounts range from \$2,000 to \$5,000 and are based on years of creditable service. Eligible specialties and boards are determined by the ASD(HA) in coordination with the Services.

Optometrists - these payments are authorized by 37 U.S.C. 302a and are intended to provide monetary incentives for the procurement and retention of optometry officers (retention special pay not to exceed \$6,000 for any twelve-month period). These officers are authorized \$100 per month of active duty.

Pharmacists - these payments are authorized by 37 U.S.C. 302j and are paid to an individual who is a graduate of an accredited pharmacy school and who executes a written agreement to remain on active duty as a commissioned officer for a period not less than four years. The amount of the one-time accession bonus may not exceed \$30,000. Section 302i of Title 37, USC, the amounts paid to the pharmacy officer are allocated by years of creditable service and ranges from \$7,000 to \$12,000 year.

Veterinarians - these payments are authorized by 37 U.S.C. 303 and are intended to provide monetary incentives for the procurement and retention of veterinary officers. These officers are authorized \$100 per month of active duty. The National Defense Authorization Act for Fiscal Year 2000 (PL 106-65), Section 616, amended 37 U.S.C. 303, adding a special pay entitlement for Veterinary Corps officers who are board certified as a Diplomate. As required by statute, this special pay is effective 1 October 1999. Assistant Secretary of Defense (Health Affairs) policy implemented Veterinary Corps officer Diplomate Pay in a manner that will provide an incentive for Veterinary Corps officers to attain the highest level of professional achievement of Diplomate status in a veterinary medical specialty recognized by the American Veterinary Medical Association. The Diplomate Pay annual award, paid in equal monthly amounts, is based on creditable service as a Veterinary Corps officer on active duty. The annual range of the special is from \$2,000 to \$5,000.

Judge Advocate Continuation Pay (JACP) - The FY 2000 National Defense Authorization Act, section 629, provided Services Secretaries with the authority to pay eligible Judge Advocates (JA) continuation pay in return for additional active duty service obligations. The continuation pay cannot exceed \$60,000 per any eligible JA. The Army started using the continuation pay in FY 2000 as one means of addressing a shortfall in JA retention.

Personal Allowance, General Officers - in addition to other pay and allowances authorized, an officer who is entitled to basic pay is entitled to a personal money allowance of (1) \$500 a year while serving in the grade of lieutenant general, (2) \$2,200 per year while serving in the grade of general, (3) \$2,200 in addition to the personal money allowance in (1) above while serving as a senior member of the military staff committee of the United Nations and (4) \$4,000 per year, in place of any other personal money allowance, while serving as Chief of Staff of the



Army (37 U.S.C 414). Additionally, an officer serving as the Chairman of the Joint Chiefs of Staff is entitled to \$4,000 per year in place of any other personal money allowance (37 U.S.C 413). This allowance is intended to partially reimburse high ranking officers for the many unusual personal expenses they incur in the performance of their official duties.

Diving Duty Pay - under regulations prescribed by the Secretary of the Army, an officer or warrant officer who is entitled to basic pay is entitled to special pay at a rate of not more than \$200 a month for periods during which they (1) are assigned by orders to the duty of diving, (2) are required to maintain proficiency as a diver by frequent and regular dives, and (3) actually perform diving duty (37 U.S.C 304). Dive officers are assigned to a position as the leader of a diving detachment, which supports marine or special operation units. Duties of marine diving detachments include underwater construction (construction of piers and pipelines), harbor clearance, and ship salvage. Special forces (combat) diving operations include infiltration and exfiltration, combat surface swimming, search and recovery, target attack, harassment and interdiction, and reconnaissance operations.

Sea Duty Pay - Army members who are entitled to basic pay are also entitled, while on sea duty, to special pay at rates which vary with grade and years of sea duty. The range of rates for warrant officers and officers is \$130 to \$410 per month. The term "sea duty" means duty performed by a member (1) while assigned to a ship, and while serving on a ship the primary mission of which is accomplished while underway; or (2) while assigned to a ship, and while serving on a ship the primary mission of which is normally accomplished while in port, but only while the ship is away from its home port for 30 or more consecutive days. Additionally, the member entitled to career sea pay who has served 36 consecutive months of sea duty is entitled to a career sea pay premium of \$100 per month for the 37th month and each consecutive month of sea duty served (37 U.S.C. 305a). Individuals who are affected by career sea pay are generally assigned to Fort Eustis, Virginia; Hawaii; Panama; or the Azores.

Foreign Language Proficiency Pay (FLPP) - this pay is authorized under the provisions of 37 U.S.C. 316. FLPP is a monthly monetary incentive that is paid to all military personnel who qualify for and maintain the required proficiency in designated foreign languages. The monthly rate may not exceed \$300.00 per individual.

Hostile Fire Pay - paid to officers on duty subject to hostile fire or imminent danger (37 U.S.C. 310). Paid at the rate of \$225 per month.

Hardship Duty Pay - paid to officers performing duty in an location that is designated by The Secretary of Defense as hardship duty. The monthly rate may not exceed \$300.00 per individual.

## **Part II - Justification of Funds Requested**

The projected average number of personnel is based on the total spaces where each type of pay is authorized to meet force structure requirements. Funding requirements are based on the estimated number of officers eligible for each type of payment and rate of payment.

The net change in the special pay requirement is +\$7.8 million between FY 2005 and FY 2006. This change is based on--

- (1) Increased requirement for medical incentive pay and multi-year special pay for physicians: +\$8.6 million.
- (2) Decreased requirement for foreign language pay and hostile fire pay: -\$2.8 million.
- (3) Increased need for sea duty pay and hardship duty pay: +\$2.0 million.

There is no net change between FY 2006 and FY 2007.

Detailed cost computations are provided by the following table:

OFFICER SPECIAL PAY  
(AMOUNTS IN THOUSANDS OF DOLLARS)

	ACTUAL FY 2004			ESTIMATE FY 2005			ESTIMATE FY 2006			ESTIMATE FY 2007		
	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT
<b>MEDICAL PAY</b>												
VARIABLE SPECIAL PAY.....	4,099	\$ 7,983	\$ 32,722	4,136	\$ 7,983	\$ 33,018	4,136	\$ 7,983	\$ 33,018	4,136	\$ 7,983	\$ 33,018
ADDITIONAL SPECIAL PAY.....	2,925	15,000	43,875	3,040	15,000	45,600	3,040	15,000	45,600	3,040	15,000	45,600
BOARD CERTIFIED PAY.....	2,471	3,791	9,368	2,476	3,791	9,387	2,476	3,791	9,387	2,476	3,791	9,387
INCENTIVE SPECIAL PAY.....	2,985	19,440	58,028	2,792	19,440	54,276	2,855	22,000	62,810	2,855	22,000	62,810
MULTI-YEAR SPECIAL PAY.....	1,175	10,290	12,091	1,078	10,290	11,093	1,025	11,641	11,932	1,025	11,641	11,932
SUBTOTAL.....	13,655		\$ 156,084	13,522		\$ 153,374	13,532		\$ 162,747	13,532		\$ 162,747
<b>OTHER SPECIAL PAY</b>												
<b>DENTIST PAY</b>												
VARIABLE SPECIAL PAY.....	815	\$ 8,090	\$ 6,593	1,097	\$ 8,090	\$ 8,875	1,097	\$ 8,090	\$ 8,875	1,097	\$ 8,090	\$ 8,875
ADDITIONAL SPECIAL PAY.....	681	11,674	7,950	912	11,674	10,647	917	11,674	10,705	917	11,674	10,705
BOARD CERTIFIED PAY.....	352	5,435	1,913	418	5,435	2,272	418	5,435	2,272	418	5,435	2,272
MULTI-YEAR RETENTION BONUS.....	675	10,528	7,106	599	10,528	6,306	485	13,000	6,305	485	13,000	6,305
ACCESSION BONUS.....	1	30,000	30	20	30,000	600	20	30,000	600	20	30,000	600
SUBTOTAL.....	2,524		\$ 23,592	3,046		\$ 28,700	2,937		\$ 28,757	2,937		\$ 28,757
<b>NURSE PAY</b>												
ACCESSION BONUS.....	37	\$ 5,000	\$ 185	276	\$ 5,000	\$ 1,380	138	\$ 10,000	\$ 1,380	138	\$ 10,000	\$ 1,380
ANESTHETIST PAY.....	176	11,286	1,986	312	11,286	3,521	230	15,316	3,523	230	15,316	3,523
SUBTOTAL.....	213		\$ 2,171	588		\$ 4,901	368		\$ 4,903	368		\$ 4,903
<b>BOARD CERTIFIED PAY FOR NON-PHYSICIAN</b>												
HEALTH CARE PROVIDERS.....	660	\$ 2,446	\$ 1,614	918	\$ 2,446	\$ 2,245	660	\$ 2,446	\$ 1,614	660	\$ 2,446	\$ 1,614
DIPLOMATE PAY FOR PSYCHOLOGISTS..	54	3,625	196	48	3,625	174	48	3,625	174	48	3,625	174
<b>OPTOMETRISTS PAY</b>												
SPECIAL PAY.....	120	\$ 1,200	\$ 144	127	\$ 1,200	\$ 152	127	\$ 1,200	\$ 152	127	\$ 1,200	\$ 152
RETENTION PAY.....	114	6,000	684	114	6,000	684	114	6,000	684	114	6,000	684
SUBTOTAL.....	234		\$ 828	241		\$ 836	241		\$ 836	241		\$ 836
<b>PHARMACY PAY</b>												
SPECIAL PAY.....	136	\$ 8,000	\$ 1,088	135	\$ 8,000	\$ 1,080	135	\$ 8,000	\$ 1,080	135	\$ 8,000	\$ 1,080
ACCESSION BONUS.....	16	30,000	480	16	30,000	480	16	30,000	480	16	30,000	480
SUBTOTAL.....	152		\$ 1,568	151		\$ 1,560	151		\$ 1,560	151		\$ 1,560
<b>VETERINARIAN PAY</b>												
SPECIAL PAY.....	415	\$ 1,200	\$ 498	414	\$ 1,200	\$ 497	414	\$ 1,200	\$ 497	414	\$ 1,200	\$ 497
BOARD CERTIFIED PAY.....	199	3,500	697	192	3,500	672	192	3,500	672	192	3,500	672
SUBTOTAL.....	614		\$ 1,195	606		\$ 1,169	606		\$ 1,169	606		\$ 1,169
TOTAL MEDICAL PAY.....	18,106		\$ 187,248	19,120		\$ 192,959	18,543		\$ 201,760	18,543		\$ 201,760
<b>SEA DUTY PAY</b>												
SUBTOTAL.....	117		\$ 464	116		\$ 460	114		\$ 674	114		\$ 674

OFFICER SPECIAL PAY  
(AMOUNTS IN THOUSANDS OF DOLLARS)

	ACTUAL FY 2004			ESTIMATE FY 2005			ESTIMATE FY 2006			ESTIMATE FY 2007		
	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT
PERSONAL MONEY ALLOWANCES -												
GENERAL OFFICERS												
CHAIRMAN, JCS.....	0	\$ 4,000	\$ 0	0	\$ 4,000	\$ 0	0	\$ 4,000	\$ 0	0	\$ 4,000	\$ 0
CHIEF OF STAFF.....	1	4,000	4	1	4,000	4	1	4,000	4	1	4,000	4
SENIOR MEMBER OF STAFF												
COMMITTEE OF UNITED NATIONS..	3	2,700	8	3	2,700	8	1	2,700	3	1	2,700	3
GENERAL.....	9	2,200	20	9	2,200	20	9	2,200	20	9	2,200	20
LIEUTENANT GENERAL.....	36	500	18	40	500	20	42	500	21	42	500	21
SUBTOTAL.....	49		\$ 50	53		\$ 52	53		\$ 48	53		\$ 48
DIVING DUTY PAY.....	53	\$ 2,642	\$ 140	36	\$ 2,694	\$ 97	53	\$ 2,642	\$ 140	53	\$ 2,642	\$ 140
HOSTILE FIRE PAY.....	19,848	2,700	53,590	1,524	2,700	4,115	1,062	2,700	2,867	1,062	2,700	2,867
SEA DUTY PAY.....	117	\$ 3,966	\$ 464	116	\$ 3,966	\$ 460	114	\$ 5,912	\$ 674	114	\$ 5,912	\$ 674
FOREIGN LANGUAGE PAY.....	2,173	1,623	3,527	3,797	1,623	6,163	2,227	2,035	4,532	2,227	2,035	4,532
HARDSHIP DUTY PAY.....	42,025	1,137	47,782	5,380	1,099	5,913	5,040	1,500	7,560	5,040	1,500	7,560
JUDGE ADVOCATE												
CONTINUATION PAY.....	71	19,741	1,402	162	19,741	3,198	150	21,400	3,210	150	21,400	3,210
HIGH-DEPLOYMENT												
PER DIEM ALLOWANCE.....	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL OFFICER SPECIAL PAY.....	82,442		\$ 294,203	30,188		\$ 212,957	27,242		\$ 220,791	27,242		\$ 220,791

ESTIMATE FY 2007	\$ 1,343,147
ESTIMATE FY 2006	\$ 1,271,542
ESTIMATE FY 2005	\$ 1,084,250
ACTUAL FY 2004	\$ 1,214,241

**Project: Basic Allowance for Housing - Officers**

**Part I - Purpose and Scope**

Congress approved in the FY 1998 National Defense Authorization Act the payment of a Basic Allowance for Housing (BAH) to service members. The Overseas Housing Allowance (OHA) payment, formerly located in overseas station allowances moved into this section by a change in law. The continental United States, Alaska, and Hawaii BAH is termed BAH Domestic, while the overseas housing allowance is called BAH Overseas. Payment to service members is authorized by revisions to 37 U.S.C. 403.

**Part II - Justification of Funds Requested**

With congressional support, the Army's Residential Communities and Barracks Modernization program initiatives has had dramatic effect on improving quality of life for our Soldiers and their families. The Army already has privatized 37,000 housing units and eventually will privatize in excess of 40,000 more. Programs like the Residential Communities initiative will greatly help in cost savings and the Army's efforts to retain soldiers and families.

The net change in the BAH requirement is +\$187.3 million between FY 2005 and FY 2006. This change is based on--

- (1) Annualization of the 1 Jan 2005 4.0% increase for housing cost growth for BAH Domestic rates (with dependents and without dependents categories): +\$17.1 million.
- (2) The 1 Jan 2006 increase for housing cost growth for BAH Domestic rates (with dependents and without dependents categories): +\$33.5 million.
- (3) Increase in total manyears: +\$6.6 million.
- (4) Changes in grade structure: -\$3.2 million.
- (5) Increase in BAH Domestic payments: +\$99.6 million.
- (6) Increase in BAH Overseas payments: +\$33.7 million.

The net change in the BAH requirement is +\$71.6 million between FY 2006 and FY 2007. This change is based on--

- (1) Annualization of the 1 Jan 2006 4.0% increase for housing cost growth for BAH Domestic rates (with dependents and without dependents categories): +\$11.4 million.
- (2) The 1 Jan 2007 4.0% increase for housing cost growth for BAH Domestic rates (with Dependents and without dependents categories): +\$35.7 million.
- (3) Decrease in total manyears: -\$9.2 million.
- (4) Changed in grade structure: -\$2.3 million.
- (5) Increase in BAH Domestic payments: +\$36.0 million.

Detailed cost computations are provided by the following table:

OFFICER BASIC ALLOWANCE FOR HOUSING - DOMESTIC  
(AMOUNTS IN THOUSANDS OF DOLLARS)

	ACTUAL FY 2004			ESTIMATE FY 2005			ESTIMATE FY 2006			ESTIMATE FY 2007		
	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT
<b>BAH WITH DEPENDENTS</b>												
GENERAL.....	90	23,067	\$ 2,076	81	24,235	\$ 1,963	121	25,430	\$ 3,077	121	26,446	\$ 3,200
COLONEL.....	3,017	21,952	66,229	2,693	23,162	62,375	2,819	24,226	68,293	2,851	25,196	71,834
LIEUTENANT COLONEL.....	7,634	20,381	155,589	7,141	21,469	153,310	7,235	22,455	162,462	7,297	23,354	170,414
MAJOR.....	11,206	17,266	193,483	9,659	18,279	176,557	10,888	19,119	208,168	11,662	19,884	231,887
CAPTAIN.....	15,406	14,148	217,964	13,801	15,039	207,553	15,572	15,730	244,948	15,881	16,359	259,797
1ST LIEUTENANT.....	3,777	12,022	45,407	2,689	12,779	34,363	2,942	13,367	39,326	3,076	13,901	42,759
2ND LIEUTENANT.....	2,818	11,653	32,838	1,929	12,448	24,012	1,926	13,020	25,077	2,062	13,541	27,922
OFFICER SUBTOTAL.....	43,948		\$ 713,586	37,993		\$ 660,133	41,503		\$ 751,351	42,950		\$ 807,813
WARRANT OFFICER (5).....	415	15,102	6,267	357	15,970	5,701	374	16,704	6,247	396	17,373	6,880
WARRANT OFFICER (4).....	1,475	13,628	20,101	1,308	14,459	18,912	1,372	15,123	20,749	1,448	15,728	22,774
WARRANT OFFICER (3).....	2,996	13,458	40,320	2,269	14,301	32,449	2,382	14,958	35,630	2,512	15,556	39,077
WARRANT OFFICER (2).....	3,189	12,443	39,681	3,048	13,171	40,145	3,580	13,776	49,318	3,372	14,327	48,311
WARRANT OFFICER (1).....	1,306	11,259	14,704	1,195	12,090	14,448	1,396	12,646	17,654	1,322	13,152	17,387
WARRANT OFFICER SUBTOTAL...	9,381		\$ 121,073	8,177		\$ 111,655	9,104		\$ 129,598	9,050		\$ 134,429
<b>TOTAL BAH WITH DEPENDENTS.....</b>												
	53,329		\$ 834,659	46,170		\$ 771,788	50,607		\$ 880,949	52,000		\$ 942,242
BAH DIFFERENTIAL.....	170	1,958	333	1,297	1,998	2,591	0	2,063	0	0	2,151	0
TOTAL.....	53,499		\$ 834,992	47,467		\$ 774,379	50,607		\$ 880,949	52,000		\$ 942,242
<b>BAH WITHOUT DEPENDENTS</b>												
GENERAL.....	8	21,125	\$ 169	5	22,400	\$ 112	6	23,500	\$ 141	6	24,333	\$ 146
COLONEL.....	280	19,493	5,458	260	20,554	5,344	286	21,499	6,149	279	22,359	6,238
LIEUTENANT COLONEL.....	892	17,375	15,499	920	18,394	16,922	975	19,239	18,758	948	20,009	18,969
MAJOR.....	2,019	14,977	30,239	2,019	15,837	31,975	2,388	16,565	39,557	2,468	17,228	42,519
CAPTAIN.....	7,662	11,832	90,657	7,424	12,598	93,528	8,657	13,177	114,073	8,519	13,704	116,744
1ST LIEUTENANT.....	5,390	9,848	53,081	3,624	10,503	38,063	4,281	10,986	47,031	4,318	11,425	49,333
2ND LIEUTENANT.....	3,610	8,919	32,198	2,474	9,481	23,456	2,641	9,916	26,188	2,729	10,313	28,144
OFFICER SUBTOTAL.....	19,861		\$ 227,301	16,726		\$ 209,400	19,234		\$ 251,897	19,267		\$ 262,093
WARRANT OFFICER (5).....	39	14,800	577	35	15,942	558	38	16,675	634	39	17,342	676
WARRANT OFFICER (4).....	133	12,388	1,648	129	13,199	1,703	133	13,806	1,836	136	14,358	1,953
WARRANT OFFICER (3).....	495	11,277	5,582	273	11,985	3,272	327	12,536	4,099	333	13,037	4,341
WARRANT OFFICER (2).....	725	10,207	7,400	609	10,925	6,653	735	11,427	8,399	748	11,884	8,889
WARRANT OFFICER (1).....	445	7,341	3,267	430	7,878	3,388	487	8,240	4,013	496	8,570	4,251
WARRANT OFFICER SUBTOTAL...	1,837		\$ 18,474	1,476		\$ 15,574	1,720		\$ 18,981	1,752		\$ 20,110
<b>TOTAL BAH WITHOUT DEPENDENTS.....</b>												
	21,698		\$ 245,775	18,202		\$ 224,974	20,954		\$ 270,878	21,019		\$ 282,203

OFFICER BASIC ALLOWANCE FOR HOUSING - DOMESTIC  
(AMOUNTS IN THOUSANDS OF DOLLARS)

	ACTUAL FY 2004			ESTIMATE FY 2005			ESTIMATE FY 2006			ESTIMATE FY 2007		
	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT
BAH PARTIAL ALLOWANCE BACHELOR												
GENERAL.....	0	0	\$ 0	0	0	\$ 0	0	0	\$ 0	0	0	\$ 0
COLONEL.....	7	475	3	11	475	5	10	475	5	10	475	5
LIEUTENANT COLONEL.....	19	396	8	26	396	10	25	396	10	24	396	10
MAJOR.....	50	320	16	75	320	24	77	320	25	80	320	26
CAPTAIN.....	277	266	74	416	266	111	426	266	113	415	266	110
1ST LIEUTENANT.....	296	212	63	303	212	64	324	212	69	324	212	69
2ND LIEUTENANT.....	1,368	158	216	1,166	158	184	1,135	158	179	1,168	158	185
OFFICER SUBTOTAL.....	2,017		\$ 380	1,997		\$ 398	1,997		\$ 401	2,021		\$ 405
WARRANT OFFICER (5).....	0	302	0	1	302	0	1	302	0	1	302	0
WARRANT OFFICER (4).....	5	302	2	4	302	1	4	302	1	4	302	1
WARRANT OFFICER (3).....	10	248	2	16	248	4	16	248	4	16	248	4
WARRANT OFFICER (2).....	33	191	6	45	191	9	46	191	9	48	191	9
WARRANT OFFICER (1).....	31	166	5	45	166	7	46	166	8	47	166	8
WARRANT OFFICER SUBTOTAL...	79		\$ 15	111		\$ 21	113		\$ 22	116		\$ 22
TOTAL BAH PARTIAL ALLOWANCE BACHELOR.....	2,096		\$ 395	2,108		\$ 419	2,110		\$ 423	2,137		\$ 427
BAH INADEQUATE FAMILY HOUSING												
GENERAL.....	0	0	\$ 0	0	0	\$ 0	0	0	\$ 0	0	0	\$ 0
COLONEL.....	0	5,488	0	0	5,790	0	0	6,057	0	0	6,299	0
LIEUTENANT COLONEL.....	0	5,095	0	0	5,367	0	0	5,614	0	0	5,838	0
MAJOR.....	0	4,316	0	0	4,570	0	0	4,780	0	0	4,971	0
CAPTAIN.....	0	3,537	0	0	3,760	0	0	3,933	0	0	4,090	0
1ST LIEUTENANT.....	0	3,005	0	0	3,195	0	0	3,342	0	0	3,475	0
2ND LIEUTENANT.....	0	2,913	0	0	3,112	0	0	3,255	0	0	3,385	0
OFFICER SUBTOTAL.....	0		\$ 0	0		\$ 0	0		\$ 0	0		\$ 0
WARRANT OFFICER (5).....	0	3,776	0	0	3,993	0	0	4,176	0	0	4,343	0
WARRANT OFFICER (4).....	0	3,407	0	0	3,615	0	0	3,781	0	0	3,932	0
WARRANT OFFICER (3).....	0	3,364	0	0	3,575	0	0	3,739	0	0	3,889	0
WARRANT OFFICER (2).....	0	3,111	0	0	3,293	0	0	3,444	0	0	3,582	0
WARRANT OFFICER (1).....	0	2,815	0	0	3,023	0	0	3,161	0	0	3,288	0
WARRANT OFFICER SUBTOTAL...	0		\$ 0	0		\$ 0	0		\$ 0	0		\$ 0
TOTAL BAH INADEQUATE FAMILY HOUSING.....	0		\$ 0	0		\$ 0	0		\$ 0	0		\$ 0
TOTAL BASIC ALLOWANCE FOR HOUSING - DOMESTIC.....	77,293		1,081,162	67,777		\$ 999,772	73,671		1,152,250	75,156		1,224,872



OFFICER BASIC ALLOWANCE FOR HOUSING - OVERSEAS  
(AMOUNTS IN THOUSANDS OF DOLLARS)

	ACTUAL FY 2004			ESTIMATE FY 2005			ESTIMATE FY 2006			ESTIMATE FY 2007		
	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT
BAH WITH DEPENDENTS												
GENERAL.....	0	0	\$ 0	0	0	\$ 0	0	0	\$ 0	0	0	\$ 0
COLONEL.....	117	20,054	2,346	116	20,054	2,326	155	20,054	3,108	149	20,054	2,988
LIEUTENANT COLONEL.....	497	17,783	8,838	439	17,783	7,807	597	17,783	10,616	575	17,783	10,225
MAJOR.....	750	17,368	13,026	636	17,368	11,046	937	17,368	16,274	958	17,368	16,639
CAPTAIN.....	1,013	13,978	14,160	768	13,978	10,735	1,113	13,978	15,558	1,084	13,978	15,152
1ST LIEUTENANT.....	333	11,685	3,891	191	11,685	2,232	288	11,685	3,365	287	11,685	3,354
2ND LIEUTENANT.....	100	14,047	1,405	59	14,047	829	82	14,047	1,152	84	14,047	1,180
OFFICER SUBTOTAL.....	2,810		\$ 43,666	2,209		\$ 34,975	3,172		\$ 50,073	3,137		\$ 49,538
WARRANT OFFICER (5).....	25	15,478	387	19	15,478	294	26	15,478	402	28	15,478	433
WARRANT OFFICER (4).....	102	14,222	1,451	76	14,222	1,081	110	14,222	1,564	110	14,222	1,564
WARRANT OFFICER (3).....	305	14,437	4,403	127	14,437	1,833	185	14,437	2,671	185	14,437	2,671
WARRANT OFFICER (2).....	287	12,809	3,676	216	12,809	2,767	314	12,809	4,022	315	12,809	4,035
WARRANT OFFICER (1).....	76	14,129	1,074	43	14,129	608	63	14,129	890	63	14,129	890
WARRANT OFFICER SUBTOTAL...	795		\$ 10,991	481		\$ 6,583	698		\$ 9,549	701		\$ 9,593
TOTAL BAH WITH DEPENDENTS.....	3,605		\$ 54,657	2,690		\$ 41,558	3,870		\$ 59,622	3,838		\$ 59,131
BAH WITHOUT DEPENDENTS												
GENERAL.....	0	0	\$ 0	0	0	\$ 0	0	0	\$ 0	0	0	\$ 0
COLONEL.....	43	18,340	789	28	18,340	514	36	18,340	660	35	18,340	642
LIEUTENANT COLONEL.....	165	17,862	2,947	142	17,862	2,536	184	17,862	3,287	177	17,862	3,162
MAJOR.....	370	16,635	6,155	299	16,635	4,974	422	16,635	7,020	430	16,635	7,153
CAPTAIN.....	1,965	14,569	28,628	1,156	14,569	16,842	1,604	14,569	23,369	1,562	14,569	22,757
1ST LIEUTENANT.....	1,824	13,374	24,394	696	13,374	9,308	1,008	13,374	13,481	1,005	13,374	13,441
2ND LIEUTENANT.....	661	13,659	9,029	304	13,659	4,152	401	13,659	5,477	410	13,659	5,600
OFFICER SUBTOTAL.....	5,028		\$ 71,942	2,625		\$ 38,326	3,655		\$ 53,294	3,619		\$ 52,755
WARRANT OFFICER (5).....	11	13,900	153	7	13,900	97	10	13,900	139	10	13,900	139
WARRANT OFFICER (4).....	32	14,198	454	29	14,198	412	40	14,198	568	40	14,198	568
WARRANT OFFICER (3).....	143	13,514	1,933	89	13,514	1,203	123	13,514	1,662	123	13,514	1,662
WARRANT OFFICER (2).....	234	12,711	2,974	186	12,711	2,364	258	12,711	3,279	259	12,711	3,292
WARRANT OFFICER (1).....	69	14,004	966	37	14,004	518	52	14,004	728	52	14,004	728
WARRANT OFFICER SUBTOTAL...	489		\$ 6,480	348		\$ 4,594	483		\$ 6,376	484		\$ 6,389
TOTAL BAH WITHOUT DEPENDENTS.....	5,517		\$ 78,422	2,973		\$ 42,920	4,138		\$ 59,670	4,103		\$ 59,144
TOTAL BASIC ALLOWANCE FOR HOUSING - OVERSEAS.....	9,122		\$ 133,079	5,663		\$ 84,478	8,008		\$ 119,292	7,941		\$ 118,275
TOTAL OFFICER BASIC ALLOWANCE FOR HOUSING.....	86,415		1,214,241	73,440		1,084,250	81,679		1,271,542	83,097		1,343,147

(AMOUNTS IN THOUSANDS OF DOLLARS)

ESTIMATE FY 2007	\$ 182,299
ESTIMATE FY 2006	\$ 177,968
ESTIMATE FY 2005	\$ 173,198
ACTUAL FY 2004	\$ 211,916

**Project: Basic Allowance for Subsistence - Officers**

**Part I - Purpose and Scope**

The funds requested will provide for subsistence allowance authorized by 37 U.S.C. 402 and P.L. 96-343. All officers, regardless of dependency status and pay grade, are paid a monthly Basic Allowance for Subsistence (BAS) at the same rate.

**Part II - Justification of Funds Requested**

Subsistence allowance costs are obtained by multiplying the projected average number eligible for the allowance by the annual statutory rate.

The net change in the basic allowance for subsistence is +\$4.8 million from FY 2005 to FY 2006. This change is based on--

- (1) Increase in officer manyears: +\$1.8 million.
- (2) Change in annual pay rate: +\$3.0 million.

The net change in the basic allowance for subsistence is +\$4.3 million from FY 2006 to FY 2007. This change is based on--

- (1) Decrease in officer manyears: -\$1.6 million.
- (2) Change in annual pay rate: +\$5.9 million.

Detailed cost computations are provided by the following table:

OFFICER BASIC ALLOWANCE FOR SUBSISTENCE  
(AMOUNT IN THOUSANDS OF DOLLARS)

	ACTUAL FY 2004			ESTIMATE FY 2005			ESTIMATE FY 2006			ESTIMATE FY 2007		
	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT
BASIC ALLOWANCE FOR SUBSISTENCE.....	96,107	\$ 2,205	\$ 211,916	79,668	\$ 2,174	\$ 173,198	80,492	\$ 2,211	\$ 177,968	79,746	\$ 2,286	\$ 182,299

(AMOUNTS IN THOUSANDS OF DOLLARS)

ACTUAL	FY 2004	\$ 308,077
ESTIMATE	FY 2005	\$ 140,015
ESTIMATE	FY 2006	\$ 106,475
ESTIMATE	FY 2007	\$ 109,929

**Project: Station Allowance Overseas - Officers**

**Part I - Purpose and Scope**

The funds requested will provide payment of a per diem allowance to officers on duty outside the United States considering all elements of the cost of living, including quarters, subsistence, and other necessary incidental expenses as prescribed by joint travel regulations and authorized under provisions of 37 U.S.C. 405.

**Part II - Justification of Funds Requested**

The total Overseas Station Allowance includes Cost of Living and Temporary Lodging Allowances. Overseas station allowance (OSA) payments are determined by multiplying the projected number of personnel eligible for each type of allowance by an estimated average rate.

Fluctuations in currency exchange rates have a direct impact on overseas station allowances. This is especially true in the case of Germany. The overseas station allowances are based on an exchange rate of 0.8785 Euro/\$1 US Dollar.

The net change in the station allowance overseas requirement is -\$33.5 million between FY 2005 and FY 2006. This change is based on--

- (1) Annualization of the 1 Jan 2005, 3.5 percent pay raise: +\$.8 million.
- (2) The 1 Jan 2006, 3.1 percent pay raise: +\$2.2 million.
- (3) Decrease in foreign currency pay rates: -\$36.7 million.
- (4) Temporary lodging allowance rate increase for inflation (2.0 Percent): +\$.2 million.

The net change in the station allowance overseas requirement is \$3.5 million between FY 2006 and FY 2007. This change is based on--

- (1) Annualization of the 1 Jan 2006, 3.1 percent pay raise: +\$.7 million.
- (2) Price growth: +\$2.4 million.
- (3) Temporary lodging allowance rate increase for inflation (2.1 percent): +.2 million.

Detailed cost computations are provided by the following table:

OFFICER OVERSEAS STATION ALLOWANCE  
(AMOUNTS IN THOUSANDS OF DOLLARS)

	ACTUAL FY 2004			ESTIMATE FY 2005			ESTIMATE FY 2006			ESTIMATE FY 2007		
	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT
COST OF LIVING												
GENERAL.....	77	\$ 15,442	\$ 1,189	57	\$ 11,228	\$ 640	57	\$ 8,333	\$ 475	57	\$ 8,649	\$ 493
COL.....	963	14,981	14,427	671	11,393	7,645	671	8,460	5,677	671	8,759	5,877
LTC.....	2,755	14,153	38,992	1,803	10,576	19,069	1,803	7,851	14,155	1,803	8,128	14,655
MAJ.....	4,713	12,001	56,561	3,030	8,954	27,131	3,030	6,647	20,140	3,030	6,882	20,852
CPT.....	9,528	9,061	86,333	5,194	6,710	34,852	5,194	4,982	25,877	5,194	5,157	26,785
2ND LIEUTENANT.....	4,908	7,274	35,701	2,246	5,550	12,465	2,246	4,122	9,258	2,246	4,266	9,581
1ST LIEUTENANT.....	2,992	5,350	16,007	1,434	3,829	5,491	1,434	2,844	4,078	1,434	2,943	4,220
CW5.....	134	10,295	1,380	86	17,864	1,536	86	5,747	494	86	5,103	439
CW4.....	597	10,526	6,284	369	7,581	2,797	369	5,629	2,077	369	5,827	2,150
CW3.....	1,658	9,726	16,126	941	7,060	6,643	941	5,241	4,932	941	5,426	5,106
CW2.....	2,533	8,536	21,622	1,449	6,039	8,751	1,449	4,486	6,500	1,449	4,644	6,729
WO1.....	731	6,865	5,018	331	4,725	1,564	331	3,509	1,161	331	3,631	1,202
SUBTOTAL.....	31,589		\$ 299,640	17,611		\$ 128,584	17,611		\$ 94,824	17,611		\$ 98,089
TEMPORARY LODGING ALLOWANCE....	4,905	\$ 1,720	\$ 8,437	6,562	\$ 1,742	\$ 11,431	6,590	\$ 1,768	\$ 11,651	6,585	\$ 1,798	\$ 11,840
TOTAL OFFICER STATION ALLOWANCE OVERSEAS..	36,494		\$ 308,077	24,173		\$ 140,015	24,201		\$ 106,475	24,196		\$ 109,929

(AMOUNTS IN THOUSANDS OF DOLLARS)

ESTIMATE FY 2007	\$ 6,461
ESTIMATE FY 2006	\$ 6,461
ESTIMATE FY 2005	\$ 2,956
ACTUAL FY 2004	\$ 3,554

**Project: CONUS Cost of Living Allowance - Officers**

**Part I - Purpose and Scope**

The funds requested will provide payment of a cost of living allowance (COLA) to soldiers who are assigned to high cost areas in the continental United States (CONUS). A high cost area is defined as a locality where the cost of living exceeds the average cost of living in CONUS by an established threshold percentage during a base period. The threshold percentage is established by the Secretary of Defense but cannot be less than eight percent. The current established threshold is 108 percent of the national cost of living average. The amount of COLA payable is the product of spendable income (based on regular military compensation level) times the difference between the COLA index for the individual's high cost area and the threshold percentage. The FY 1995 DOD Authorization Act authorized this allowance.

**Part II - Justification of Funds Requested**

CONUS COLA payments are determined by multiplying the projected number of personnel eligible by an estimated average rate.

The net change in CONUS COLA is +\$3.5 million between FY 2005 and FY 2006.

There is no change for FY 2006 and FY 2007.

Detailed cost computations are provided by the following table:

OFFICER CONUS COST OF LIVING ALLOWANCE  
 (AMOUNTS IN THOUSANDS OF DOLLARS)

	ACTUAL FY 2004			ESTIMATE FY 2005			ESTIMATE FY 2006			ESTIMATE FY 2007		
	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT
CONUS COLA.....	3,826	\$ 929	\$ 3,554	1,009	\$ 2,930	\$ 2,956	3,293	\$ 1,962	\$ 6,461	3,240	\$ 1,994	\$ 6,461

(AMOUNTS IN THOUSANDS OF DOLLARS)

ESTIMATE FY 2007	\$ 5,061
ESTIMATE FY 2006	\$ 5,046
ESTIMATE FY 2005	\$ 5,040
ACTUAL FY 2004	\$ 4,038

**Project: Clothing Allowances - Officers**

**Part I - Purpose and Scope**

The requested funds will provide for the initial payment and supplemental allowance for purchases of required uniforms under provisions of 37 U.S.C. 415 and 416. Also included are funds for civilian clothing allowance for officers assigned to a permanent duty station outside the United States who are required to wear civilian clothing in the performance of official duty in accordance with 37 U.S.C. 419.

**Part II - Justification of Funds Requested**

The estimated number of payments is based on the projected gains into the Army and the anticipated overseas requirements where individuals are required to wear civilian clothing in the performance of official duty. Allowances for uniform and clothing purchases are developed by multiplying the projected number eligible for each type of allowance by the applicable rate.

Detailed cost computations are provided by the following table:



OFFICER CLOTHING ALLOWANCES  
(AMOUNTS IN THOUSANDS OF DOLLARS)

	ACTUAL FY 2004			ESTIMATE FY 2005			ESTIMATE FY 2006			ESTIMATE FY 2007		
	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT
UNIFORM ALLOWANCES												
INITIAL.....	4,895	\$ 400	\$ 1,958	7,155	\$ 400	\$ 2,862	7,038	\$ 400	\$ 2,815	7,050	\$ 400	\$ 2,820
ADDITIONAL.....	8,340	200	1,668	7,135	200	1,427	7,326	200	1,465	7,301	200	1,460
SUBTOTAL.....	13,235		3,626	14,290		4,289	14,364		4,280	14,351		4,280
CIVILIAN CLOTHING.....	493	\$ 835	\$ 412	881	\$ 853	\$ 751	881	\$ 870	\$ 766	881	\$ 887	\$ 781
TOTAL OFFICER CLOTHING ALLOWANCES.....	13,728		4,038	15,171		5,040	15,245		5,046	15,232		5,061

(AMOUNTS IN THOUSANDS OF DOLLARS)

ACTUAL	FY 2004	\$ 61,946
ESTIMATE	FY 2005	\$ 19,281
ESTIMATE	FY 2006	\$ 31,102
ESTIMATE	FY 2007	\$ 31,347

**Project: Family Separation Allowances - Officers**

**Part I - Purpose and Scope**

The funds are to provide family separation payments to officers with dependents on duty outside the U.S. or in Alaska for added separation expenses under two circumstances:

(1) Travel of dependents to overseas duty station is not authorized and the member maintains two homes, one in CONUS for his family and one overseas for himself. Payment is made at the monthly quarters allowance rate authorized for a member of the same grade without dependents.

(2) When a member with dependents makes a permanent change of station, is on temporary duty travel, or on board ship for 30 days or more either in CONUS or overseas and the travel of dependents to his duty station is not authorized and dependents do not reside at or near the duty station.

**Part II - Justification of Funds Requested**

The estimated number of payments is based on execution data projected into the future and modified to reflect anticipated overseas stationing requirements. Allowances for family separation are determined by multiplying the estimated number of personnel eligible for each type of family separation allowance by the statutory rate applicable.

The net change in the family separation allowances is \$11.7 million between FY 2005 and FY 2006. This change is based on--

- (1) Rate increase for FSA-I: +\$.1 million.
- (2) Increase in number of payments for FSA-I: +\$.5 million.
- (3) Increase in number of payments for FSA-II: +\$11.1 million.

The net change in the family separation allowances is \$0.2 million between FY 2006 and FY 2007.

Detailed cost computations are provided by the following table:

OFFICER FAMILY SEPARATION ALLOWANCE  
(AMOUNTS IN THOUSANDS OF DOLLARS)

	ACTUAL FY 2004			ESTIMATE FY 2005			ESTIMATE FY 2006			ESTIMATE FY 2007		
	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT
PCS OVERSEAS WITH DEPENDENTS NOT AUTHORIZED AND MAINTAINS TWO HOMES												
COL.....	5	\$ 11,431	\$ 57	5	\$ 11,754	\$ 59	6	\$ 12,106	\$ 73	6	\$ 12,470	\$ 75
LTC.....	42	10,996	462	41	11,303	463	46	11,642	536	47	11,991	564
MAJ.....	86	10,163	874	83	10,438	866	95	10,751	1,021	95	11,074	1,052
CPT.....	125	8,298	1,037	122	8,546	1,043	137	8,802	1,206	139	9,066	1,260
1LT.....	28	6,784	190	27	6,991	189	31	7,201	223	31	7,417	230
2LT.....	20	6,053	121	19	6,302	120	22	6,491	143	22	6,686	147
CW5.....	4	10,392	42	4	10,696	43	4	11,017	44	4	11,347	45
CW4.....	19	9,182	174	18	9,435	170	21	9,718	204	21	10,010	210
CW3.....	54	7,749	418	52	7,972	415	60	8,211	493	60	8,457	507
CW2.....	54	6,858	370	52	7,048	366	60	7,259	436	60	7,477	449
WO1.....	20	5,749	115	19	5,910	112	22	6,088	134	22	6,270	138
SUBTOTAL.....	457		3,860	442		3,846	504		4,513	507		4,677
PCS CONUS OR OVERSEAS WITH DEPENDENTS NOT AUTHORIZED.....	3,092	3,000	9,276	2,641	3,000	7,923	5,633	3,000	16,899	5,666	3,000	16,998
TDY CONUS OR OVERSEAS FOR MORE THAN 30 DAYS WITH DEPENDENTS NOT RESIDING NEAR TDY STATION.....	16,270	3,000	48,810	2,504	3,000	7,512	3,230	3,000	9,690	3,224	3,000	9,672
TOTAL OFFICER FAMILY SEPARATION ALLOWANCES.....	19,819		\$ 61,946	5,587		\$ 19,281	9,367		\$ 31,102	9,397		\$ 31,347

(AMOUNTS IN THOUSANDS OF DOLLARS)

ESTIMATE FY 2007	\$ 69,086
ESTIMATE FY 2006	\$ 61,999
ESTIMATE FY 2005	\$ 73,755
ACTUAL FY 2004	\$ 47,746

**Project: Separation Payments - Officers**

**Part I - Purpose and Scope**

Severance Pay - payment of non-disability separation pay is authorized to retirement ineligible regular commissioned officers, warrant officers, and members of the reserve component who are involuntarily released from active duty after having completed at least 5 years of active duty. Payment of disability severance pay is authorized to members on active duty who are discharged because of physical disability and who have less than 20 years service and less than 30 percent disability.

The FY 1992 National Defense Authorization Act approved two voluntary separation pay programs to use during the force drawdown. The programs apply to both officers and enlisted soldiers who have more than six and less than 20 years of service. The first, voluntary separation incentive (VSI), is an annuity that makes annual payments for twice the number of years served for soldiers who voluntarily leave active duty. The second program, special separation benefit (SSB), provides a lump sum of one and a half times involuntary separation pay (50% more) for soldiers who voluntarily leave active duty. VSI and SSB have been used to reduce involuntary separations. The authority to use VSI/SSB was extended from 30 Sep 1990 to 30 Sep 2001 by the FY 1999 National Defense Authorization Act. However, the Army reached its steady state end strength at the end of FY 1999 and has not offered VSI and SSB to any new takers since the end of FY 1999. Congress has extended this authority since 31 December 2001.

The FY 1993 National Defense Authorization Act approved an active duty early retirement program for use during the force drawdown. The early retirement program has been used to shape the 15-20 year segment of the force. It has assisted the Army in achieving its drawdown goals of maintaining readiness and treating people fairly. Soldiers separated under the early retirement program receive the same benefits as individuals with 20 or more years of service. However, their retired pay is reduced by one percent for each year that they are short of 20 years of active duty. The early retirement amount is the product of 2.5 percent times years of service times basic pay times reduction factor. For the officers who leave under the early retirement program, the Army is required to establish a subaccount within the Military Personnel Appropriation to fund all early retirement payments up front in the Military Personnel Appropriation to cover the entire initial period, which is defined as that period equal to the difference between 20 years and the number of years completed by the member. The authority to use the early retirement program was extended from 1 Oct 1999 to 1 Oct 2001 by the FY 1999 National Defense Authorization Act. However, the Army reached its steady state end strength at the end of FY 1999 and has not offered early retirement to any new takers since the end of FY 1999.

Accrued Leave Payments - members are authorized 30 days of ordinary leave annually. They may have accumulated a maximum of no more than 60 days unused leave at the beginning of any fiscal year. Upon retirement or separation, members are paid for unused accrued leave at the rate of basic pay to which entitled at time of release. Effective 10 Feb 1976, a member cannot be paid for more than 60 days of accrued leave during his military career. This limitation does not include payments for accrued leave made before that date.

## **Part II - Justification of Funds Requested**

Separation payments are determined by multiplying the projected number eligible for each type of payment by the estimated average payment applicable.

Accumulated leave payments are made based upon leave accrued as of 1 Sep 1976. For leave accumulated prior to 1 Sep 1976 and retained throughout the career, payments include basic pay, basic allowance for subsistence, and basic allowance for quarters. For leave accumulated after 1 Sep 1976, to include the lowering of leave balances prior to 1 Sep 1976, the rate payable is basic pay only. Leave payments will not exceed the career total of 60 days.

Severance pay for promotion passover, for separation for cause, and for disability severance pay is 10 percent of the product of (a) years of active service and (b) 12 times the monthly basic pay to which the member was entitled at the time of discharge or release from active duty.

The Special Separation Bonus (SSB) amount is based on annual base pay times 15 percent times years of service.

The VSI (annuity) is a product of annual base pay times 2.5 percent times years of service and is paid for twice the number of years served, without any cost of living adjustments. The National Defense Authorization Acts for FY 1992 and FY 1993 required the establishment of a VSI fund effective 1 Jan 1993 from which VSI payments will be made. The Act further required the DOD Board of Actuaries to determine: (1) the amount necessary to liquidate the original unfunded liability, i.e., those personnel accepting VSI benefits prior to 1 Jan 1993 and (2) the total present value costs necessary to fund those members accepting VSI benefits after 1 Jan 1993.

The FY 2000 Defense Authorization Act provides for a system that will give the soldier the option to retire under the pre-1986 military retirement system or accept a one-time \$30,000 lump sum bonus and remain under the Redux retirement plan. The lump sum bonus has been paid directly from the Military Personnel appropriation since FY 2001.

The net change in the separation pay requirement is -\$11.8 million between FY 2005 and FY 2006. This change is based on--

- (1) Annualization of the 1 Jan 2005, 3.5 percent pay raise: +\$.1 million.
- (2) The 1 Jan 2006, 3.1 percent pay raise: +\$.8 million.
- (3) Decrease in office losses reduces requirement for lump sum terminal leave, disability severance pay, and involuntary separation pay: -\$12.5
- (4) Decrease in projected need for \$30K lump sum bonus: -\$1.2 million.
- (5) Increase in Voluntary Separation Incentive (VSI) Trust Fund: \$+1.0

The net change in the separation pay requirement is +\$7.1 million between FY 2006 and FY 2007. This change is based on--

- (1) Annualization of the 1 Jan 2006, 3.1 percent pay raise: +\$.6 million.
- (2) Price growth: +.8 million.
- (3) Increase in officer losses requires additional payments for lump sum terminal leave and involuntary separation pay: +\$5.7 million.

Detailed cost computations are provided by the following table:

OFFICER SEPARATION PAYMENTS  
(AMOUNT IN THOUSANDS OF DOLLARS)

	ACTUAL FY 2004				ESTIMATE FY 2005				ESTIMATE FY 2006				ESTIMATE FY 2007			
	NUMBER	AVG DAYS	RATE	AMOUNT	NUMBER	AVG DAYS	RATE	AMOUNT	NUMBER	AVG DAYS	RATE	AMOUNT	NUMBER	AVG DAYS	RATE	AMOUNT
LUMP SUM TERMINAL LEAVE PAYMENTS																
GENERAL.....	70	49.8	19,143	\$ 1,340	60	49.7	19,067	\$ 1,144	55	49.9	19,327	\$ 1,063	54	49.8	19,926	\$ 1,076
COLONEL.....	438	31.3	9,096	3,984	557	31.3	9,092	5,064	437	31.3	9,184	4,013	530	31.3	9,468	5,018
LT. COLONEL.....	463	23.0	5,163	2,391	1,004	23.0	5,145	5,166	958	23.0	5,182	4,964	1,163	23.0	5,342	6,213
MAJOR.....	129	23.5	4,383	565	345	23.5	4,383	1,512	270	23.5	4,430	1,196	329	23.5	4,567	1,503
CAPTAIN.....	438	19.2	2,832	1,240	2,603	19.2	2,840	7,393	2,348	19.2	2,879	6,760	2,851	19.2	2,968	8,463
1ST LIEUT.....	464	18.2	2,043	948	551	18.2	2,040	1,124	505	18.2	2,059	1,040	614	18.2	2,123	1,303
2ND LIEUT.....	156	17.6	1,495	233	80	17.6	1,462	117	80	17.6	1,445	116	96	17.6	1,490	143
WARR OFF(5).....	509	28.0	6,006	3,057	82	28.0	6,025	494	65	28.0	6,108	397	80	28.0	6,297	504
WARR OFF(4).....	375	20.8	3,643	1,366	207	20.8	3,657	757	186	20.8	3,691	686	225	20.8	3,805	856
WARR OFF(3).....	381	18.8	2,694	1,027	289	18.8	2,713	784	258	18.8	2,754	711	312	18.8	2,839	886
WARR OFF(2).....	394	26.1	3,033	1,195	305	26.1	3,036	926	293	26.1	3,062	897	356	26.1	3,157	1,124
WARR OFF(1).....	110	21.7	2,141	236	17	21.7	2,156	37	13	21.7	2,189	28	24	21.7	2,257	54
SUBTOTAL.....	3,927			\$ 17,582	6,100			\$ 24,518	5,468			\$ 21,871	6,634			\$ 27,143
SEVERANCE PAY (DISABILITY)....	138		42,776	\$ 5,903	154		44,322	\$ 6,826	128		45,749	\$ 5,856	127		47,279	\$ 6,004
SEVERANCE PAY (NON-PROMOTION)	0		69,429	0	0		71,938	0	0		74,255	0	0		76,738	0
INVOLUNTARY HALF-PAY(5%)....	1		20,383	20	5		21,120	106	4		21,800	87	4		22,529	90
INVOLUNTARY FULL-PAY(10%)...	73		58,000	4,234	259		60,096	15,565	120		62,031	7,444	146		64,106	9,359
SPECIAL SEP BENEFIT(15%)	0		0	0	0		0	0	0		0	0	0		0	0
15 YEAR RETIREMENT.....	0		0	0	0		0	0	0		0	0	0		0	0
SUBTOTAL SEPARATION PAY (NON-DISABILITY).....	74			\$ 4,254	264			\$ 15,671	124			\$ 7,531	150			\$ 9,449
VOLUNTARY SEPARATION INCENTIVE (DIRECT MILPERS PAY) 1) THRU DEC 31, 1992...	0			\$ 18,622	0			\$ 21,640	0			\$ 22,841	0			\$ 22,590
AND AFTER.....	0			0	0			0	0			0	0			0
\$30,000 LUMP SUM BONUS.....				\$ 1,385				\$ 5,100				\$ 3,900				\$ 3,900
TOTAL OFFICER SEPARATION PAY..	4,139			\$ 47,746	6,518			\$ 73,755	5,720			\$ 61,999	6,911			\$ 69,086

1) VSI recipients after 31 Dec 92 - Payments are made from the Military Personnel, Army Appropriation to the VSI Trust Fund.

(AMOUNTS IN THOUSANDS OF DOLLARS)

ESTIMATE FY 2007	\$ 357,323
ESTIMATE FY 2006	\$ 350,042
ESTIMATE FY 2005	\$ 349,349
ACTUAL FY 2004	\$ 405,846

**Project: Social Security Tax - Employer's Obligation - Officers**

**Part I - Purpose and Scope**

The funds requested provide for the employer's tax to the Social Security Administration as required by the Federal Insurance Contribution Act (FICA).

**Part II - Justification of Funds Requested**

The FICA tax is developed by multiplying the total earnings for FICA tax purposes by the applicable percent. The old age, survivor, and disability insurance (OASDI) rate is 6.2% and the hospital insurance (HI) rate is 1.45%. The maximum amounts of earnings per individual on which tax is payable are:

Calendar Year	OASDI Base	Medicare Base
2003	\$87,000	No upper limit
2004	\$87,900	No upper limit
2005	\$89,700	No upper limit
2006	\$91,800	No upper limit
2007	\$96,900	No upper limit

The net change in the social security tax requirement is +\$5.3 million between FY 2005 and FY 2006. This change is based on--

- (1) Annualization of the 1 Jan 2005, 3.5 percent pay raise: +\$3.0 million.
- (2) The 1 Jan 2006, 3.1 percent pay raise: +\$7.6 million.
- (3) Force manning changes: -\$5.3 million.

The net change in the social security tax requirement is +\$6.6 million between FY 2006 and FY 2007. This change is based on--

- (1) Annualization of the 1 Jan 2006, 3.1 percent pay raise: +\$2.8 million.
- (2) Price growth: +\$11.4 million.
- (3) Force manning changes: -\$7.6 million.

Detailed cost computations are provided by the following table:



OFFICER SOCIAL SECURITY TAX  
(AMOUNTS IN THOUSANDS OF DOLLARS)

	ACTUAL FY 2004			ESTIMATE FY 2005			ESTIMATE FY 2006			ESTIMATE FY 2007		
	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT
SOCIAL SECURITY TAX - EMPLOYER'S CONTRIBUTION OF TAX ON BASIC PAY.....	96,107	\$ 4,222.86	\$ 405,846	79,668	\$ 4,385.06	\$ 349,349	80,492	\$ 4,348.78	\$ 350,042	79,746	\$ 4,480.76	\$ 357,323

Schedule of Increases and Decreases  
(Amounts in thousands of dollars)

Pay and Allowance of Enlisted Personnel

FY 2005 Direct Program

\$ 19,586,957

Increases:

Pricing Increases:

a.	Annualization of the FY 2005 3.5% pay raise effective 1 Jan 2005.	117,288
b.	FY 2006 3.1% pay raise effective 1 Jan 2006.	319,041
c.	Basic Allowance for Housing rates (Housing Cost Growth) - Annualization of FY 2005 3.0% inflation effective 1 Jan 2005.	37,332
d.	Basic Allowance for Housing rates (Housing Cost Growth) - Annualization of FY 2006 4.0% increase effective 1 Jan 2006.	73,561
e.	Increased rate changes reflecting new uniform items introduced into the FY 2006 clothing bag issue.	11,562
f.	Reflects inflation changes in Temporary Lodging Allowance and Enlisted Clothing Allowance cost growth.	3,793
g.	Army College Fund Program rate increased from FY 2005 to FY 2006.	6,368
h.	Reflects a longevity rate change between FY 2005 and FY 2006.	73,984
i.	Increased rate change for Incentive Pay.	5,010
j.	Increase rate change for Special Pay.	20,489
k.	Increase rate change for Selective Reenlistment Bonus Anniversary Payment.	2,150
	<b>Total Pricing Increases</b>	<b>670,578</b>

Program Increases:

a.	Reflects BAH Domestic increase payments.	142,817
b.	Reflects BAH Overseas Housing payments increased between FY 2005 and FY 2006.	24,478
c.	Increased in number of Enlisted receiving Sea Duty and Hardship Duty Pay.	11,753
d.	Increased numbers of personnel participating in the Loan Repayment Program related to the Army recruitment effort.	22,450
e.	Increased numbers of personnel receiving Clothing Payments.	16,943
f.	Increased numbers receiving incentive payments.	2,102
g.	Increased numbers receiving special duty assignment payments.	20,264
h.	Reflects increased payments for separation pay.	578
i.	Increase numbers receiving CONUS COLA payments.	891
j.	Increase in payments receiving Enlisted Educational Benefits.	3,012
k.	Increase in payments receiving Family Separation Allowance.	2,798
	<b>Total Program Increases</b>	<b>248,086</b>

Total Increases

\$ 918,664

Decreases:

Pricing Decreases:

a.	Change in the Normal Cost Percentage from 27.5% in FY 2005 to 26.5 in FY 2006.	(97,262)
b.	Reflects a decreased rate change in BAH Overseas between FY 2005 and FY 2006.	(17,921)
c.	Loan Repayment Program rate change.	(16,702)
	<b>Total Pricing Decreases</b>	<b>(131,885)</b>

Program Decreases:

a.	Reflects a manyear change from FY 2005 to FY 2006.	(91,982)
b.	Reflects a grade structure change from FY 2005 to FY 2006.	(22,750)
c.	Decreased numbers of personnel receiving residual and anniversary enlisted bonuses payments.	(61)
d.	Decreased numbers of personnel receiving education enefits (Army College Fund).	(10,141)
e.	G.I. Bill offset change.	(877)
f.	Decreased Health Care Accrual - Program transferred to OSD level.	(2,175,161)
g.	Decrease in number of personnel receiving Reenlistment Bonus payments.	(2,292)
h.	Decrease in number of personnel receiving Overseas Station Allowance - Temporary Lodging Allowance payments.	(836)
i.	Decrease in number of personnel receiving Special Pay payments.	(22,757)
j.	Decrease in number of personnel receiving Family Seperation Allowance payments.	(9,264)
k.	Reflects a Force Mmning Change.	(421,045)
l.	Increase in reimbursable program.	(5,890)
	Total Program Decreases	(2,763,056)

Total Decreases

\$ (2,894,941)

FY 2006 Direct Program

\$ 17,610,680

Schedule of Increases and Decreases  
(Amounts in thousands of dollars)

Pay and Allowance of Enlisted Personnel

FY 2006 Direct Program

\$ 17,610,680

Increases:

Pricing Increases:

a.	Annualization of the FY 2006 3.1% pay raise effective 1 Jan 2006.	106,194
b.	Price growth.	361,656
c.	Basic Allowance for Housing rates (Housing Cost Growth) - Annualization of FY 2006 4.0% increase effective 1 Jan 2006.	25,057
d.	Basic Allowance for Housing rates (Housing Cost Growth) - Annualization of FY 2007 4.0% increase effective 1 Jan 2006.	78,236
e.	Reflects inflation changes in Temporary Lodging Allowance and Enlisted Clothing Allowance cost growth.	5,426
f.	Army College Fund Program rate from FY 2006 to FY 2007.	727
g.	Selective Reenlistment Bonus rate increase for Anniversary Payment.	1,166
h.	Enlisted Loan Repayment program rate change.	3,993
	<b>Total Pricing Increases</b>	<b>582,455</b>

Program Increases:

a.	Reflects a manyear increase from FY 2006 to FY 2007.	83,396
b.	Primarily reflects BAH Domestic payments.	41,640
c.	Increased numbers of new enlisted bonus payments related to the Army recruitment effort.	3,803
d.	Increase in Enlisted Educational Benefits payments.	154
e.	Primarily reflects increased in Family Separation Allowances.	896
f.	G.I. Bill offset change.	453
g.	Reimbursables decrease, hence, requires increase to direct program.	1,252
	<b>Total Program Increases</b>	<b>131,594</b>

Total Increases

\$ 714,049

Decreases:

Pricing Decreases:

a.	Retired Pay Accrual (Normal Cost Percentage decreases from 26.5% to 26.4%).	(10,035)
b.	Reflects a longevity rate change between FY 2006 and FY 2007.	(25,571)
		0
	<b>Total Pricing Decreases</b>	<b>(35,606)</b>

Program Decreases:

a.	Decreased numbers of personnel receiving a Clothing Payment or an in-kind issue.	(6,209)
b.	Reflects a grade structure change between FY 2006 and FY 2007.	(6,107)
c.	Decrease in number of personnel receiving CONUS COLA payments.	(345)
d.	Decrease in number of personnel receiving Reenlistment bonus payments.	(1,605)
e.	Decrease in numbers of new personnel participating in the Loan Repayment Program related to the Army recruitment effort.	(5,013)

f.	Enlisted Education Benefits (decrease in number eligible).	(322)
g.	Decrease in number paid for Overseas Station allowance.	(32)
h.	Reflects decrease in terminal leave payments.	(629)
	Total Program Decreases	(20,262)

Total Decreases

\$ (55,868)

FY 2007 Direct Program

\$ 18,268,861

(AMOUNTS IN THOUSANDS OF DOLLARS)

ESTIMATE FY 2007	\$ 10,399,936
ESTIMATE FY 2006	\$ 10,035,315
ESTIMATE FY 2005	\$ 9,726,163
ACTUAL FY 2004	\$ 13,393,632

**Project: Basic Pay - Enlisted**

**Part I - Purpose and Scope**

The funds requested provide for the basic compensation and length of service pay increments of enlisted personnel on active duty under provisions of 37 U.S.C. 201, 203, 205, and 1009. Also included is the compensation of enlisted personnel of the reserve components, who have entered active duty as members of the active component of the Army.

**Part II - Justification of Funds Requested**

The basic compensation is determined by multiplying the projected average number of personnel by grade by the estimated average annual compensation. The rates reflect actual execution, which is adjusted in subsequent years by pay raise and estimated average years of service. In addition to rate changes, manyear program changes contribute to the full cost of the basic pay.

The net change in the basic pay requirement is +\$309.3 million between FY 2005 and FY 2006. These changes are based on -

- (1) Annualization of the 1 Jan 2005, 3.5% pay raise: +\$84.3 million.
- (2) The FY 2006, 3.1% pay raise: +\$228.8 million.
- (3) Manyear changes between FY 2005 and FY 2006 are: -\$39.0 million.
- (4) Grade Structure changes between FY 2005 and FY 2006 are: -\$14.4 million.
- (5) Base pay rate change between FY 2005 and FY 2006 is: +\$49.6 million.

The net change in the basic pay requirement is +\$364.6 million between FY 2006 and FY 2007. These changes are based on -

- (1) Annualization of the 1 Jan 2006, 3.1% payraise: +\$76.8 million.
- (2) Price growth: +\$259.9 million.
- (3) Manyear changes between FY 2005 and FY 2006 are: +\$51.0 million.
- (4) Grade Structure changes between FY 2005 and FY 2006 are: -\$4.0 million.
- (5) Base pay rate change between FY 2005 and FY 2006 is: -\$19.1 million.

Detailed cost computations are provided by the following table:

ENLISTED BASIC PAY  
(AMOUNTS IN THOUSANDS OF DOLLARS)

	ACTUAL FY 2004			ESTIMATE FY 2005			ESTIMATE FY 2006			ESTIMATE FY 2007		
	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT
SERGEANT MAJOR.....	4,197	\$ 61,209	\$ 256,894	3,212	\$ 57,772	\$ 185,564	3,026	\$ 60,040	\$ 181,681	3,038	\$ 61,931	\$ 188,146
1ST SGT/MASTER SGT.....	13,674	48,860	668,112	10,488	46,245	485,018	10,246	48,278	494,656	10,332	49,799	514,523
PLATOON SGT/SGT 1ST CLASS	46,314	41,531	1,923,467	35,859	39,185	1,405,135	35,039	40,805	1,429,766	35,310	42,091	1,486,233
STAFF SERGEANT.....	72,380	33,572	2,429,941	56,144	31,480	1,767,413	54,997	32,604	1,793,122	55,791	33,631	1,876,307
SERGEANT.....	92,497	27,720	2,564,017	71,582	25,962	1,858,412	71,792	26,866	1,928,764	72,896	27,712	2,020,094
CORPORAL/SPECIALIST.....	148,159	21,887	3,242,756	116,931	20,486	2,395,448	116,769	21,225	2,478,422	115,895	21,893	2,537,289
PRIVATE FIRST CLASS.....	76,465	17,950	1,372,547	51,148	16,826	860,616	52,855	17,459	922,795	53,524	18,009	963,914
PRIVATE E2.....	38,691	16,267	629,386	33,483	15,260	510,951	33,688	15,845	533,786	33,436	16,344	546,478
PRIVATE E1.....	23,768	12,896	306,512	21,143	12,184	257,606	21,362	12,748	272,323	20,299	13,151	266,952
TOTAL ENLSITED BASIC PAY..	516,145		13,393,632	399,990		\$ 9,726,163	399,774		10,035,315	400,521		10,399,936

(AMOUNTS IN THOUSANDS OF DOLLARS)

ESTIMATE FY 2007	\$ 2,745,583
ESTIMATE FY 2006	\$ 2,659,358
ESTIMATE FY 2005	\$ 2,674,695
ACTUAL FY 2004	\$ 3,599,348

**Project: Retired Pay Accrual - Enlisted**

**Part I - Purpose and Scope**

The funds requested provide for the Department of Defense's contribution to its Military Retirement Fund, in accordance with 10 U.S.C. 1466.

**Part II - Justification of Funds Requested**

The budget estimates are derived as a product of:

- (a) The DOD Actuary-approved full-time normal cost percentage (NCP) of basic pay, i.e., 27.5 percent for FY 2005, and 26.5 percent for FY 2006, and 26.4 percent for FY 2007.
- (b) The total amount of the basic pay expected to be paid during the fiscal year to members of the Active Army.

The net change in the retired pay accrual requirement is -\$15.3 million between FY 2005 and FY 2006. These changes are based on -

- (6) Annualization of the 1 Jan 2005, 3.5% pay raise: +\$22.3 million.
- (7) The FY 2006, 3.1% pay raise: +\$60.6 million.
- (8) NCP change from 27.5% in FY 2005 to 27.4% in FY 2006: -\$97.3 million.
- (9) Manyear changes between FY 2005 and FY 2006 are: -\$10.3 million.
- (10) Grade Structure changes between FY 2005 and FY 2006 are: -\$3.8 million.
- (11) RPA rate change between FY 2005 and FY 2006 is: +\$13.2 million.

The net change in the retired pay accrual requirement is +\$86.2 million between FY 2006 and FY 2007. These changes are based on -

- (1) Annualization of the 1 Jan 2006, 3.1% payraise: +\$20.3 million.
- (2) Price growth: +\$68.6 million.
- (3) NCP change from 27.4% in FY 2006 to 26.4% in FY 2007: -\$10.0 million.
- (4) Manyear changes between FY 2005 and FY 2006 are: +\$13.5 million.
- (5) Grade Structure changes between FY 2005 and FY 2006 are: -\$1.0 million.
- (6) RPA rate change between FY 2005 and FY 2006 is: -\$5.0 million.

Detailed cost computations are provided by the following table:



ENLISTED RETIRED PAY ACCRUAL  
(AMOUNTS IN THOUSANDS OF DOLLARS)

	ACTUAL FY 2004			ESTIMATE FY 2005			ESTIMATE FY 2006			ESTIMATE FY 2007		
	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT
RPA.....	516,145	\$ 6,973.52	\$ 3,599,348	399,990	\$ 6,686.90	\$ 2,674,695	399,774	\$ 6,652.15	\$ 2,659,358	400,521	\$ 6,855.03	\$ 2,745,583

(AMOUNTS IN THOUSANDS OF DOLLARS)

ESTIMATE FY 2007	\$ 0
ESTIMATE FY 2006	\$ 0
ESTIMATE FY 2005	\$ 2,175,161
ACTUAL FY 2004	\$ 1,909,904

**Project: Health Care Accrual - Enlisted**

**Part I - Purpose and Scope**

The funds will be used to pay the health care accrual amount into the Department of Defense Medicare-eligible Retiree Health Care Fund (HCA) for the future Medicare-eligible health care costs for current military personnel in accordance with the FY 2001 National Defense Authorization Act (Public Law 106-398).

**Part II - Justification of Funds Requested**

The budgetary estimates are derived as a product of the approved actuarial rate and the average strength. The estimate for over-65 retirees increases from FY 2004 to FY 2005 by +\$265.2 million.

The health care accrual requirement is +\$2,175.2 in FY 2005, funding was transferred to Medicare-Eligible Retiree Health Fund Contribution, Army Account beginning in FY 2006 by The Ronald W. Reagan National Defense Authorization Act for Fiscal Year 2005 (P.L. 108-375).

Detailed cost computations are provided by the following table:

ENLISTED HEALTH CARE ACCRUAL  
(AMOUNTS IN THOUSANDS OF DOLLARS)

	ACTUAL FY 2004 AMOUNT	ESTIMATE FY 2005 AMOUNT	ESTIMATE FY 2006 AMOUNT	ESTIMATE FY 2007 AMOUNT
HEALTH CARE ACCRUAL.....	\$ 1,909,904	\$ 2,175,161	\$ 0	\$ 0

(AMOUNTS IN THOUSANDS OF DOLLARS)

ESTIMATE FY 2007	\$ 85,802
ESTIMATE FY 2006	\$ 85,802
ESTIMATE FY 2005	\$ 78,692
ACTUAL FY 2004	\$ 100,227

**Project: Incentive Pay for Hazardous Duty - Enlisted**

**Part I - Purpose and Scope**

The funds requested will provide for pay to enlisted personnel under provisions of 37 U.S.C. 301 for these types of duty:

Crew Member - assigned to a position which requires at least four hours of aerial flight each month. The duties are essential to the operation of aircraft in-flight, or the duties are required to complete specific missions of the aircraft. The members perform duties as crew chiefs, medical airmen, firefighter crash rescue specialists, airborne electronic system operators, and air observers.

Non-Crew Member - assigned to a position which requires at least four hours of aerial flight each month. The duties are directly related to in-flight missions of the aircraft and crew members cannot perform the duties. The members perform duties as aircraft maintenance personnel, aerial photographers, helicopter weapons systems repairmen, and medical personnel.

Parachute - assigned to a permanent parachute position or airborne unit which requires parachute jumping as an essential part of military duty, or while undergoing airborne type training, or performing short-term parachute duty. Continuous payment of hazardous duty pay for parachute duty requires at least one parachute jump every three months. Pay for periods of short-term parachute duty is prorated based on the duration of the period such duty is required.

High Altitude Low Opening Jump Pay (HALO) - assigned to a permanent military position which requires parachute jumping from at least 2,500 feet with a planned delay between exit and opening as an essential part of military duties, or while undergoing military free-fall type training at the US Army John F. Kennedy Special Warfare School. Soldiers must be graduates of the US Army military free-fall course under the proponency of the Commander, US Army JFK Special Warfare School or undergoing training for such designation. They must also be required by competent orders to engage in military free-fall parachute jumping from an aircraft in aerial flight and perform the specified minimum number of jumps to be entitled to pay. Proficiency requirements will remain the same as static line requirements.

Demolition of Explosives - assigned to a position which requires the member as his primary duty to demolish, by use of objects, obstacles, or explosives; or recover and render harmless, by disarming or demolition, explosives which failed to function as intended or which have become a potential hazard. Demolition pay is limited to those serving in specialty 55D (EOD Specialists).

Experimental Stress - serving as a human test subject in thermal stress experiments at Natick Laboratories; Natick, MA. The tests conducted include development of equipment (mostly clothing) and physiological testing. Also, low pressure, high altitude chamber training is conducted at the US Army Aeromedical Center; Fort Rucker, Alabama.

Toxic Fuel - assigned to a position on a Propellant Draining Kit (PDK) Team that requires handling and maintaining the propellants unsymmetrical dimethyl hydrazine and inhibited red-fuming nitric acid used in the Lance missile system.

Toxic Pesticides Exposure - for duty performed while assigned to entomology, pest control, pest management, or preventive medicine functions for a period of 30 consecutive days or more; that requires a member to perform in any calendar month a fumigation task utilizing phosphate, sulfuric fluoride, hydrogen cyanide, methyl bromide, or a fumigant of comparable high acute toxicity and hazard potential.

Chemical Munitions Handlers - this is a peacetime hazardous duty incentive pay for members of the uniformed services whose primary duties require the routine physical handling of chemical munitions or chemical surety material. Routine physical handling must be incident to manufacturing, maintenance, storage, testing, laboratory analysis, transportation, surveillance, assembly, disassembly, demilitarization, or disposal of chemical munitions or chemical surety material. This incentive pay is not authorized for individuals who handle the individual components of binary munitions, diluted solutions of toxic chemicals, riot control agents, chemical defoliants, herbicides, smoke, flame and incendiaries, or industrial chemicals.

## **Part II - Justification of Funds Requested**

The projected average number of payments is based on the total spaces where each type of pay is authorized to meet force structure requirements. The compensation for hazardous duty incentive pay is computed by multiplying the projected average number of each type by the statutory rate.

The net change in the incentive pay requirement is +\$7.1 million between FY 2005 and FY 2006. These changes are based on -

- (12) Increase in number of enlisted receiving aviation career incentive pay: +\$ 0.4 million.
- (13) Increased in number of HALO takers offset by decreases in toxic fuel handlers and environmental stress: +\$0.4 million.
- (14) Rate change between FY 2005 and FY 2006 associated with demolition pay: +\$6.3 million.

There is no net change between FY 2006 and FY 2007.

Detailed cost computations are provided by the following table:



ENLISTED INCENTIVE PAY FOR HAZARDOUS DUTY  
(AMOUNTS IN THOUSANDS OF DOLLARS)

	ACTUAL FY 2004			ESTIMATE FY 2005			ESTIMATE FY 2006			ESTIMATE FY 2007		
	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT
INCENTIVE PAY												
FLYING DUTY CREW MEMBERS												
SERGEANT MAJOR.....	20	\$ 2,880	\$ 58	3	\$ 2,880	\$ 9	3	\$ 2,880	\$ 9	3	\$ 2,880	\$ 9
1ST SGT/MASTER SGT.....	269	2,880	775	30	2,880	86	32	2,880	92	32	2,880	92
PLATOON SGT/SGT 1ST CLASS..	934	2,880	2,690	199	2,880	573	213	2,880	613	213	2,880	613
STAFF SGT.....	2,377	2,580	6,133	627	2,580	1,618	669	2,580	1,726	669	2,580	1,726
SERGEANT.....	3,795	2,280	8,653	771	2,280	1,758	823	2,280	1,876	823	2,280	1,876
CPL/SPECIALIST.....	5,441	1,980	10,773	921	1,980	1,824	983	1,980	1,946	983	1,980	1,946
PRIVATE 1ST CLASS.....	721	1,800	1,298	200	1,800	360	213	1,800	383	213	1,800	383
PRIVATE E2.....	64	1,800	115	3	1,800	5	3	1,800	5	3	1,800	5
PRIVATE E1.....	52	1,800	94	2	1,800	4	2	1,800	4	2	1,800	4
SUBTOTAL.....	13,673		\$ 30,589	2,756		\$ 6,237	2,941		\$ 6,654	2,941		\$ 6,654
FLYING DUTY NON-CREW MEMBERS	1,253	1,800	2,255	530	1,800	954	515	1,800	927	515	1,800	927
TOTAL FLYING DUTY PAY.....	14,926		\$ 32,844	3,286		\$ 7,191	3,456		\$ 7,581	3,456		\$ 7,581
OTHER HAZARDOUS DUTY												
EXPERIMENTAL STRESS	51	1,800	92	66	1,800	119	50	1,800	90	50	1,800	90
TOXIC PESTICIDE	24	1,800	43	0	1,800	0	4	1,800	7	4	1,800	7
TOXIC FUEL	15	1,800	27	51	1,800	92	0	1,800	0	0	1,800	0
CHEMICAL MUNITIONS	80	1,800	144	80	1,800	144	82	1,800	148	82	1,800	148
OTHER	170		\$ 306	197		\$ 355	136		\$ 245	136		\$ 245
PARACHUTE JUMP (REGULAR)	32,384	1,800	58,291	33,344	1,800	60,019	33,344	1,800	60,019	33,344	1,800	60,019
PARACHUTE JUMP (HALO)	1,668	2,700	4,504	781	2,700	2,109	970	2,700	2,619	970	2,700	2,619
PARACHUTE JUMP	34,052		\$ 62,795	34,125		\$ 62,128	34,314		\$ 62,638	34,314		\$ 62,638
DEMOLITION DUTY	2,379	1,800	4,282	1,455	1,800	2,619	2,183	4,095	8,939	2,183	4,095	8,939
MILITARY FIREFIGHTERS ASSIGNMENT	0	0	0	333	1,800	599	333	1,800	599	333	1,800	599
INCENTIVE PAY (KOREA)	0	0	0	3,222	1,800	5,800	3,222	1,800	5,800	3,222	1,800	5,800
TOTAL	36,601		\$ 67,383	39,332		\$ 71,501	40,188		\$ 78,221	40,188		\$ 78,221
TOTAL ENLISTED INCENTIVE PAY FOR HAZARDOUS DUTY.....	51,527		\$ 100,227	42,618		\$ 78,692	43,644		\$ 85,802	43,644		\$ 85,802

(AMOUNTS IN THOUSANDS OF DOLLARS)

ESTIMATE FY 2007	\$ 87,277
ESTIMATE FY 2006	\$ 87,277
ESTIMATE FY 2005	\$ 77,792
ACTUAL FY 2004	\$ 597,534

**Project: Special Pay - Enlisted**

**Part I - Purpose and Scope**

The funds requested will provide for Special Pay to enlisted personnel while on duty outside the contiguous 48 states and the District of Columbia, or while on sea duty. Special Pay is paid at rates varying from \$8.00-\$22.50 per month. Rates depend on grade, at places designated by the Secretary of Army under the provisions of 37 U.S.C.

Personal Allowance, Sergeant Major of the Army (SMA) - in addition to other pay and allowances authorized, the SMA who is entitled to basic pay is entitled to a personal money allowance of \$2,000 a year while serving in that capacity.

Diving Duty Pay - under regulations prescribed by the Secretary of the Army, an enlisted personnel who is entitled to basic pay is entitled to special pay at a rate of not more than \$200 a month for periods during which they (1) are assigned by orders to the duty of diving, (2) are required to maintain proficiency as a diver by frequent and regular dives, and (3) actually perform diving duty (37 U.S.C 304). Enlisted Dive personnel are assigned to a position in a diving detachment, which supports marine or special operation units. Duties of marine diving detachments include underwater construction (construction of piers and pipelines), harbor clearance, and ship salvage. Special forces (combat) diving operations include infiltration and exfiltration, combat surface swimming, search and recovery, target attack, harassment and interdiction, and reconnaissance operations.

Sea Duty Pay - Army members who are entitled to basic pay are also entitled, while on sea duty, to special pay at rates which vary with grade and years of sea duty. The range of rates for enlisted personnel \$130 to \$410 per month. The term "sea duty" means duty performed by a member (1) while assigned to a ship, and while serving on a ship the primary mission of which is accomplished while underway; or (2) while assigned to a ship, and while serving on a ship the primary mission of which is normally accomplished while in port, but only while the ship is away from its home port for 30 or more consecutive days. Additionally, the member entitled to career sea pay who has served 36 consecutive months of sea duty is entitled to a career sea pay premium of \$100 per month for the 37th month and each consecutive month of sea duty served (37 U.S.C. 305a). Individuals who are affected by career sea pay are generally assigned to either: Fort Eustis, Virginia; Hawaii; Panama; or the Azores.

Foreign Language Proficiency Pay (FLPP) - this pay is authorized under the provisions of 37 U.S.C. 316. FLPP is a monthly monetary incentive that is paid to all military personnel who



qualify for and maintain the required proficiency in designated foreign languages. The monthly rate may not exceed \$300.00 per individual.

Hostile Fire Pay - paid to personnel on duty subject to hostile fire or imminent danger (37 U.S.C. 310). Paid at the rate of \$225 per month.

Hardship Duty Pay - paid to personnel performing duty in an location that is designated by The Secretary of Defense as hardship duty. The monthly rate may not exceed \$300.00 per individual.

Overseas Extension Incentives Pay - special payments paid to enlisted personnel who extend their tour of service overseas under provisions of 37 U.S.C. 314.

## Part II - Justification of Funds Requested

The projected average number of payments is based on the total spaces where each type of pay is authorized to meet force structure requirements. Multiplying the projected number eligible for each type of pay by the statutory rate develops the compensation for each type of Special Pay.

The special pay requirements change by +\$9.2 million between FY 2005 and FY 2006. The changes are based on -

- (1) Increased need for sea duty pay and hardship duty pay: +\$12.3 million
- (2) Decreased requirement for hostile fire pay and overseas extension pay: -\$7.5 million.
- (3) Increase requirement for foreign language proficiency pay: +\$4.4 million.

There is no net change between FY 2006 and FY 2007.

Detailed cost computations are provided by the following table:

ENLISTED SPECIAL PAY  
(AMOUNTS IN THOUSANDS OF DOLLARS)

	ACTUAL FY 2004			ESTIMATE FY 2005			ESTIMATE FY 2006			ESTIMATE FY 2007		
	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT
PERSONAL MONEY ALLOWANCES -SERGEANT MAJOR OF THE ARMY.....	1	2,000	2	1	2,000	2	1	2,000	2	1	2,000	2
SEA DUTY PAY.....	337	\$ 1,576	\$ 531	317	\$ 1,931	\$ 612	417	\$ 2,221	\$ 926	417	\$ 2,221	\$ 926
HARDSHIP DUTY PAY.....	211,623	1,487	314,683	22,226	1,487	33,050	30,000	1,500	45,000	30,000	1,500	45,000
FOREIGN LANGUAGE PAY.....	13,084	\$ 965	\$ 12,626	18,967	\$ 965	\$ 18,303	5,278	\$ 4,309	\$ 22,743	5,278	\$ 4,309	\$ 22,743
DIVING DUTY PAY.....	610	2,502	1,526	354	2,446	866	354	2,446	866	354	2,446	866
HOSTILE FIRE PAY.....	98,332	2,700	265,496	5,622	2,700	15,179	4,876	2,700	13,165	4,876	2,700	13,165
OVERSEAS EXTENSION PAY.....	2,781	960	2,670	10,187	960	9,780	2,340	1,955	4,575	2,340	1,955	4,575
HIGH-DEPLOYMENT PER DIEM ALLOWANCE.....	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL ENLISTED SPECIAL PAY.....	326,768		\$ 597,534	57,674		\$ 77,792	43,266		\$ 87,277	43,266		\$ 87,277

(AMOUNTS IN THOUSANDS OF DOLLARS)

ESTIMATE FY 2007	\$ 100,079
ESTIMATE FY 2006	\$ 100,079
ESTIMATE FY 2005	\$ 79,814
ACTUAL FY 2004	\$ 79,666

**Project: Special Duty Assignment Pay - Enlisted**

**Part I - Purpose and Scope**

The Special Duty Assignment Pay (SDAP) program is authorized under provisions of 37 U.S.C. 307, as amended, by PL-98-525. SDAP is a monthly monetary incentive that is paid to enlisted members who qualify for and serve in designated special duty assignments. The funds are utilized for recruiters, guidance counselors, retention NCO's, drill sergeants, and specially designated personnel who have extremely demanding duties requiring extraordinary effort for satisfactory performance, and/or an unusual level of responsibility.

**Part II - Justification and Funds Requested**

These funds are utilized to ensure readiness by compensating and influencing specially designated soldiers, recruiters, retention NCO's, drill sergeants, and Special Forces who perform demanding duties which require special training and extraordinary effort for satisfactory performance.

The special duty assignment pay requirement increases between FY 2005 and FY 2006 by +\$20.3 million due to an increased taker population.

There is no net change between FY 2006 and FY 2007.

Detailed cost computations are provided by the following table:

ENLISTED SPECIAL DUTY ASSIGNMENT PAY  
(AMOUNTS IN THOUSANDS OF DOLLARS)

	ACTUAL FY 2004			ESTIMATE FY 2005			ESTIMATE FY 2006			ESTIMATE FY 2007		
	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT
SPECIAL DUTY ASSIGNMENT												
SD 6 (\$450.00).....	6,887	\$ 5,400	\$ 37,190	7,954	\$ 5,400	\$ 42,952	7,954	\$ 5,400	\$ 42,952	7,954	\$ 5,400	\$ 42,952
SD 5 (\$375.00).....	3,423	4,500	15,404	3,110	4,500	13,995	3,110	4,500	13,995	3,110	4,500	13,995
SD 4 (\$300.00).....	6,121	3,600	22,036	6,319	3,600	22,748	11,948	3,600	43,013	11,948	3,600	43,013
SD 3 (\$225.00).....	1,865	2,700	5,036	44	2,700	119	44	2,700	119	44	2,700	119
TOTAL ENLISTED SPECIAL DUTY ASSIGNMENT PAY.....	18,296		\$ 79,666	17,427		\$ 79,814	23,056		100,079	23,056		100,079

(AMOUNTS IN THOUSANDS OF DOLLARS)

ESTIMATE FY 2007	\$ 104,062
ESTIMATE FY 2006	\$ 102,666
ESTIMATE FY 2005	\$ 100,810
ACTUAL FY 2004	\$ 142,936

**Project: Reenlistment Bonus - Enlisted**

**Part I - Purpose and Scope**

The Army continues to attract highly qualified and motivated young people to serve. To maintain the quality force that we have, we must retain good Soldiers.

The Army continues to adjust policies and incentives to access new Soldiers, to reenlist current Soldiers and to reduce unit attrition rates. This ensures that our Army is manned with top-quality people, and capitalizes on investments in training, education and mentoring.

The Selective Reenlistment Bonus (SRB) Program is authorized under the provisions of 37 U.S.C. 308. The law states that a member of a uniformed service who has completed at least 17 months of continuous active duty but not more than 16 years of active duty, is qualified in a skill designated as critical, and reenlists for a period of at least three years may be paid a bonus. The bonus will not exceed six months of the base pay multiplied by the additional obligated service (not to exceed six years). The maximum SRB allowed by the Department of Defense is \$60,000 (for not more than 10 percent of bonus recipients). Army policy has set the maximum SRB allowed to be paid at \$40,000.

The purpose of the SRB Program is to increase the number of reenlistments in critical skills characterized by current or projected strength levels insufficient to adequately man the career force. The SRB Program also works as a valuable tool in the force alignment process by helping to draw people from overage skills to shortage skills through the bonus extension and retraining program.

**Part II - Justification of Funds Requested**

The Selective Reenlistment Bonus Program is a key component in MOS/grade cell force alignment initiatives. The focus of the SRB Program is to reenlist sufficient specialists and sergeants to overcome or prevent present and future shortfalls in sergeant and staff sergeant manning. Shortfalls in these grades have a direct negative impact on the combat and operational readiness of Army units.

In addition to critically and moderately short MOS/grade cells, there are specific MOS categories that require exceptional management and the application of reenlistment bonuses. These skills include special operations MOS and skills required to meet various treaty commitments.

For shortage skills, we continually evaluate the SRB Program and offer bonuses where appropriate. Other adjustments to align the force include: reclassification of soldiers into shortage skills, and increasing promotion opportunities to soldiers in shortage skills. In overage skills, the Army constrains promotion opportunity, constrains reclassification of soldiers into these skills, restricts fully qualified prior service personnel from enlisting in these skills, and does not permit retention beyond the Retention Control Point (RCP). The Army will continue to focus and apply management initiatives to develop an optimal force structure.

The following are the Army's most critically imbalanced skills as of Jan 2004 (restricted to MOS with authorizations in at least four grade cells):

Shortage MOS

<u>MOS</u>	<u>Title</u>
13F	Fire Support Specialist
15P	Aviation Ops Specialist
18	Special Forces (Series)
89D	EOD Specialist
74D	NBC Operations
91V	Respiratory Specialist
91W	Health Care Specialist
92A	Automated Logistics Specialist
97E	HUMINT Collector
98G	Voice Interceptor

The estimate reflects a change of +\$1.9 million from FY 2005 to FY 2006. The change between fiscal years is due to the following --

- (1) The FY 2006 3.1% pay raise increase: +\$2.0 million
- (2) Decrease in new and anniversary payments: -\$2.3 million.
- (3) Rate increase for anniversary payments: +\$2.2 million

The estimate reflects a change of +\$1.4 million from FY 2006 to FY 2007. The change between fiscal years is due to the following -

- (1) The misc price growth: +\$1.8 million
- (2) Increase in anniversary payments: +\$3.9 million.
- (3) Rate increase for anniversary payments: +\$1.2 million
- (4) Decrease in number of new payments: -\$5.5 million

Detailed cost computations are provided by the following table:





ENLISTED REENLISTMENT BONUS  
(AMOUNTS IN THOUSANDS OF DOLLARS)

	ACTUAL FY 2004			ESTIMATE FY 2005			ESTIMATE FY 2006			ESTIMATE FY 2007		
	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT
SELECTIVE REENLISTMENT BONUS INITIAL PAYMENTS.....	18,117	\$ 4,799	\$ 86,944	10,920	\$ 4,976	\$ 54,342	10,824	\$ 5,161	\$ 55,867	9,749	\$ 5,351	\$ 52,168
ANNIVERSARY PAYMENTS.....	44,126	1,269	55,992	27,969	1,661	46,468	26,877	1,741	46,799	29,142	1,781	51,894
TOTAL REENLISTMENT BONUS.....	62,243		\$ 142,936	38,889		\$ 100,810	37,701		\$ 102,666	38,891		\$ 104,062

ENLISTED REENLISTMENT BONUS  
(AMOUNTS IN THOUSANDS OF DOLLARS)

	FY 2004		FY 2005		FY 2006		FY 2007		FY 2008		FY 2009		FY 2010		FY 2011	
	NUMBER	AMOUNT	NUMBER	AMOUNT	NUMBER	AMOUNT	NUMBER	AMOUNT	NUMBER	AMOUNT	NUMBER	AMOUNT	NUMBER	AMOUNT	NUMBER	AMOUNT
PRIOR OBLIGATIONS.....	44,126	55,992	27,969	46,468	26,877	46,799	29,142	51,894	36,417	55,452	38,066	59,539	39,882	62,380	34,564	54,063
ACCELERATED PAYMENTS.....	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
FY 2004 INITIAL PAYMENTS.....	18,117	86,944														
ANNIVERSARY PAYMENTS.....			27,969	46,468	26,877	46,799	29,142	51,894	36,417	55,452	38,066	59,539	39,882	62,380	34,564	54,063
FY 2005 INITIAL PAYMENTS.....			10,920	54,342												
ANNIVERSARY PAYMENTS.....					0	0	0	0	0	0	0	0	0	0	0	0
FY 2006 INITIAL PAYMENTS.....					10,824	55,867										
ANNIVERSARY PAYMENTS.....							0	0	0	0	0	0	0	0	0	0
FY 2007 INITIAL PAYMENTS.....							9,749	52,168								
ANNIVERSARY PAYMENTS.....									0	0	0	0	0	0	0	0
TOTAL INITIAL PAYMENTS.....	18,117	86,944	10,920	54,342	10,824	55,867	9,749	52,168								
ANNIVERSARY PAYMENTS.....	44,126	55,992	27,969	46,468	26,877	46,799	29,142	51,894	36,417	55,452	38,066	59,539	39,882	62,380	34,564	54,063
TOTAL SRB.....	62,243	142,936	38,889	100,810	37,701	102,666	38,891	104,062	46,326	110,440	47,942	116,373	50,367	122,726	41,950	96,570

(AMOUNTS IN THOUSANDS OF DOLLARS)

ESTIMATE FY 2007	\$ 138,974
ESTIMATE FY 2006	\$ 135,171
ESTIMATE FY 2005	\$ 135,231
ACTUAL FY 2004	\$ 125,983

**Project: Enlistment Bonus - Enlisted**

**Part I - Purpose and Scope**

Enlistment Bonuses are used to attract higher quality high school diploma graduates into designated Army skills, which are difficult to fill with qualified enlistees. The payment is authorized by 37 U.S.C. 309, which allows up to \$20,000 for an enlistment. The Army pays up to \$7,000 at their first permanent duty station after successful completion of basic and skill training, then equal periodic payments if required.

New Payments - payments are made before 30 September to individuals who enter active duty and complete skill training during the same fiscal year.

Residual Payments - payments expected in current fiscal year are for individuals who entered the service in previous fiscal years. Since payments do not occur until completion of skill training and after arrival at first duty station, an average of four months elapses from the time the individual enters the service and the initial payment is made.

Incremental Payments - by Army policy, up to \$7,000 may be paid initially in lump sum. Remaining amounts above \$7,000 are paid in equal installments on the Soldier's anniversary date over the remaining years of his contract. These payments are contractual obligations paid in the year earned.

**Part II - Justification of Funds Requested**

The Enlistment Bonus Program is designed to expand penetration into the quality market and to distribute quality among the 180 plus initial entry military occupational specialties (MOS). Offering an enlistment bonus, especially at higher levels, allows the Army to channel applicants into critical MOSs, at the right time, thereby supporting readiness. It also compliments two of the top reasons (pay, tuition for college) for considering enlisting in the Army according to youth polls.

The program is tied to a level commensurate with the programmed recruiting mission. These funding levels are critical to attaining Army quality goals during a period of a low unemployment market and low positive propensity of the youth market to enlist. The Enlistment Bonus Program reflects Army Leadership and Congressional continued reliance on the the enlistment bonus to channel applicants into critical MOS training seats at the required time to accomplish accession requirements.

The estimate increase by +\$3.8 million between FY 2006 and FY 2007. The change between fiscal years is due to the following --

- (1) Changes in new, residual, and anniversary payments: +\$3.8 million.

Detailed cost computations are provided by the following table:

ENLISTMENT BONUS PROGRAM  
(AMOUNTS IN THOUSANDS OF DOLLARS)

	ACTUAL FY 2004			ESTIMATE FY 2005			ESTIMATE FY 2006			ESTIMATE FY 2007		
	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT
ENLISTMENT BONUS PROGRAM												
NEW PAYMENTS												
UP THRU \$2,000.....	474	\$ 1,000	\$ 474	260	\$ 1,000	\$ 260	530	\$ 1,000	\$ 530	544	\$ 1,000	\$ 544
UP THRU \$3,000.....	465	2,000	930	398	2,000	796	785	2,000	1,570	810	2,000	1,620
UP THRU \$4,000.....	813	3,000	2,439	662	3,000	1,986	1,085	3,000	3,255	1,119	3,000	3,357
UP THRU \$5,000.....	865	4,000	3,460	729	4,000	2,916	1,073	4,000	4,292	1,107	4,000	4,428
UP THRU \$6,000.....	724	5,000	3,620	596	5,000	2,980	1,002	5,000	5,010	1,034	5,000	5,170
UP THRU \$7,000.....	653	6,000	3,918	530	6,000	3,180	793	6,000	4,758	819	6,000	4,914
UP THRU \$12,000.....	4,355	7,000	30,485	3,322	7,000	23,254	3,948	7,000	27,636	4,074	7,000	28,518
TOTAL	8,349		\$ 45,326	6,497		\$ 35,372	9,216		\$ 47,051	9,507		\$ 48,551
RESIDUAL PAYMENTS												
UP THRU \$2,000.....	584	\$ 1,000	\$ 584	583	\$ 1,000	\$ 583	686	\$ 1,000	\$ 686	689	\$ 1,000	\$ 689
UP THRU \$3,000.....	851	2,000	1,702	699	2,000	1,398	1,026	2,000	2,052	1,026	2,000	2,052
UP THRU \$4,000.....	1,257	3,000	3,771	1,166	3,000	3,498	1,419	3,000	4,257	1,419	3,000	4,257
UP THRU \$5,000.....	1,814	4,000	7,256	1,282	4,000	5,128	1,403	4,000	5,612	1,403	4,000	5,612
UP THRU \$6,000.....	1,120	5,000	5,600	1,049	5,000	5,245	1,310	5,000	6,550	1,310	5,000	6,550
UP THRU \$7,000.....	995	6,000	5,970	932	6,000	5,592	1,038	6,000	6,228	1,038	6,000	6,228
UP THRU \$12,000.....	6,088	7,000	42,616	5,902	7,000	41,314	5,162	7,000	36,134	5,162	7,000	36,134
TOTAL	12,709		\$ 67,499	11,613		\$ 62,758	12,044		\$ 61,519	12,047		\$ 61,522
ANNIVERSARY (INCREMENTAL)												
PAYMENTS.....	7,190	\$ 1,830	\$ 13,158	20,274	\$ 1,830	\$ 37,101	14,536	\$ 1,830	\$ 26,601	15,793	\$ 1,830	\$ 28,901
TOTAL												
ENLISTMENT BONUS PROGRAM...	28,248		\$ 125,983	38,384		\$ 135,231	35,796		\$ 135,171	37,347		\$ 138,974

ENLISTMENT BONUS INCREMENT PAYMENTS  
(AMOUNTS IN THOUSANDS OF DOLLARS)

	ACTUAL FY 2004		ESTIMATE FY 2005		ESTIMATE FY 2006		ESTIMATE FY 2007	
	# PAYMENTS	\$ AMOUNTS	# PAYMENTS	\$ AMOUNTS	# PAYMENTS	\$ AMOUNTS	# PAYMENTS	\$ AMOUNTS
NEW OBLIGATIONS.....	1,798	\$ 1,798	5,069	\$ 5,069	3,634	\$ 3,634	3,948	\$ 3,948
PRIOR OBLIGATIONS.....	5,392	5,392	15,205	15,205	10,902	10,902	11,845	11,845
TOTAL INCREMENT PAYMENTS.....	7,190	\$ 7,190	20,274	\$ 20,274	14,536	\$ 14,536	15,793	\$ 15,793

(AMOUNTS IN THOUSANDS OF DOLLARS)

ESTIMATE FY 2007	\$ 18,401
ESTIMATE FY 2006	\$ 17,836
ESTIMATE FY 2005	\$ 18,378
ACTUAL FY 2004	\$ 42,054

**Project: Educational Benefits**

**Part I - Purpose and Scope**

Funds are for the payment to the Department of Defense (DOD) Educational Benefits Trust Fund. The Army College Fund (ACF) is governed by Title 38 U.S.C., Chapter 30. The ACF is used to attract higher quality high school diploma graduates into designated Army skills which are difficult to fill with qualified enlistees. The program will fund additional and supplemental benefit payments above a basic benefit (the Montgomery GI Bill) to be budgeted by the Department of Veteran Affairs (DVA). This program is budgeted on an accrual basis by the DOD. The DOD Board of Actuaries establishes per capita normal costs and amortization rates for each fiscal year. Actual benefit payments to individuals will be made by the DVA from funds transferred from the Trust Fund account.

**Part II - Justification of Funds Requested**

All individuals entering active duty after July 1, 1985 (including those in the Delayed Entry Program) are eligible to receive additional and supplemental educational assistance at the discretion of the Secretary of Defense. Basic eligibility to qualify for these educational benefits is contingent upon the soldier electing to participate in the basic program - the Montgomery GI Bill. Exceptions to eligibility are those who have received a commission from a Service academy or completed a ROTC Scholarship Program.

The ACF Program is designed to expand penetration into the quality market and distribute quality among the 200 plus initial entry military occupational specialties (MOS). Offering an ACF, especially at the higher levels, allows the Army to channel applicants into critical MOSs and support readiness. It also compliments one of the top reasons -- tuition for college -- for considering enlisting in the Army according to youth polls.

The program is tied to a level commensurate with the programmed recruiting mission. These funding levels are critical to attaining Army quality goals during a period of a lower unemployment economy and low positive propensity of the youth market to enlist. It has become increasingly difficult to recruit sufficient Soldiers to sustain a quality force. In P.L. 107-103, Congress increased the amount of the basic GI Bill benefit paid by Veterans Affairs and now the basic benefit increases annually with the Consumer Price Index.

Detailed cost computations are provided by the following table:

ENLISTED EDUCATIONAL BENEFITS  
(AMOUNTS IN THOUSANDS OF DOLLARS)

	ACTUAL FY 2004			ESTIMATE FY 2005			ESTIMATE FY 2006			ESTIMATE FY 2007		
	ELIGIBLES	RATE	AMOUNT	ELIGIBLES	RATE	AMOUNT	ELIGIBLES	RATE	AMOUNT	ELIGIBLES	RATE	AMOUNT
COLLEGE FUND												
SIX YEAR COMMITMENT (\$50K)...	2,184	\$ 2,763	\$ 6,034	1,192	\$ 2,763	\$ 3,293	314	\$ 3,290	\$ 1,033	308	\$ 3,458	\$ 1,065
FIVE YEAR COMMITMENT (\$47K)..	2,294	2,567	5,889	1,199	2,567	3,078	627	3,489	2,188	616	3,666	2,258
FOUR YEAR COMMITMENT (\$42K)..	17,140	1,669	28,607	7,194	1,669	12,007	3,451	3,299	11,385	3,388	3,466	11,743
FOUR YEAR COMMITMENT (\$30K)..	0	0	0	0	0	0	0	0	0	0	0	0
FOUR YEAR COMMITMENT (\$40K)..	0	0	0	0	0	0	0	0	0	0	0	0
FOUR YEAR COMMITMENT (\$50K)..	0	0	0	0	0	0	0	0	0	0	0	0
SUBTOTAL FOUR YEAR.....	17,140		\$ 28,607	7,194		\$ 12,007	3,451		\$ 11,385	3,388		\$ 11,743
THREE YEAR COMMITMENT (\$37K)	2,611	523	1,366	0	0	0	1,506	2,000	3,012	1,478	2,104	3,110
THREE YEAR COMMITMENT (\$35K)	0	0	0	0	0	0	0	0	0	0	0	0
SUBTOTAL THREE YEAR.....	2,611		\$ 1,366	0		\$ 0	1,506		\$ 3,012	1,478		\$ 3,110
TWO YEAR COMMITMENT (\$30K)...	419	377	158	0	0	0	376	581	218	369	611	225
TWO YEAR COMMITMENT (\$28.5K)	0	0	0	0	0	0	0	0	0	0	0	0
SUBTOTAL TWO YEAR.....	419		\$ 158	0		\$ 0	376		\$ 218	369		\$ 225
TOTAL \$28.5K.....	0		0	0		0	0		0	0		0
TOTAL \$30K.....	419		158	0		0	376		218	369		225
TOTAL \$35K.....	0		0	0		0	0		0	0		0
TOTAL \$37K.....	2,611		1,366	0		0	1,506		3,012	1,478		3,110
TOTAL \$40K.....	0		0	0		0	0		0	0		0
TOTAL \$42K.....	17,140		28,607	7,194		12,007	3,451		11,385	3,388		11,743
TOTAL \$47K.....	2,294		5,889	1,199		3,078	627		2,188	616		2,258
TOTAL \$50K.....	2,184		6,034	1,192		3,293	314		1,033	308		1,065
GRAND TOTAL COLLEGE FUND...	24,648		\$ 42,054	9,585		\$ 18,378	6,274		\$ 17,836	6,159		\$ 18,401



(AMOUNTS IN THOUSANDS OF DOLLARS)

ESTIMATE FY 2007	\$ 49,127
ESTIMATE FY 2006	\$ 50,147
ESTIMATE FY 2005	\$ 44,399
ACTUAL FY 2004	\$ 31,302

**Project: Loan Repayment Program - Enlisted**

**Part I - Purpose and Scope**

The Loan Repayment Program (LRP) is authorized by PL 99-145, Section 2171. Guidelines for the LRP are contained in Chapter 109, Title 10, United States Code. The LRP pays for federal student loans guaranteed by the Department of Education under the Higher Education Act of 1965 up to a maximum of \$65,000 (limited by Army policy). The LRP is an enlistment incentive designed to increase Test Score Category I-III A enlistments and attract recruits into designated Army skills, which are difficult to fill with qualified enlistees. The LRP repays \$1,500 or one-third of the qualified loan whichever is greater, for every year of service.

**Part II - Justification and Funds Requested**

According to the University of Michigan Annual Monitoring the Future Survey, 80% of high school seniors plan to attend a four-year college and are applying for loans in increasing numbers. Conversely, the College Board has determined that 50% of all students entering four-year colleges are not enrolled after two years, primarily due to financial reasons.

The LRP is an effective tool for penetrating the college market, especially that segment that have opted out at a point prior to graduation due to financial constraints.

The +\$5.7 million increase between FY 2005 and FY 2006 reflects changes to funding levels necessary to achieve the required quality goals and accession requirements factoring in the increasing costs of loans and penetration of the college market necessary due to the increasing number of seniors attending college.

The -\$1.0 million decrease between FY 2006 and FY 2007 reflects anticipated participation in the loan repayment program.

Detailed cost computations are provided by the following table:

ENLISTED LOAN REPAYMENT PROGRAM  
(AMOUNTS IN THOUSANDS OF DOLLARS)

	ACTUAL FY 2004		ESTIMATE FY 2005		ESTIMATE FY 2006		ESTIMATE FY 2007	
	NUMBER	AMOUNT	NUMBER	AMOUNT	NUMBER	AMOUNT	NUMBER	AMOUNT
LOAN REPAYMENT PROGRAM.....	6,636	\$ 31,302	8,777	\$ 44,399	13,215	\$ 50,147	11,894	\$ 49,127

(AMOUNTS IN THOUSANDS OF DOLLARS)

ESTIMATE FY 2007	\$ 2,835,366
ESTIMATE FY 2006	\$ 2,673,850
ESTIMATE FY 2005	\$ 2,914,495
ACTUAL FY 2004	\$ 3,103,143

**Project: Basic Allowance for Housing - Enlisted**

**Part I - Purpose and Scope**

Congress approved in the FY 1998 National Defense Authorization Act the payment of a basic allowance for housing (BAH) to service members. The overseas housing allowance (OHA) payment, formerly located in overseas station allowances, moved into this section by a change in law. The continental United States, Alaska and Hawaii BAH is included in BAH Domestic, while the overseas housing allowance is called BAH Overseas. Payment to service members is authorized by revisions to 37 U.S.C. 403.

**Part II - Justification of Funds Requested**

The net change in the basic allowance for housing requirement is -\$240.7 million between FY 2005 and FY 2006. These changes are based on -

- (15) Annualization of the 1 Jan 2005, 3.0% housing cost growth: +\$37.2 million.
- (16) The FY 2006, 4.0% housing cost growth: +\$73.3 million.
- (17) BAH Overseas rate change between FY 2005 and FY 2006: -\$17.9 million.
- (18) Manyear changes between FY 2005 and FY 2006: -\$39.6 million.
- (19) Grade Structure changes between FY 2005 and FY 2006: -\$3.3 million.
- (20) Housing changes from FY 2005 to FY 2006: +\$142.8 million.
- (21) Force Manning Change from FY 2005 to FY 2006: -\$433.2 million.

The net change in the basic allowance for housing requirement is +\$161.5 million between FY 2006 and FY 2007. These changes are based on -

- (1) Annualization of the 1 Jan 2006, 4.0% housing cost growth: +\$25.0 million.
- (2) The FY 2007, 4.0% housing cost growth: +\$78.0 million.
- (3) Manyear changes between FY 2005 and FY 2006: +\$15.0 million.
- (4) Grade Structure changes between FY 2005 and FY 2006: -\$0.8 million.
- (5) Housing changes from FY 2006 to FY 2007: +\$44.3 million.

Detailed cost computations are provided by the following table:

ENLISTED BASIC ALLOWANCE FOR HOUSING - DOMESTIC  
(AMOUNTS IN THOUSANDS OF DOLLARS)

	ACTUAL FY 2004			ESTIMATE FY 2005			ESTIMATE FY 2006			ESTIMATE FY 2007		
	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT
BAH WITH DEPENDENTS												
SERGEANT MAJOR.....	2,631	\$ 14,105	\$ 37,110	2,712	\$ 14,987	\$ 40,645	2,135	\$ 15,676	\$ 33,468	2,168	\$ 16,303	\$ 35,345
1ST SGT/MASTER SGT..	9,085	13,347	121,257	9,626	14,204	136,728	8,370	14,857	124,353	8,534	15,451	131,859
PLTN SGT/SFC.....	30,169	12,453	375,695	30,767	13,265	408,124	25,125	13,874	348,584	27,519	14,429	397,072
STAFF SERGEANT.....	41,945	11,753	492,980	42,974	12,525	538,249	38,685	13,100	506,774	39,683	13,624	540,641
SERGEANT.....	43,912	10,351	454,533	42,603	11,005	468,846	36,670	11,511	422,108	37,650	11,971	450,708
CORPORAL/SPC4.....	56,264	9,470	532,820	50,049	10,067	503,843	46,154	10,529	485,955	46,321	10,950	507,215
PRIVATE, 1ST CL.....	19,139	9,655	184,787	14,347	10,409	149,338	12,828	10,888	139,671	13,135	11,323	148,728
PRIVATE (E2).....	5,505	9,835	54,142	7,512	10,556	79,297	6,316	11,041	69,735	6,339	11,483	72,791
PRIVATE (E1).....	2,943	10,177	29,951	3,997	10,850	43,367	3,441	11,348	39,048	3,307	11,802	39,029
TOTAL BAH WITH DEPENDENTS.....	211,593		\$ 2,283,275	204,587		\$ 2,368,437	179,724		\$ 2,169,696	184,656		\$ 2,323,388
BAH DIFFERENTIAL.....	10,668	2,407	25,678	10,924	2,455	26,818	0	2,534	0	0	2,642	0
TOTAL.....	222,261		\$ 2,308,953	215,511		\$ 2,395,255	179,724		\$ 2,169,696	184,656		\$ 2,323,388
BAH WITHOUT DEPENDENTS												
SERGEANT MAJOR.....	581	\$ 11,840	\$ 6,879	336	\$ 12,613	\$ 4,238	268	\$ 13,193	\$ 3,536	261	\$ 13,720	\$ 3,581
1ST SGT/MASTER SGT..	2,242	11,184	25,075	1,237	11,931	14,759	1,057	12,479	13,190	1,038	12,978	13,471
PLTN SGT/SFC.....	7,887	9,786	77,182	4,619	10,437	48,209	4,191	10,917	45,753	4,110	11,353	46,661
STAFF SERGEANT.....	14,432	9,124	131,678	8,291	9,709	80,497	7,465	10,155	75,807	7,367	10,561	77,803
SERGEANT.....	18,525	8,659	160,408	11,703	9,197	107,632	10,845	9,620	104,329	10,722	10,004	107,263
CORPORAL/SPC4.....	21,395	7,877	168,528	10,562	8,414	88,869	9,613	8,801	84,604	9,283	9,153	84,967
PRIVATE, 1ST CL.....	2,325	8,191	19,044	1,781	8,907	15,863	1,461	9,317	13,612	1,439	9,689	13,942
PRIVATE (E2).....	741	7,731	5,729	451	8,319	3,752	524	8,701	4,559	506	9,049	4,579
PRIVATE (E1).....	331	7,547	2,498	159	8,116	1,290	250	8,489	2,122	231	8,829	2,039
TOTAL BAH WITHOUT DEPENDENTS....	68,459		\$ 597,021	39,139		\$ 365,109	35,674		\$ 347,512	34,957		\$ 354,306

ENLISTED BASIC ALLOWANCE FOR HOUSING - DOMESTIC  
(AMOUNTS IN THOUSANDS OF DOLLARS)

	ACTUAL FY 2004			ESTIMATE FY 2005			ESTIMATE FY 2006			ESTIMATE FY 2007		
	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT
BAH PARTIAL ALLOWANCE BACHELOR												
SERGEANT MAJOR.....	20	\$ 223	\$ 4	12	\$ 223	\$ 3	11	\$ 223	\$ 2	11	\$ 223	\$ 2
1ST SGT/MASTER SGT..	60	184	11	37	184	7	36	184	7	36	184	7
PLTN SGT/SFC.....	278	144	40	173	144	25	168	144	24	169	144	24
STAFF SERGEANT.....	2,066	119	246	1,515	119	180	1,474	119	175	1,495	119	178
SERGEANT.....	11,570	104	1,203	9,771	104	1,016	9,738	104	1,013	9,885	104	1,028
CORPORAL/SPC4.....	44,988	97	4,364	48,788	97	4,732	48,417	97	4,696	48,038	97	4,660
PRIVATE, 1ST CL.....	40,643	94	3,820	32,868	94	3,090	33,754	94	3,173	34,170	94	3,212
PRIVATE (E2).....	21,298	86	1,832	22,649	86	1,948	22,646	86	1,948	22,469	86	1,932
PRIVATE (E1).....	13,511	83	1,121	13,835	83	1,148	13,891	83	1,153	13,194	83	1,095
TOTAL BAH PARTIAL ALLOWANCE BACHELOR....	134,434		\$ 12,641	129,648		\$ 12,149	130,135		\$ 12,191	129,467		\$ 12,138
BAH INADEQUATE FAMILY HOUSING												
SERGEANT MAJOR.....	0	\$ 3,526	\$ 0	0	\$ 3,747	\$ 0	0	\$ 3,919	\$ 0	0	\$ 4,076	\$ 0
1ST SGT/MASTER SGT..	1	3,337	3	1	3,551	4	1	3,714	4	1	3,863	4
PLTN SGT/SFC.....	0	3,113	0	0	3,316	0	0	3,469	0	0	3,607	0
STAFF SERGEANT.....	0	2,938	0	0	3,131	0	0	3,275	0	0	3,406	0
SERGEANT.....	9	2,588	23	7	2,751	19	7	2,878	20	7	2,993	21
CORPORAL/SPC4.....	59	2,368	140	47	2,517	118	49	2,632	129	46	2,738	126
PRIVATE, 1ST CL.....	38	2,414	92	26	2,602	68	27	2,722	73	27	2,831	76
PRIVATE (E2).....	12	2,459	30	10	2,639	26	11	2,760	30	10	2,871	29
PRIVATE (E1).....	5	2,544	13	3	2,712	8	5	2,837	14	4	2,951	12
TOTAL BAH INADEQUATE FAMILY HOUSING.....	124		\$ 301	94		\$ 243	100		\$ 270	95		\$ 268
TOTAL BASIC ALLOWANCE FOR HOUSING - DOMESTIC	425,278		\$ 2,918,916	384,392		\$ 2,772,756	345,633		\$ 2,529,669	349,175		\$ 2,690,100

ENLISTED BASIC ALLOWANCE FOR HOUSING - OVERSEAS  
(AMOUNTS IN THOUSANDS OF DOLLARS)

	ACTUAL FY 2004			ESTIMATE FY 2005			ESTIMATE FY 2006			ESTIMATE FY 2007		
	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT
BAH WITH DEPENDENTS												
SERGEANT MAJOR.....	80	\$ 20,044	\$ 1,604	98	\$ 20,044	\$ 1,964	94	\$ 20,044	\$ 1,884	95	\$ 20,044	\$ 1,904
1ST SGT/MASTER SGT..	260	18,237	4,742	311	18,237	5,672	314	18,237	5,726	316	18,237	5,763
PLTN SGT/SFC.....	761	16,802	12,786	849	16,802	14,265	858	16,802	14,416	863	16,802	14,500
STAFF SERGEANT.....	1,151	15,179	17,471	1,148	15,179	17,425	1,163	15,179	17,653	1,176	15,179	17,851
SERGEANT.....	1,504	14,240	21,417	1,232	14,240	17,544	1,275	14,240	18,156	1,292	14,240	18,398
CORPORAL/SPC4.....	2,280	12,990	29,617	912	12,990	11,847	936	12,990	12,159	927	12,990	12,042
PRIVATE, 1ST CL.....	107	12,512	1,339	89	12,512	1,114	99	12,512	1,239	100	12,512	1,251
PRIVATE (E2).....	17	12,813	218	27	12,813	346	23	12,813	295	23	12,813	295
PRIVATE (E1).....	4	12,367	49	8	12,367	99	7	12,367	87	7	12,367	87
TOTAL BAH WITH DEPENDENTS.....	6,164		\$ 89,243	4,674		\$ 70,276	4,769		\$ 71,615	4,799		\$ 72,091
BAH WITHOUT DEPENDENTS												
SERGEANT MAJOR.....	77	\$ 26,575	\$ 2,046	74	\$ 26,575	\$ 1,967	89	\$ 13,641	\$ 1,214	90	\$ 13,641	\$ 1,228
1ST SGT/MASTER SGT..	315	21,011	6,618	297	21,011	6,240	373	12,817	4,781	376	12,817	4,819
PLTN SGT/SFC.....	1,014	17,897	18,148	927	17,897	16,591	1,163	12,642	14,703	1,169	12,642	14,778
STAFF SERGEANT.....	1,637	12,730	20,839	1,409	12,730	17,937	1,777	10,422	18,520	1,798	10,422	18,739
SERGEANT.....	2,137	9,291	19,855	1,882	9,291	17,486	2,431	10,210	24,821	2,463	10,210	25,147
CORPORAL/SPC4.....	1,467	17,583	25,794	562	17,583	9,882	715	10,440	7,465	708	10,440	7,392
PRIVATE, 1ST CL.....	84	16,739	1,406	62	16,739	1,038	77	10,237	788	78	10,237	798
PRIVATE (E2).....	10	16,486	165	15	16,486	247	19	10,839	206	19	10,839	206
PRIVATE (E1).....	9	12,559	113	6	12,559	75	7	9,747	68	7	9,747	68
TOTAL BAH WITHOUT DEPENDENTS....	6,750		\$ 94,984	5,234		\$ 71,463	6,651		\$ 72,566	6,708		\$ 73,175
TOTAL BASIC ALLOWANCE FOR HOUSING - OVERSEAS	12,914		\$ 184,227	9,908		\$ 141,739	11,420		\$ 144,181	11,507		\$ 145,266
TOTAL ENLISTED BASIC ALLOWANCE FOR HOUSING.....	438,192		\$ 3,103,143	394,300		\$ 2,914,495	357,053		\$ 2,673,850	360,682		\$ 2,835,366

(AMOUNTS IN THOUSANDS OF DOLLARS)

ACTUAL	FY 2004	\$ 404,591
ESTIMATE	FY 2005	\$ 251,433
ESTIMATE	FY 2006	\$ 283,561
ESTIMATE	FY 2007	\$ 292,663

**Project: Station Allowance Overseas - Enlisted**

**Part I - Purpose and Scope**

The funds requested will provide payment of a per diem allowance to enlisted personnel on duty outside the United States considering all elements of the cost of living, subsistence and other necessary incidental expenses as prescribed by joint travel regulations and authorized under provisions of 37 U.S.C. 405.

**Part II - Justification of Funds Requested**

Overseas Station Allowance payments are determined by multiplying the projected number of personnel eligible for each type of allowance by the estimated average rate applicable.

Fluctuations in currency exchange rates have a direct impact on Overseas Station Allowance. This has been especially true in the case of Germany. The estimates for overseas station allowances are based on rates of exchange of €0.8785 Euro/\$1 US.

The net change in the overseas station allowance requirement is +\$32.1 million between FY 2005 and FY 2006. These changes are based on -

- (22) Annualization of the 1 Jan 2005, 3.5% pay raise: +\$2.2 million.
- (23) The FY 2006, 3.1% pay raise: +\$5.9 million.
- (24) Change in numbers of payments from FY 2005 to FY 2006: +\$23.6 million.
- (25) Temporary Lodging inflation change from FY 2005 and FY 2006: +\$.3 million.

The net change in the overseas station allowance requirement is +\$9.1 million between FY 2006 and FY 2007. These changes are based on -

- (1) Annualization of the 1 Jan 2006, 3.1% payraise: +\$2.0 million.
- (2) Price growth: +\$6.7 million.
- (3) Temporary Lodging inflation change from FY 2005 and FY 2006: +\$0.4 million.

Detailed cost computations are provided by the following table:

ENLISTED OVERSEAS STATION ALLOWANCE  
(AMOUNTS IN THOUSANDS OF DOLLARS)

	ACTUAL FY 2004			ESTIMATE FY 2005			ESTIMATE FY 2006			ESTIMATE FY 2007		
	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT
COST OF LIVING												
SGM.....	788	\$ 7,859	\$ 6,193	815	\$ 4,478	\$ 3,650	870	\$ 4,622	\$ 4,021	870	\$ 4,777	\$ 4,156
1ST SGT/MASTER SGT.....	2,485	7,201	17,894	2,564	4,092	10,492	2,841	4,224	12,000	2,842	4,366	12,408
PLTN SGT/SFC.....	7,559	6,836	51,673	7,801	3,883	30,291	8,911	4,008	35,715	8,911	4,142	36,909
SSG.....	12,549	5,684	71,329	12,950	3,223	41,738	14,752	3,327	49,080	14,751	3,439	50,729
SGT.....	20,305	4,541	92,205	20,952	2,575	53,951	24,087	2,658	64,023	24,084	2,747	66,159
CORPORAL/SPC4.....	28,297	3,356	94,965	29,201	1,899	55,453	33,439	1,961	65,574	33,436	2,026	67,741
PRIVATE, 1ST CL.....	18,541	2,112	39,159	19,132	1,195	22,863	17,122	1,233	21,111	17,120	1,275	21,828
PV2.....	8,934	1,640	14,652	9,220	925	8,529	8,222	955	7,852	8,221	987	8,114
PV1.....	1,560	1,651	2,576	1,601	917	1,468	1,803	947	1,707	1,797	978	1,757
SUBTOTAL.....	101,018		\$ 390,646	104,236		\$ 228,435	112,047		\$ 261,083	112,032		\$ 269,801
TEMPORARY LODGING ALLOWANCE....	25,171	\$ 554	\$ 13,945	40,995	\$ 561	\$ 22,998	39,504	\$ 569	\$ 22,478	39,486	\$ 579	\$ 22,862
TOTAL ENLISTED STATION ALLOWANCE OVERSEAS..	126,189		\$ 404,591	145,231		\$ 251,433	151,551		\$ 283,561	151,518		\$ 292,663



(AMOUNTS IN THOUSANDS OF DOLLARS)

ESTIMATE FY 2007	\$ 21,372
ESTIMATE FY 2006	\$ 21,717
ESTIMATE FY 2005	\$ 20,826
ACTUAL FY 2004	\$ 10,221

**Project: CONUS Cost of Living Allowance - Enlisted**

**Part I - Purpose and Scope**

The funds requested will provide payment of a cost of living allowance (COLA) to soldiers who are assigned to high cost areas in the continental United States (CONUS). A high cost area is defined as a locality where the cost of living exceeds the average cost of living in CONUS by an established threshold percentage during a base period. The threshold percentage is established by the Secretary of Defense but cannot be less than eight percent. The current established threshold is 108 percent of the national cost of living average. The amount of COLA payable is the product of spendable income (based on regular military compensation level) multiplied by the difference between the COLA index for the individual's high cost area and the threshold percentage. The FY 1995 DoD Authorization Act authorized the allowance.

**Part II - Justification of Funds Requested**

CONUS COLA payments are determined by multiplying the projected number of personnel eligible by an estimated rate. From FY 2005 and FY 2006 the conus cola requirement increases by +\$0.9 million based on increased number of programmatic requirements.

Detailed cost computations are provided by the following table:

ENLISTED CONUS COST OF LIVING ALLOWANCE  
 (AMOUNTS IN THOUSANDS OF DOLLARS)

	ACTUAL FY 2004			ESTIMATE FY 2005			ESTIMATE FY 2006			ESTIMATE FY 2007		
	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT
CONUS COLA.....	6,883	\$ 1,485	\$ 10,221	14,024	\$ 1,485	\$ 20,826	14,624	\$ 1,485	\$ 21,717	14,392	\$ 1,485	\$ 21,372

ESTIMATE FY 2007	304,258
ESTIMATE FY 2006	305,698
ESTIMATE FY 2005	273,632
ACTUAL FY 2004	273,918

**Project: Clothing Allowances - Enlisted**

**Part I - Purpose and Scope**

The funds requested will provide for payment to enlisted personnel for prescribed clothing authorized by the Secretary of Defense under the provisions of 37 U.S.C. 418 including:

- (1) Initial Clothing Allowance when authorized by competent orders.
- (2) For cash payment of the Clothing Basic Maintenance Allowance authorized from the sixth month of entrance on duty through the thirty-sixth month and/or cash payment of the Standard Maintenance Allowance authorized from the thirty-seventh month through the completion of the enlistment.
- (3) For cost of Issue-In-Kind in areas where clothing maintenance allowance is not authorized.
- (4) Supplementary Clothing Allowances for personnel assigned to special organizations or details where the nature of the duties to be performed requires additional items of individual clothing not required for the majority of enlisted personnel.

**Part II - Justification of Funds Requested**

The net change in the enlisted clothing allowance requirement is +\$32.1 million between FY 2005 and FY 2006. These changes are based on -

- (26) Change in the numbers receiving an allowance or an in-kind issue from FY 2005 and FY 2006: +\$17.0 million.
- (27) Rate change between FY 2005 and FY 2006 based on 2.0% inflation, 1 Oct 2006: +\$6.6 million.
- (28) Rate change due to the introduction of new items between FY 2005 and FY 2006 are: +\$8.5 million.

The net change in the enlisted clothing allowance requirement is -\$1.4 million between FY 2006 and FY 2007. These changes are based on -

- (1) Change in the numbers receiving an allowance or an in-kind issue from FY 2006 and FY 2007: -\$4.6 million.

(2) Rate change between FY 2006 and FY 2007 based on 2.1% inflation, 1 Oct 2007: +\$3.2 million.

Detailed cost computations are provided by the following table:

ENLISTED CLOTHING ALLOWANCES  
RATE SUMMARY REVIEW

	FY 2005 COLUMN OF FY 05 PRES BUDGET	FY 2005 COLUMN OF FY 06/07 PRES BUDGET	FY 2006 COLUMN OF FY 06/07 PRES BUDGET	FY 2007 COLUMN OF FY 06/07 PRES BUDGET
INITIAL ISSUE				
ENLISTED MEN.....	282.00	1,228.09	1,426.02	1,450.65
ENLISTED WOMEN.....	339.00	1,485.09	1,439.16	1,464.00
CLOTHING MAINTENANCE ALLOWANCE				
ENLISTED MEN - BASIC.....	402.00	329.83	336.17	341.88
- STANDARD.....	485.00	469.09	478.67	486.81
ENLISTED WOMEN - BASIC.....	0.00	388.47	390.98	397.62
- STANDARD.....	0.00	553.38	559.06	568.57

ENLISTED CLOTHING ALLOWANCES

	ACTUAL FY 2004			ESTIMATE FY 2005			ESTIMATE FY 2006			ESTIMATE FY 2007		
	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT
CLOTHING - INITIAL ALLOWANCE												
INITIAL ALLOWANCE												
MILITARY CLOTHING												
CIVILIAN LIFE, MEN.....	59,115	1,211.64	\$ 71,626	54,198	1,228.09	\$ 66,560	62,071	1,426.02	\$ 88,514	58,170	1,450.65	\$ 84,384
CIVILIAN LIFE, WOMEN.....	16,595	1,464.84	\$ 24,309	15,522	1,485.09	\$ 23,052	16,930	1,439.16	\$ 24,365	15,830	1,464.00	\$ 23,175
ARMY RESERVE W/PARTIAL CLOTHING ALLOWANCE.....	75	357.45	27	75	568.04	43	75	971.47	73	75	988.01	74
NATIONAL GUARD WITH PARTIAL CLOTHING ALLOWANCE.....	65	355.29	23	65	558.44	36	65	924.28	60	65	940.04	61
LESS SAVINGS ON DEFERRED CLOTHING ISSUE.....			(1,626)			(1,651)			(2,465)			(2,349)
ADVANCE FUNDING FOR NEW CLOTHING ITEMS.....			0			0			0			0
LIQUIDATION OF PRIOR YEAR ADVANCES.....			0			0			0			0
TOTAL MILITARY CLOTHING.....			94,359			88,040			110,547			105,345
CIVILIAN CLOTHING.....	1,306	835.00	1,091	3,064	853.00	2,614	3,064	870.00	2,666	3,064	887.00	2,718
TOTAL INITIAL ALLOWANCE.....			95,450			90,654			113,213			108,063

ENLISTED CLOTHING ALLOWANCES

	ACTUAL FY 2004			ESTIMATE FY 2005			ESTIMATE FY 2006			ESTIMATE FY 2007		
	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT
CLOTHING - MAINTENANCE ALLOWANCE												
BASIC MAINTENANCE ( PERSONNEL WITH 7-36 MONTHS SERVICE )												
MALE.....	125,154	324	40,550	141,337	330	46,617	144,467	336	48,565	143,514	342	49,065
FEMALE.....	27,641	382	10,548	26,105	388	10,141	26,631	391	10,412	26,434	398	10,511
TOTAL.....			51,098			56,758			58,977			59,576
STANDARD MAINTENANCE ( PERSONNEL WITH 37 MONTHS OR MORE OF SERVICE )												
MALE.....	199,151	460.80	91,769	193,888	469.09	90,951	199,100	478.67	95,303	200,677	486.81	97,692
FEMALE.....	37,282	543.60	20,266	35,812	553.38	19,818	36,702	559.06	20,519	36,963	568.57	21,016
TOTAL.....			112,035			110,769			115,822			118,708
TOTAL MAINTENANCE ALLOWANCES....			163,133			167,527			174,799			178,284
SUPPLEMENTARY ALLOWANCES..			8,165			8,151			9,736			9,853
OTHER												
ISS.-IN-KIND-KATUSA.....	4,836	1,196.83	5,788	4,851	1,213.86	5,888	4,866	1,386.25	6,745	4,881	1,415.42	6,909
REPLACEMENT DURING FIRST SIX MONTHS.....	75,710	18.25	1,382	69,720	20.25	1,412	79,001	15.25	1,205	74,000	15.53	1,149
CHARGE SALES.....			92			135			182			231
TOTAL.....			7,262			7,435			8,132			8,289
TOTAL CLOTHING ALLOWANCES.....			274,010			273,767			305,880			304,489
LESS REIMBURSABLE OBLIGATIONS.....			92			135			182			231
TOTAL DIRECT ENLISTED CLOTHING OBLIGATIONS.....			273,918			273,632			305,698			304,258

(AMOUNTS IN THOUSANDS OF DOLLARS)

ACTUAL	FY 2004	\$ 645,110
ESTIMATE	FY 2005	\$ 84,077
ESTIMATE	FY 2006	\$ 77,933
ESTIMATE	FY 2007	\$ 79,168

**Project: Family Separation Allowances - Enlisted**

**Part I - Purpose and Scope**

The funds requested are to provide for family separation allowance (FSA) payments to enlisted personnel with dependents on duty outside the United States or in Alaska for added separation expenses under two circumstances:

(1) Travel of dependents to overseas duty station is not authorized and the member maintains two homes, one in CONUS for the member's family and one overseas for the member. Payment is made at the monthly quarters allowance rate authorized for a member of the same grade without dependents.

(2) When a member with dependents makes a permanent change of station (PCS) or is on temporary duty (TDY) travel, or on board ship for thirty days or more either in CONUS or overseas and the travel of dependents to the member's duty station is not authorized and dependents do not reside at or near duty station. The payment is \$250 per month for both FSA-PCS and FSA-TDY (37 U.S.C. 427).

**Part II - Justification of Funds Requested**

The estimated number of payments is based on historical performance and programmed requirements for overseas stationing. Allowances for family separation payments are determined by multiplying the estimated number of personnel for each type of family separation allowance by the applicable statutory rate.

The net change in the family separation allowance requirement is -\$6.1 million between FY 2005 and FY 2006. These changes are based on -

- (29) Change in the numbers receiving family separation payments from FY 2005 and FY 2006: -\$6.4 million.
- (30) FSA-1 rate change between FY 2005 and FY 2006: +\$.3 million.

Detailed cost computations are provided by the following table:



ENLISTED FAMILY SEPARATION ALLOWANCE  
(AMOUNTS IN THOUSANDS OF DOLLARS)

	ACTUAL FY 2004			ESTIMATE FY 2005			ESTIMATE FY 2006			ESTIMATE FY 2007		
	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT
PCS OVERSEAS WITH DEPENDENTS NOT AUTHORIZED AND MAINTAINS TWO HOMES												
SGM.....	40	\$ 7,592	\$ 304	29	\$ 7,818	\$ 227	39	\$ 8,053	\$ 314	39	\$ 8,295	\$ 324
1SG/MSG.....	177	6,971	1,234	127	7,178	912	171	7,393	1,264	174	7,615	1,325
PSG/SFC.....	531	5,952	3,161	382	6,129	2,341	515	6,313	3,251	522	6,502	3,394
SSG.....	645	5,387	3,475	464	5,547	2,574	626	5,714	3,577	633	5,885	3,725
SGT.....	501	4,969	2,489	360	5,117	1,842	486	5,270	2,561	491	5,428	2,665
CPL/SPC.....	37	4,322	160	26	4,450	116	36	4,584	165	37	4,721	175
SUBTOTAL.....	1,931		10,823	1,388		8,012	1,873		11,132	1,896		11,608
PCS CONUS OR OVERSEAS WITH DEPENDENTS NOT AUTHORIZED.....	19,369	3,000	58,107	11,965	3,000	35,895	12,349	3,000	37,047	12,499	3,000	37,497
TDY CONUS OR OVERSEAS FOR MORE THAN 30 DAYS WITH DEPENDENTS NOT RESIDING NEAR TDY STATION.....	192,060	3,000	576,180	13,390	3,000	40,170	9,918	3,000	29,754	10,021	3,000	30,063
TOTAL ENLISTED FAMILY SEPARATION ALLOWANCES.....	213,360		\$ 645,110	26,743		\$ 84,077	24,140		\$ 77,933	24,416		\$ 79,168

(AMOUNTS IN THOUSANDS OF DOLLARS)

ESTIMATE FY 2007	\$ 299,549
ESTIMATE FY 2006	\$ 294,164
ESTIMATE FY 2005	\$ 287,375
ACTUAL FY 2004	\$ 310,204

**Project: Separation Payments - Enlisted**

**Part I - Purpose and Scope**

Accrued Leave Payments - members are authorized 30 days of ordinary leave annually. They may accumulate a maximum of no more than 120 days unused leave at the beginning of any fiscal year. Upon retirement or separation, members are paid for unused accrued leave at the rate of basic pay to which entitled at time of release. Effective 10 February 76, a member cannot be paid for more than 60 days of accrued leave during his military career. This limitation does not include payments for accrued leave made before that date.

Severance Pay - Disability - Disability Severance Pay is authorized to members on active duty who are discharged because of physical disability and who have less than 20 years of service and less than 30 percent disability.

Severance Pay - Non Disability - Commencing in FY 1991, non-disability severance pay is authorized to members on active duty who are involuntarily separated from service, are not eligible for retirement pay, and meet minimum time-in-service requirements.

The FY 1992 National Defense Authorization Act approved two voluntary separation pay programs to use during the force drawdown. The programs apply to both officers and enlisted soldiers who have more than six and less than 20 years of service. The first, voluntary separation incentive (VSI) is an annuity that makes annual payments for twice the number of years served for soldiers who voluntarily leave active duty. The second program, special separation benefit (SSB), provides a lump sum of one and a half times involuntary separation pay (50% more) for soldiers who voluntarily leave active duty. VSI and SSB have been used to reduce involuntary separations. The authority to use VSI/SSB was extended from 30 Sep 1990 to 30 Sep 2001 by the FY 1999 National Defense Authorization Act. However, the Army will reach its steady state end strength at the end of FY 1999 and will not offer VSI and SSB to any new takers after FY 1999.

The FY 1993 National Defense Authorization Act approved an active duty early retirement program for use during the force drawdown. The early retirement program has been used to shape the 15-20 year segment of the force. It has assisted the Army in achieving its drawdown goals of maintaining readiness and treating people fairly. Soldiers separated under the early retirement program receive the same benefits as individuals with 20 or more years of service. However, their retired pay is reduced by one percent for each year that they are short of 20 years of active duty. The early retirement amount is the product of 2.5 percent times years of service times basic pay times reduction factor. For the enlisted personnel who leave under the early retirement program, the Army is required to establish a subaccount within the Military Personnel Appropriation to fund all early retirement payments up front in the Military Personnel Appropriation to cover the entire initial period, which is defined as that period equal to the difference between 20 years and the number of years completed by the member. The authority to use the early retirement program was extended from 1 Oct 1999 to 1 Oct 2001 by the FY 1999

National Defense Authorization Act. However, the Army having reached steady state end strength at the end of FY 1999 and has not offered early retirement to any new takers since FY 1999.

## **Part II - Justification of Funds Requested**

Severance payments are determined by multiplying the projected number eligible for each type of payment by the estimated average payment applicable. Accumulated leave payments are made based upon leave accrued as of 1 September 76. For leave accumulated prior to 1 September 76, and retained throughout the career, payments include basic pay, \$1.25 per day quarters allowance to members in pay grade E-5 to E-9 with dependents, and 70 cents per day to all members for subsistence. For leave accumulated after 1 September 76, to include lowering of leave balances prior to 1 September 76, the rate payable is basic pay only. Leave payments will not exceed a career total of 60 days. Severance pay for disability is computed at two months basic pay of grade held at time of discharge multiplied by the number of years active service, but not more than 12. The SSB amount is from the annual base pay times 15 percent times years of service. The VSI (annuity) is a product of annual base pay times 2.5 percent times years of service and is paid for twice the number of years served, without any cost of living adjustments. Donations are computed by multiplying the programmed number of releases from confinement and the number discharged for fraudulent enlistments by \$25.00. The National Defense Authorization Act for FY 1992 and FY 1993 required the establishment of a VSI Fund effective 1 January 93 from which VSI payments will be made. The act further required the board of actuaries to determine: (1) the amount necessary to liquidate the original unfunded liability, i.e., those personnel accepting VSI benefits prior to 1 January 93 and (2) the total present value costs necessary to fund those members accepting VSI benefits after 1 January 93.

The FY 2000 Authorization Act provides for a system that will give the soldier the option to retire under the pre-1986 military retirement system or accept a one-time \$30,000 lump sum payment and remain under the Redux retirement plan. The lump sum payments began being paid from the Military Personnel appropriation in FY 2001 and full implementation of the program is reflected in the budget from FY 2002 into the future.

The FY 2000 Authorization Act provides for special compensation for uniformed service retirees who completed a minimum 20 years of creditable service for computing the amount of retired pay, and also had incurred a qualifying combat related disability. A qualifying disability includes a war related service disability rated at a minimum 60 percent, or a minimum 10 percent disability for which they received a Purple Heart. The amount of the compensation is equal to the veterans' disability compensation based solely on the combat related disability.

The requirement for separation pay changes by +\$6.8 million between FY 2005 and FY 2006 is based on--

- (1) Annualization of the 3.5%, 1 Jan 2005: +\$1.3 million.
- (2) The FY 2006, 3.1% pay raise: +\$6.7 million.
- (3) Increased numbers receiving terminal leave separation payments, and increased takers for the \$30 thousand lump sum payment: +\$37.0 million.
- (4) Decreased numbers receiving disability and involuntary severance payments: -\$38.2 million.

The requirement for separation pay changes by +\$5.4 million between FY 2006 and FY 2007 is based on--

- (1) Annualization of the 3.4%, 1 Jan 2006: +\$1.7 million.
- (2) Price growth: +\$4.7 million.
- (3) Increased numbers receiving involuntary half type (5%) severance payments: +\$1.2 million.
- (4) Decreased numbers receiving terminal leave, disability, and involuntary full type (10%) severance payments: -\$2.2 million.

Detailed cost computations are provided by the following table:

ENLISTED SEPARATION PAYMENTS  
(AMOUNT IN THOUSANDS OF DOLLARS)

	ACTUAL FY 2004				ESTIMATE FY 2005				ESTIMATE FY 2006				ESTIMATE FY 2007			
	NUMBER	AVG DAYS	RATE	AMOUNT	NUMBER	AVG DAYS	RATE	AMOUNT	NUMBER	AVG DAYS	RATE	AMOUNT	NUMBER	AVG DAYS	RATE	AMOUNT
LUMP SUM TERMINAL LEAVE PAYMENTS																
SGT MAJOR.....	518	16.0	\$ 2,720	\$ 1,409	550	16.0	\$ 2,568	\$ 1,412	375	16.0	\$ 2,668	\$ 1,001	369	16.0	\$ 2,752	\$ 1,016
1ST SGT/MSG....	2,220	17.2	2,334	5,182	2,370	17.2	2,209	5,236	1,446	17.2	2,307	3,335	1,423	17.2	2,379	3,386
PLATOON SGT/SFC	4,644	18.7	2,157	10,019	4,846	18.7	2,035	9,864	4,144	18.7	2,120	8,784	3,934	18.7	2,186	8,601
STAFF SGT.....	3,556	24.4	2,275	8,091	3,848	24.4	2,134	8,210	5,872	24.4	2,210	12,976	5,611	24.4	2,279	12,790
SERGEANT.....	8,247	19.8	1,525	12,573	9,280	19.8	1,428	13,251	10,682	19.8	1,478	15,784	10,446	19.8	1,524	15,921
CPS/SPEC 4.....	24,651	17.3	1,052	25,928	25,680	17.3	984	25,281	22,437	17.3	1,020	22,885	22,892	17.3	1,052	24,084
PRIVATE, FC....	4,625	18.7	932	4,312	4,778	18.7	874	4,176	7,482	18.7	907	6,785	7,343	18.7	935	6,869
PRIVATE (E2)....	5,111	16.6	750	3,834	5,431	16.6	704	3,822	5,693	16.6	731	4,159	5,646	16.6	754	4,255
PRIVATE (E1)....	8,705	20.3	727	6,330	8,996	20.3	687	6,181	9,325	20.3	719	6,703	9,242	20.3	742	6,854
SUBTOTAL.....	62,277			\$ 77,678	65,779			\$ 77,433	67,456			\$ 82,412	66,906			\$ 83,776
SEVERANCE PAY (DISABILITY)....	4,001		18,995	\$ 75,999	4,645		19,693	\$ 91,475	3,924		20,327	\$ 79,765	3,890		21,007	\$ 81,718
AUTHORIZED DONATIONS.....	152		25	4	152		25	4	0		0	0	0		0	0
INVOLUNTARY HALF-PAY(5%)....	1,226		10,952	13,427	1,363		11,355	15,476	642		11,720	7,524	742		12,112	8,987
INVOLUNTARY FULL-PAY(10%)...	981		22,355	21,930	1,342		23,177	31,103	659		23,923	15,765	648		24,723	16,021
SPECIAL SEP BENEFIT(15%)	0		0	0	0		0	0	0		0	0	0		0	0
15 YEAR RETIREMENT.....	0		0	0	0		0	0	0		0	0	0		0	0
SUBTOTAL SEPARATION PAY (NON-DISABILITY).....	2,207			\$ 35,357	2,705			\$ 46,579	1,301			\$ 23,289	1,390			\$ 25,008
VOLUNTARY SEPARATION INCENTIVE (DIRECT MILPERS PAY) 1) THRU DEC 31, 1992...	0			\$ 4,935	0			\$ 5,760	0			\$ 5,760	0			\$ 5,760
JAN 1, 1993 AND AFTER.....	0			0	0			0	0			0	0			0
\$30,0000 LUMP SUM BONUS.....				\$ 116,231				\$ 66,124				\$ 102,938				\$ 103,287
TOTAL ENLISTED SEPARATION PAY..	68,637			\$ 310,204	73,281			\$ 287,375	72,681			\$ 294,164	72,186			\$ 299,549

1) VSI recipients after 31 Dec 92 - Payments are made from the Military Personnel, Army Appropriation to the VSI Trust Fund.

(AMOUNTS IN THOUSANDS OF DOLLARS)

ESTIMATE FY 2007	\$ 300
ESTIMATE FY 2006	\$ 300
ESTIMATE FY 2005	\$ 300
ACTUAL FY 2004	\$ 0

**Project: RC Return for Disability (High 36mths Avg)**

**Part I - Purpose and Scope**

Section 641 of the FY 2005 National Defense Authorization Act (NDAA), Subsection (c) of Section 1407 of Title 10, United States Code, requires the computation of high-36 month average retirement pay for reserve component members, retired for disability while on active duty or dying while on active duty, to be similar to the active component.

**Part II - Justification of Funds Requested**

In the case of a member of a reserve component who is entitled to retired pay, the member's high-three average is computed in the same manner for an active duty member entitled to retired pay.

Detailed cost computations are provided by the following table.

ENLISTED RC RETURNED FOR DISABILITY (HIGH 36MTHS AVG)  
 (AMOUNTS IN THOUSANDS OF DOLLARS)

	ACTUAL FY 2004 AMOUNT	ESTIMATE FY 2005 AMOUNT	ESTIMATE FY 2006 AMOUNT	ESTIMATE FY 2007 AMOUNT
RC RETURNED FOR DISABILITY (HIGH 36MTHS AVG).....	\$ 0	\$ 300	\$ 300	\$ 300

(AMOUNTS IN THOUSANDS OF DOLLARS)

ESTIMATE FY 2007	\$ 787,366
ESTIMATE FY 2006	\$ 759,022
ESTIMATE FY 2005	\$ 728,842
ACTUAL FY 2004	\$ 1,018,310

**Project: Social Security Tax - Employer's Obligation - Enlisted**

**Part I - Purpose and Scope**

The funds requested provide for the employer's tax to the Social Security Administration as required by the Federal Insurance Contribution Act (FICA).

**Part II - Justification of Funds Requested**

The FICA tax is developed by multiplying the total earnings for FICA tax purposes by the applicable percentage. The Old Age, Survivor, and Disability Insurance (OASDI) rate is 6.2 percent and the Hospital Insurance (HI) rate is 1.45 percent. The maximum amount of earnings per individual on which tax is payable are:

Calendar year	OASDI Base	Medicare Base
2003	\$87,000	No upper limit
2004	\$87,900	No upper limit
2005	\$89,700	No upper limit
2006	\$91,800	No upper limit
2007	\$96,900	No upper limit

The net change in the FICA requirement is +\$30.2 million between FY 2005 and FY 2006, and +\$30.0 million between FY 2006 and FY 2007. These changes are based on -

- (31) Annualization of the 1 Jan 2005, 3.5% pay raise: +\$6.4 million.
- (32) The FY 2006, 3.1% pay raise: +\$17.5 million.
- (33) G.I Bill Offset change from FY 2005 to FY 2006: -\$0.9 million.
- (34) Manyear changes between FY 2005 and FY 2006 are: -\$3.0 million.
- (35) Grade Structure changes between FY 2005 and FY 2006 are: -\$1.1 million.
- (36) Force Manning Change between FY 2005 and FY 2006 is: +\$11.3 million.

The net change in the FICA requirement is +\$28.3 million between FY 2006 and FY 2007. These changes are based on -

- (1) Annualization of the 1 Jan 2006, 3.1% payraise: +\$5.9 million.
- (2) Price growth: +\$19.9 million.
- (3) G.I. Bill Offset change from FY 2006 to FY 2007: +\$.4 million
- (4) Manyear changes between FY 2005 and FY 2006 are: +\$3.9 million.
- (5) Grade Structure changes between FY 2005 and FY 2006 are: -\$.3 million.



(6) Force Manning Change between FY 2005 and FY 2006 is: -\$1.5 million.

Detailed cost computations are provided by the following table:

ENLISTED SOCIAL SECURITY TAX  
(AMOUNTS IN THOUSANDS OF DOLLARS)

	ACTUAL FY 2004			ESTIMATE FY 2005			ESTIMATE FY 2006			ESTIMATE FY 2007		
	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT
SOCIAL SECURITY TAX - EMPLOYER'S CONTRIBUTION OF TAX ON BASIC PAY.....	516,145	\$ 1,973.04	1,018,375	399,990	\$ 1,822.31	\$ 728,907	399,774	\$ 1,898.79	\$ 759,087	400,521	\$ 1,966.02	\$ 787,431
LESS NON_JUDICIAL FINES AND FORFEITURES.....			\$ 65			\$ 65			\$ 65			\$ 65
TOTAL ENLISTED SOCIAL SECURITY TAX.....	516,145		1,018,310	399,990		\$ 728,842	399,774		\$ 759,022	400,521		\$ 787,366

Schedule of Increases and Decreases  
(Amounts in thousands of dollars)

Pay and Allowance of Cadets			
FY 2005 Direct Program			\$ 50,969
Increases:			
Pricing Increases:			
a. Annualization of pay raise		273	
b. New Pay Raise FY 2006 3.1%		1,091	
c. Cost growth for subsistence rate		441	
Total Pricing Increases		1,805	
Program Increases:			
a. FY2006 Pay Raise		790	
b. Subsistence Allowance		188	
c. Operational Rations		579	
Total Program Increases		1,557	
Total Increases			\$ 3,362
Decreases:			
Pricing Decreases:			
Total Pricing Decreases		0	
Program Decreases:			
Total Program Decreases		0	
Total Decreases			\$ 0
FY 2006 Direct Program			\$ 54,331

Schedule of Increases and Decreases  
(Amounts in thousands of dollars)

Pay and Allowance of Cadets			
FY 2006 Direct Program			\$ 54,331
Increases:			
Pricing Increases:			
a.	Annualization of FY 2005 pay raise	291	
b.	Price growth	1,168	
c.	Cost growth for subsistence rate	519	
	Total Pricing Increases	1,978	
Program Increases:			
a.	Program growth	30	
b.	Subsistence Allowance	7	
c.	Change in level of operational rations use.	23	
	Total Program Increases	60	
Total Increases			\$ 2,038
Decreases:			
Pricing Decreases:			
	Total Pricing Decreases	0	
Program Decreases:			
	Total Program Decreases	0	
Total Decreases			\$ 0
FY 2007 Direct Program			\$ 56,369

(AMOUNTS IN THOUSANDS OF DOLLARS)

ESTIMATE FY 2007	\$ 56,369
ESTIMATE FY 2006	\$ 54,331
ESTIMATE FY 2005	\$ 50,969
ACTUAL FY 2004	\$ 49,760

**Project: Academy Cadets**

**Part I - Purpose and Scope**

The funds requested provide for basic pay and allowances of Academy Cadets and commuted ration allowance under the provisions of 37 U.S.C. 201, 203, and 422. The employer's share of FICA tax as provided by the Federal Insurance Contribution Act (FICA) is included.

**Part II - Justification of Funds Requested**

Section 203(c) of Title 37 U.S.C. was amended by Sec 612 of the FY 2001 National Defense Authorization Act. This amendment, effective 1 October 2001, set the basic pay rate of the Cadet to be "at the monthly rate equal to 35 percent of the basic pay of a commissioned officer in the pay grade O-1 with less than two years of service."

The funding requirement is determined by applying annual rates to the projected manyears.

The cadet funding requirements change by +\$3.4 million from FY 2005 to FY 2006 is based on:

- (1) Pay raise increase: +\$1.4 million.
- (2) Increased requirement for subsistence: +\$.4 million.
- (3) Operational rations usage change: +\$.6 million.

The cadet funding requirements change by +\$2.0 million from FY 2006 to FY 2007 is based on:

- (1) Price growth: +\$1.5 million.
- (2) Increased requirement for subsistence: +\$.5 million.

Detailed cost computations are provided by the following table:

PAY AND ALLOWANCE OF ACADEMY CADETS  
(AMOUNTS IN THOUSANDS OF DOLLARS)

	ACTUAL FY 2004			ESTIMATE FY 2005			ESTIMATE FY 2006			ESTIMATE FY 2007		
	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT	AVERAGE NUMBER	RATE	AMOUNT
(1) BASIC PAY.....	4,076	\$ 9,425	\$ 38,416	3,966	\$ 9,759	\$ 38,704	4,047	10,072	\$ 40,761	4,050	10,407	\$ 42,148
(2) SUBSISTENCE - COMMUTED-RATION												
A. SUBSISTENCE ALLOWANCE.....	4,076	\$ 1,987	8,099	3,966	\$ 2,318	9,193	4,047	\$ 2,427	9,822	4,050	\$ 2,555	10,348
B. OPERATIONAL RATIONS.....			310			50			629			652
(3) SOCIAL SECURITY TAX -												
EMPLOYER CONTRIBUTION.....	4,071	\$ 721	2,935	4,046	\$ 747	3,022	4,046	\$ 771	3,119	4,046	\$ 796	3,221
TOTAL ACADEMY CADETS.....	4,076		\$ 49,760	3,966		\$ 50,969	4,047		\$ 54,331	4,050		\$ 56,369

Schedule of Increases and Decreases  
(Amounts in thousands of dollars)

Subsistence of Enlisted Personnel		
FY 2005 Direct Program		\$ 1,395,594
Increases:		
Pricing Increases:		
Basic Allowance Subsistence rates increased (5.0 percent, tied to USDA food cost index) effective 1 Jan 2006.	48,740	
Subsistence in Messes increase in meal cost.	6,727	
Family Subsistence Supplemental Allowance rate increase.	88	
Operational Rations rate increase.	5,512	
Total Pricing Increases	61,067	
Program Increases:		
Reflects the increase associated with the enlisted receiving/authorized to Mess Separately	0	
Reflects the increase associated with the enlisted receiving OPRATS (26% increase in myrs)	24,643	
Reflects the increase associated with the enlisted receiving AUGRATS	332	
Family Subsistence Supplemental Allowance participant increase.	12	
Reflects BAS reimbursable decrease.	2,769	
Miscellaneous	0	
Total Program Increases	27,756	
Total Increases		\$ 88,823
Decreases:		
Pricing Decreases:		
	0	
	0	
Total Pricing Decreases	0	
Program Decreases:		
Reflects the decrease associated with the enlisted receiving BAS	(108,674)	
Reflects the decrease associated with the enlisted receiving Subsistence in Kind	(6,854)	
Reflects the decrease associated with enlisted requiring Family Supplemental Subsistence Allowance	0	
Reimbursable SIK program increase	(11,251)	
Total Program Decreases	(126,779)	
Total Decreases		\$ (126,779)
FY 2006 Direct Program		\$ 1,357,638

Schedule of Increases and Decreases  
(Amounts in thousands of dollars)

Subsistence of Enlisted Personnel		
FY 2006 Direct Program		\$ 1,357,638
Increases:		
Pricing Increases:		
Basic Allowance Subsistence rates increased (5.0 percent, tied to USDA food cost index) effective 1 Jan 2006.	49,695	
Subsistence in Messes increase in meal cost.	7,132	
Other Package OP Rations rate increase.	5,774	
Family Subsistence Supplemental Allowance rate increase.	46	
Increase in reimbursable program.	2,521	
Total Pricing Increases	65,168	
Program Increases:		
Reflects the increase associated with the enlisted receiving OPRATS.	17,336	
Reflects the increase associated with the enlisted receiving Subsistence in Messes.	11,176	
Increase in the number of enlisted receiving Augmentation Rations	566	
Reflects an increase associated with the enlisted receiving Family Subsistence Supplemental Allowances.	12	
Total Program Increases	29,090	
Total Increases		\$ 94,258
Decreases:		
Pricing Decreases:		
Total Pricing Decreases	0	
Program Decreases:		
Reflects the decrease associated with the enlisted receiving BAS.	(16,315)	
Reflects a decrease in the reimbursable/collections Basic Allowance Subsistence program.	(4,361)	
Total Program Decreases	(20,676)	
Total Decreases		\$ (20,676)
FY 2007 Direct Program		\$ 1,431,220



(AMOUNTS IN THOUSANDS OF DOLLARS)

ESTIMATE FY 2007	\$ 1,467,028
ESTIMATE FY 2006	\$ 1,392,101
ESTIMATE FY 2005	\$ 1,420,034
ACTUAL FY 2004	\$ 3,698,531

**Project: Subsistence of Enlisted Personnel**

**Part I - Purpose and Scope**

The funds requested for this budget activity are for the payment of authorized Basic Allowances for Subsistence (BAS) and Subsistence-in-Kind (SIK). Subsistence in this account is for the active duty enlisted soldier. Subsistence-in-Kind includes the cost of procuring subsistence for garrison dining facilities (Subsistence in Messes), operational rations, and augmentation rations. Funded reimbursements include collections from the Army National Guard, Army Reserve, and cash collections from dining facilities. The 2001 National Defense Authorization Act added a Family Subsistence Supplemental Allowance for members with dependents who are food-stamp eligible and make application for such allowance.

**Part II - Justification of Funds Requested**

This budget activity includes the Basic Allowance for Subsistence (BAS) paid to the enlisted soldier. BAS is paid under the following conditions: (1) when authorized to mess separately, (2) while on authorized leave, (3) when subsistence-in-kind is not available, and (4) for the augmentation of commuted ration allowance for meals taken separately.

**Basic Allowance for Subsistence** In FY 1998, the Department of Defense proposed and the Congress enacted reform in the Basic Allowance for Subsistence (BAS) that linked BAS to the Department of Agriculture (DoA) food plan indices. Since FY 2002 rate changes have been tied to the annual USDA food cost index. All enlisted members (except recruits and holdees) are entitled to BAS. Between FY 2005 and FY 2006 BAS costs increase +\$46.4 million.

**Subsistence-In-Kind (SIK)** funds subsistence to feed enlisted soldiers their daily food rations in accordance with Title 10 U.S.C. This program funds meals provided in garrison dining facilities (subsistence in messes), operational rations, and augmentation rations.

**Subsistence-in-Messes** is the cost of bulk subsistence for dining facilities. SIK garrison dining facility budget requirements are dependent on the number of personnel using the dining facilities (participation rate), and the cost of subsistence used in preparing meals (food cost). All CONUS installations and OCONUS installations have converted to the Subsistence Prime Vendor (SPV) program wherein commercial wholesale food distributors sell and deliver subsistence items directly to each dining facility. These commercial distributors replaced a system of government owned and operated depots. Under the SPV program, subsistence prices are more susceptible to market price fluctuations than under the previous depot system.

From FY 2005 to FY 2006 Subsistence-in-Messes costs increase +\$10.4 million due to inflation.

Operational Rations are rations used for field subsistence. Operational rations include Meal-Ready-to Eat (MRE), Unitized Group Rations (UGR) that include "heat and serve" and A-ration varieties, and Cold Weather Rations. SIK funds the cost of operational rations for both officers and enlisted soldiers. The number of active duty soldiers, the type of operational rations served, and the requirements of the training scenarios determine costs for operational rations. From FY 2005 to FY 2006 Operational Rations costs increase +\$4.3 million due to inflation.

Augmentation Rations include contract meals, meals furnished to enlisted soldiers during hospitalization, KATUSA (Korean Augmentation to U.S. Army) rations, and Host Nation support. Contract meals are furnished under contracts approved by competent authority at commercial facilities, which is done when the payment of commuted rations (BAS) would create an individual hardship and/or the costs for establishing a government mess facility are prohibitive. The number of authorized recipients, the type of augmentation ration served, and the quantity requirements determine costs for augmentation rations.

Between FY 2005 and FY 2006 operational rations and augmentation rations increase by \$45.5 million, attributed to cost growth and increased by number of participants.

Family Subsistence Supplemental Allowance (FSSA), pursuant to Section 402a of title 37, United States Code, begins 1 May 2001. The program is designed to provide members who are eligible for food stamps a supplemental allowance not to exceed \$500 a month. A members may be eligible if his total household income, including the member's BAH entitlement (even if the member is in quarters) is less than the food-stamp income eligibility ceiling, as defined by the U. S. Department of Agriculture. When a member is in a non-pay status for any reason, the member is not eligible for FSSA during that non-pay period. The FSSA is voluntary, and the member must reapply whenever he experiences a significant change in household income or number of people living in the household.

Between FY 2005 and FY 2006 FSSA allowances have a slight decline based on actual payments.

Between FY 2006 and FY 2007 FSSA allowance increased \$0.1 based on actual payments.

ENLISTED BASIC ALLOWANCE FOR SUBSISTENCE  
(AMOUNTS IN THOUSANDS OF DOLLARS)

	ACTUAL FY 2004			ESTIMATE FY 2005			ESTIMATE FY 2006			ESTIMATE FY 2007		
	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT
A. BASIC ALLOWANCE FOR SUBSISTENCE												
1. WHEN AUTH TO MESS SEP.....	357,612	\$ 3,020	1,080,128	315,180	\$ 3,120	\$ 983,340	308,490	\$ 3,354	1,034,580	303,599	\$ 3,515	1,067,017
2. WHEN RATIONS IN KIND NOT AVAILABLE.....	26,758	\$ 3,159	\$ 84,519	21,270	\$ 3,221	\$ 68,504	0	\$ 0	\$ 0	0	\$ 0	\$ 0
3. AUGMENTATION OF COMMUTED RATION ALLOW FOR MEALS TAKEN SEP.....	0	\$ 0	\$ 0	0	\$ 0	\$ 0	0	\$ 0	\$ 0	0	\$ 0	\$ 0
4. LESS COLLNS.....	69,676	\$ 2,621	\$ 182,620	91,103	\$ 2,705	\$ 246,434	68,500	\$ 2,665	\$ 182,523	67,609	\$ 2,702	\$ 182,670
TOTAL ENLISTED BAS.....	384,370		\$ 982,027	336,450		\$ 805,410	308,490		\$ 852,057	303,599		\$ 884,347
B. SUBSISTENCE-IN-KIND												
1. SUB-IN-MESS												
A. TRAINEE/ NP STATUS...	90,580	\$ 2,573	\$ 233,061	31,796	\$ 2,612	\$ 83,056	30,739	\$ 2,622	\$ 80,612	34,233	\$ 2,667	\$ 91,301
B. MEM TAKING MEALS IN MESS..	524,994	\$ 2,786	1,462,392	68,219	\$ 2,828	\$ 192,919	68,770	\$ 2,847	\$ 195,770	69,631	\$ 2,895	\$ 201,591
C. REIMB.....			\$ 31,925			\$ 24,440			\$ 34,463			\$ 35,808
SUBTOTAL SUB-IN-MESS....	615,574		1,727,378	100,015		\$ 300,415	99,509		\$ 310,845	103,864		\$ 328,700
2. OP RATIONS												
A. MRES.....	18,689	\$ 7,540	\$ 140,917	17,561	\$ 7,676	\$ 134,795	17,005	\$ 8,300	\$ 141,146	17,354	\$ 8,441	\$ 146,492
B. UNITIZED RATIONS.....	10,225	\$ 4,721	\$ 48,272	9,607	\$ 4,806	\$ 46,170	17,234	\$ 4,789	\$ 82,528	17,588	\$ 4,870	\$ 85,655
C. OTHER PACKAGE												
OP RATIONS..	1,051	\$ 8,294	\$ 8,717	338	\$ 8,443	\$ 2,854	521	\$ 8,570	\$ 4,465	532	\$ 8,716	\$ 4,637
D. REIMB.....			\$ 0			\$ 0			\$ 0			\$ 0
SUBTOTAL			\$ 197,906			\$ 183,819			\$ 228,139			\$ 236,784
OP RATS.....			\$ 197,906			\$ 183,819			\$ 228,139			\$ 236,784
3. AUG RATS/ OTHER PROG												
A. AUG RATS....			\$ 40,368			\$ 9,036			\$ 9,325			\$ 9,628
B. OTHER - REGION.....			\$ 0			\$ 27,417			\$ 28,291			\$ 29,967
C. OTHER - MESSING.....			\$ 0			\$ 0			\$ 0			\$ 0
SUBTOTAL			\$ 40,368			\$ 36,453			\$ 37,616			\$ 39,595
AUG RATS/ OTHER PROG.....			\$ 40,368			\$ 36,453			\$ 37,616			\$ 39,595
TOTAL SIK.....			1,965,652			\$ 520,687			\$ 576,600			\$ 605,079
C. FAMILY SUB SUP ALLOW (FSSA)												
TOTAL FSSA.....	697	\$ 2,266	\$ 1,580	659	\$ 2,332	\$ 1,537	644	\$ 2,398	\$ 1,544/1	649	\$ 2,468	\$1,602
TOTAL SUBSISTENCE PROGRAM.....			2,949,259			1,327,634			1,430,201			1,491,028
LESS REIMBURSABLES.....			\$ 31,925			\$ 24,440			\$ 34,463			\$ 35,808
TOTAL DIRECT SUBSISTENCE.....			2,917,334			1,303,194			1,395,738			1,455,220

1/Error on M-1: corrected estimate for FY 2006 & FY 2007; difference to BAS.

Schedule of Increases and Decreases  
(Amounts in thousands of dollars)

Permanent Change of Station Travel		
FY 2005 Direct Program		\$ 947,354
Increases:		
Pricing Increases:		
a. Annualization of Dislocation Allowance (DLA) FY 2005 3.5% pay raise effective 1 Jan 2005.	507	
b. FY 2006 3.1% pay raise effective 1 Jan 2006.	1,555	
c. Increase in rates for Member Travel.	11,894	
d. Increase in rates for Dependent Travel.	2,008	
e. Increase in rates for House Hold Goods - Land/Seas	9,517	
f. Increase in rates for Trailer.	10	
g. Increase in rates for POV Port/Sealift.	5,385	
h. Increase in rates for Temporary Lodging Expense.	1,393	
i. Increase in rates for Non-Temp Storage.	0	
Total Pricing Increases	32,269	
Program Increases:		
a. Increase in number of Member Travel.	61,430	
b. Increase in number of Dependent Travel.	2,537	
c. Increase in number of personnel receiving Dislocation Allowance.	3,949	
d. Increase in number of moves Household Goods - Land/Seas	37,333	
e. Increase in number of personnel receiving POV Port/Sealift allowances.	5,487	
f. Increase in number of personnel receiving Temporary Lodging Expense allowances.	2,506	
g. Increase in number of personnel receiving Non-Temp Storage allowances	21,314	
Total Program Increases	134,556	
Total Increases		\$ 166,825
Decreases:		
Pricing Decreases:		
a. Decrease in rates for Trailer Allowance.	(4)	
b. Decrease in rates for Non-Temporary Storage	(5,340)	
Total Pricing Decreases	(5,344)	
Program Decreases:		
Total Program Decreases	0	
Total Decreases		\$ (5,344)
FY 2006 Direct Program		\$ 1,108,835

Schedule of Increases and Decreases  
(Amounts in thousands of dollars)

Permanent Change of Station Travel		
FY 2006 Direct Program		\$ 1,108,835
Increases:		
Pricing Increases:		
a. Annualization of Dislocation Allowance (DLA) FY 2006 3.1% pay raise effective 1 Jan 2006.	531	
b. Price growth Dislocation Allowance.	1,595	
c. Increase in rates per diem for Member Travel	7,055	
d. Increase in rates per diem for Dependent Travel	2,984	
e. Increase in rates for House Hold Goods - Land/Seas	6,595	
f. Increase in rates for Trailer.	19	
g. Increase in rates for POV Port/Sealift.	8,869	
h. Increase in rates for Non-Temp Storage.	3,502	
i. Increase in rates for Temporary Lodging Expense	451	
Total Pricing Increases	31,601	
Program Increases:		
a. Increase in number of personnel receiving Trailer Allowance	517	
b. Increase in number of personnel receiving POV Port/Sealift allowances.	7,468	
Total Program Increases	7,985	
Total Increases		\$ 39,586
Decreases:		
Pricing Decreases:		
Total Pricing Decreases	0	
Program Decreases:		
a. Decrease in number of personnel receiving per diem Member Travel.	(34,744)	
b. Decrease in number of personnel receiving per diem Dependent Travel.	(887)	
c. Decrease in number of household goods Land/ITGBL Shipments	(25,829)	
d. Decrease in number of personnel receiving Dislocation Allowance.	(4,510)	
e. Decrease in number of personnel receiving /Port Handling Household Goods shipments.	(2,234)	
f. Decrease in number of Non-Temp Storage	(8,196)	
g. Decrease in number personnel receiving Temporary Lodging Expense	(683)	
Total Program Decreases	(77,083)	
Total Decreases		\$ (77,083)
FY 2007 Direct Program		\$ 1,071,338

PCS - SUMMARY OF MOVE REQUIREMENTS  
(AMOUNTS IN THOUSANDS OF DOLLARS)

	ACTUAL FY 2004		ESTIMATE FY 2005		ESTIMATE FY 2006		ESTIMATE FY 2007	
	NUMBER	AMOUNT	NUMBER	AMOUNT	NUMBER	AMOUNT	NUMBER	AMOUNT
ACCESSIONS TRAVEL.....	88,487	112,194	82,499	195,416	82,496	209,851	77,494	212,713
TRAINING TRAVEL.....	9,386	76,061	8,738	53,235	8,738	54,855	8,738	55,584
OPERATIONAL TRAVEL BETWEEN DUTY STATIONS..	26,580	214,713	24,529	177,814	24,529	198,988	24,529	180,885
ROTATIONAL TRAVEL TO AND FROM OVERSEAS...	57,722	577,754	38,000	313,045	50,000	410,789	43,600	387,143
SEPARATION TRAVEL.....	91,527	115,401	86,054	154,083	85,979	173,045	92,287	174,342
TRAVEL OF ORGANIZED UNITS.....	1,062	5,707	600	3,492	600	3,561	600	3,636
NON-TEMPORARY STORAGE.....		27,912		31,387		34,883		35,133
TEMPORARY LODGING EXPENSE.....		18,427		21,011		25,036		24,121
TOTAL OBLIGATIONS.....	274,764	1,148,169	240,420	949,483	252,342	1,111,008	247,248	1,073,557
LESS: REIMBURSABLES.....		\$ 10,634		\$ 2,129		\$ 2,173		\$ 2,219
TOTAL DIRECT.....	274,764	1,137,535	240,420	947,354	252,342	1,108,835	247,248	1,071,338

PCS - SUMMARY OF REQUIREMENTS BY TYPES OF COST  
(AMOUNTS IN THOUSANDS OF DOLLARS)

	ACTUAL FY 2004		ESTIMATE FY 2005		ESTIMATE FY 2006		ESTIMATE FY 2007	
	NUMBER	AMOUNT	NUMBER	AMOUNT	NUMBER	AMOUNT	NUMBER	AMOUNT
TRAVEL OF MILITARY MEMBER								
MILEAGE AND PER DIEM.....	274,764	\$ 492,610	240,420	\$ 396,915	252,342	\$ 472,547	247,248	\$ 445,255
AMC.....	3,642	2,954	484	248	1,623	1,365	2,271	332
COMMERCIAL AIR.....	75,168	63,869	87,988	76,524	99,828	85,992	90,603	82,104
TRAVEL OF DEPENDENTS								
MILEAGE.....	74,776	40,028	69,472	34,851	70,778	37,600	70,003	37,766
AMC.....	70	65	154	96	404	366	892	183
COMMERCIAL AIR.....	8,479	7,973	8,488	7,019	10,567	8,545	14,263	11,053
TRANSPORTATION OF HHG								
LAND SHIPMENT.....	106,274	325,776	128,822	259,309	138,398	301,367	129,215	281,639
ITGBL SHIPMENT.....	10,656	19,543	49,945	44,244	52,871	49,036	54,885	49,530
DISLOCATION ALLOWANCE.....	103,197	85,763	46,206	50,238	50,414	55,757	45,093	53,287
TRAILER ALLOWANCE.....	973	554	662	383	648	384	1,526	921
TRANSPORTATION OF POVS.....	20,933	62,401	6,842	23,884	8,008	33,239	9,807	44,004
PORT HANDLING CHARGES.....		294		3,374		4,891		8,229
NON-TEMPORARY STORAGE.....		27,912		31,387		34,883		35,133
TEMPORARY LODGING EXPENSE.....		18,427		21,011		25,036		24,121
TOTAL OBLIGATIONS.....		\$ 1,148,169		\$ 949,483		\$ 1,111,008		\$ 1,073,557
LESS: REIMBURSABLES.....		\$ 10,634		\$ 2,129		\$ 2,173		\$ 2,219
TOTAL DIRECT.....		\$ 1,137,535		\$ 947,354		\$ 1,108,835		\$ 1,071,338

**Section 4**  
**Permanent Change of Station Travel**

**Purpose and Scope of Work**

To improve unit cohesion and readiness, while reducing turbulence in units and uncertainty for families, the Army is changing how we man our units. Our objective is to keep Soldiers and leaders in units longer to reduce chronically high turnover rates, to improve cohesion within units, and to increase training proficiency and overall combat readiness. Units that stay together longer function as a team better, understand their duties and their equipment better, require less periodic retraining, and tend to perform better during deployments.

These assignment policies, now being implemented, also will improve quality of life and increase predictability for Soldiers, families and civilian employers. Stabilizing Soldiers will allow their families to build deeper roots within their communities and to enjoy more opportunities for spouse employment, continuity of healthcare, schooling and other benefits. This program also reduces the chance of a Soldier moving from a unit that recently redeployed to a unit preparing to deploy. The Army gains more cohesive, more experienced units; Soldiers and families gain stability and access to stronger support networks, which will enhance well-being.

The funds requested are for expenses incident to Permanent Change of Station (PCS) travel of military personnel. The total requirement is a function of number of moves, entitlements, and rates.

Entitlements for PCS include:

- Mileage and monetary allowances in lieu of transportation for members and dependents
- Transportation by common carrier to include military airlift for members and dependents.
- Transportation of Household Goods (HHG) and baggage by common carrier, AMC, and Military Sealift Command (MSC). Examples include cost of packing, crating, handling, and temporary storage.
- Transportation and storage in lieu of transportation of Privately Owned Vehicles.
- Port handling charges for HHG, baggage, and POVs.
- Transportation of trailers.
- Non-temporary storage of HHG and POVs.
- Dislocation Allowances.
- Temporary Lodging Expenses.
- Pet Quarantine Fees.

The total number of moves is driven by the commitment to station 25 percent of the force overseas and by mandated end strength. All personnel overseas serve prescribed tour lengths as directed by Senate Report 99-176, 1986 DOD Appropriation Bill and House of Representatives Report 99-81, Authorization Bill. Congressional language in these reports establishes 36 month accompanied and 24 month unaccompanied tour lengths unless assigned duty area is designated a hardship area by the Service Secretary.



- The overseas rotational moves account for 26 percent of the Army's total moves program and 39 percent of total PCS costs.
- Accessions and Separations moves comprise 62 percent of total moves and 34 percent of the dollar requirement.
- The remaining move/dollar requirements consist of Operational, Training and Unit moves which equal 12 percent of total moves and 27 percent of dollar requirements. These moves are essential to maintain requisite levels of training, force readiness, quality of life, unit integrity, and support Base Realignment and Closure actions.

The General Accounting Office examined the Army's system of rotating forces overseas and reported to Congress that Army was using the most advantageous system to fill overseas positions.

Congress increased household goods weight allowances for junior enlisted members and raised the maximum amount for TLE, subsistence, per diem rates, and reimbursable during a permanent change of station.

The FY 2006 budget estimate increases by +\$138.8 million from the FY 2005 program

1. 1.5% inflation generates costs of +\$22.4 million.
2. Authorized pay raise of 3.1% increases Dislocation Allowance costs by +\$4.0 million.
3. Increased moves reflect a +\$102.3 million.
4. Non-Temporary Storage and Temporary Lodge Expense Allowance has a rate increase +\$1.0 million.

The FY 2007 budget estimate decreases by -\$137.8 million from the FY 2006 program

1. 1.7% inflation generates costs of +\$29.2 million.
2. Authorized pay raise of 3.4% increases Dislocation Allowance costs by +\$3.1 million.
3. Decrease in moves reflects a -\$171.1 million.
4. Non-Temporary Storage and Temporary Lodge Expense Allowance has a rate decreases of -\$1.0 million.

(AMOUNTS IN THOUSANDS OF DOLLARS)

ESTIMATE FY 2007	\$ 212,713
ESTIMATE FY 2006	\$ 209,851
ESTIMATE FY 2005	\$ 195,416
ACTUAL FY 2004	\$ 112,194

**Project: Accession Travel**

**Part I - Purpose and Scope**

Officers. Covers PCS movements of (1) officers appointed to a commissioned grade from civilian life, military academies, ROTC, and Army Reserve and National Guard officers called or recalled to extended duty from home or place where orders were received to first permanent duty station or training school of 20 weeks or more duration and (2) new permanent duty station or training school. Also included are officers appointed from enlisted status upon graduation from OCS. This category also includes travel to/from schools less than 20 weeks duration when they precede completion of travel to the new permanent duty station or training school in excess of 20 weeks.

Enlisted. Covers PCS movements of (1) enlistees and prior service personnel from recruiting station or place of enlistment to their first permanent duty station or training school of 20 weeks or more duration and (2) recalled enlisted reservists from home to first permanent duty station or training school of 20 weeks or more duration. Also includes travel to/from schools less than 20 weeks when they precede completion of travel to the new permanent duty station or training school in excess of 20 weeks.

Cadets. Funds PCS movements of (1) individuals selected as academy cadets upon entry into the academy and (2) individuals who travel to the academies but fail to pass the entrance physical examinations and are required to return home.

**Part II - Justification of Funds Requested**

Accession estimates are based upon the officer, enlisted and cadet gains necessary to meet the Army's planned manpower levels through FY 2006.

Changes to this program can only be accommodated through adjustments in officer, enlisted or cadet strengths. Changes in move numbers between fiscal years reflect adjustments required to meet the Army's projected end strengths.

Inflation, DWCF rates, and pay raise all impact on the cost per move.

The following table provides detailed cost computations:

PCS ACCESSION TRAVEL  
(AMOUNTS IN THOUSANDS OF DOLLARS)

	ACTUAL FY 2004			ESTIMATE FY 2005			ESTIMATE FY 2006			ESTIMATE FY 2007		
	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT
OFFICER												
MEMBER TRAVEL.....	6,533	\$ 1,661	\$ 10,854	7,337	\$ 1,694	\$ 12,429	7,333	\$ 1,730	\$ 12,683	7,332	\$ 1,764	\$ 12,937
DEPENDENT TRAVEL.....	1,002	769	771	2,369	1,133	2,684	2,368	1,157	2,739	2,368	1,181	2,796
TRANSPORTATION OF HHG												
- LAND & ITGBL.....	4,574	4,799	21,950	5,384	4,888	26,319	6,472	4,963	32,121	6,470	5,067	32,784
DISLOCATION ALLOWANCE.....	980	1,756	1,721	1,503	1,818	2,732	1,572	1,874	2,946	1,572	1,938	3,046
TRAILER ALLOWANCE.....	94	568	53	106	580	61	103	591	61	104	604	63
PRIVATELY OWNED VEHICLE...	367	2,981	1,094	302	3,491	1,054	446	4,151	1,851	446	4,773	2,129
PORT HANDLING (HHG).....	0	515	0	255	525	134	1,467	536	786	1,466	546	800
SUBTOTAL.....			\$ 36,443			\$ 45,413			\$ 53,187			\$ 54,555
CADETS.....	1,203	\$ 184	\$ 221	1,162	\$ 188	\$ 218	1,162	\$ 191	\$ 222	1,162	\$ 195	\$ 227

PCS ACCESSION TRAVEL  
(AMOUNTS IN THOUSANDS OF DOLLARS)

	ACTUAL FY 2004			ESTIMATE FY 2005			ESTIMATE FY 2006			ESTIMATE FY 2007		
	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT
ENLISTED												
MEMBER TRAVEL.....	80,751	\$ 567	\$ 45,768	74,000	\$ 802	\$ 59,379	74,001	\$ 831	\$ 61,467	69,000	\$ 848	\$ 58,490
DEPENDENT TRAVEL.....	13,639	272	3,716	29,230	288	8,422	29,230	305	8,901	28,934	315	9,125
TRANSPORTATION OF HHG												
- LAND & ITGBL.....	21,076	714	15,051	91,419	678	62,000	91,420	692	63,240	89,700	692	62,083
DISLOCATION ALLOWANCE.....	12,864	635	8,171	11,953	657	7,858	11,788	678	7,990	11,420	701	8,003
TRAILER ALLOWANCE.....	49	568	28	26	580	15	17	591	10	14	604	8
PRIVATELY OWNED VEHICLE...	938	2,981	2,796	3,410	3,491	11,904	3,521	4,151	14,615	4,169	4,773	19,897
PORT HANDLING (HHG).....	0	40	0	5,128	40	207	5,295	41	219	4,937	66	325
SUBTOTAL.....			\$ 75,530			\$ 149,785			\$ 156,442			\$ 157,931
TOTAL PCS ACCESSION TRAVEL..			\$ 112,194			\$ 195,416			\$ 209,851			\$ 212,713

(AMOUNTS IN THOUSANDS OF DOLLARS)

ESTIMATE FY 2007	\$ 55,584
ESTIMATE FY 2006	\$ 54,855
ESTIMATE FY 2005	\$ 53,235
ACTUAL FY 2004	\$ 76,061

**Project: Training Travel**

**Part I - Purpose and Scope**

Officers. Funds CONUS PCS movements for officers and warrant officers (1) from current permanent duty station to formal service or civilian schools, including technical schools, pilot training, factory training, and other approved courses of instruction of 20 weeks duration or more, and (2) to next CONUS permanent duty station upon completion of school or when eliminated from school prior to completion. Excludes academy graduates, OCS graduates, ROTC graduates, and others (chargeable as Accession travel) and those officers and warrant officers who are moving into and out of a training seat from/to an overseas location (chargeable as Rotational travel).

Enlisted. Funds PCS movements of (1) enlisted personnel from previous CONUS permanent duty station to formal service or civilian schools, including technical schools, aircraft maintenance training, factory training, and other approved courses of instruction, of 20 weeks duration or more; (2) enlisted school graduates and those eliminated from school to their next CONUS permanent duty station; and (3) enlisted personnel ordered to training leading to a commission, if such training period is of 20 weeks duration or more. Excludes those soldiers moving in or out of a training seat to or from an overseas location (chargeable as Rotational travel).

**Part II - Justification of Funds Requested**

Costs for training travel are based upon requirements for officer and enlisted personnel to attend military, other federal government, and civilian training programs.

Training is required to maintain the requisite skill levels/educational levels required by an Army that is capable of responding to strategic obligations in the evolving international environment. Training moves support the requirement to shape the force for tomorrow and the Army's duty to prepare soldiers to perform their required mission. Through training moves the Army is provided with soldiers trained in aviation, medical specialties, linguistics, force modernization, leadership skills, and Special Forces operations.

The following table provides detailed cost computations:

PCS TRAINING TRAVEL  
(AMOUNTS IN THOUSANDS OF DOLLARS)

	ACTUAL FY 2004			ESTIMATE FY 2005			ESTIMATE FY 2006			ESTIMATE FY 2007		
	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT
OFFICER												
MEMBER TRAVEL												
MILEAGE AND PER DIEM....	6,821	\$ 2,314	\$ 15,787	5,743	\$ 2,361	\$ 13,558	5,743	\$ 2,408	\$ 13,829	5,743	\$ 2,456	\$ 14,105
DEPENDENT TRAVEL												
MILEAGE DEPENDENTS.....	1,912	1,157	2,213	1,610	1,180	1,900	1,665	1,204	2,005	1,665	1,228	2,045
TRANSPORTATION OF HHG												
LAND SHIPMENT.....	5,457	4,499	24,549	1,149	4,589	5,272	1,206	4,680	5,645	1,189	4,779	5,682
DISLOCATION ALLOWANCE.....	6,821	1,234	8,417	2,613	1,277	3,337	2,556	1,317	3,365	2,358	1,361	3,210
TRAILER ALLOWANCE.....	30	568	17	0	580	0	0	591	0	0	604	0
SUBTOTAL.....			\$ 50,983			\$ 24,067			\$ 24,844			\$ 25,042
ENLISTED												
MEMBER TRAVEL												
MILEAGE AND PER DIEM....	2,565	\$ 6,870	\$ 17,621	2,995	\$ 7,007	\$ 20,987	2,995	\$ 7,147	\$ 21,407	2,995	\$ 7,290	\$ 21,835
DEPENDENT TRAVEL												
MILEAGE DEPENDENTS.....	325	3,435	1,116	379	3,504	1,328	404	3,504	1,415	404	3,574	1,444
TRANSPORTATION OF HHG												
LAND SHIPMENT.....	2,052	3,082	6,324	1,797	3,144	5,649	1,857	3,206	5,954	1,827	3,274	5,981
DISLOCATION ALLOWANCE.....	0	635	0	1,800	657	1,183	1,800	678	1,220	1,800	701	1,261
TRAILER ALLOWANCE.....	30	568	17	36	580	21	25	591	15	34	604	21
SUBTOTAL.....			\$ 25,078			\$ 29,168			\$ 30,011			\$ 30,542
TOTAL PCS TRAINING TRAVEL.....												
			\$ 76,061			\$ 53,235			\$ 54,855			\$ 55,584

(AMOUNTS IN THOUSANDS OF DOLLARS)

ESTIMATE FY 2007	\$ 180,885
ESTIMATE FY 2006	\$ 198,988
ESTIMATE FY 2005	\$ 177,814
ACTUAL FY 2004	\$ 214,713

**Project: Operational Travel**

**Part I - Purpose and Scope**

Officers. Covers PCS movements of (1) officers and warrant officers to and from permanent duty stations located within the United States; (2) officers and warrant officers to and from permanent duty stations located within an overseas area when no transoceanic travel is involved; and (3) dependents, household goods, personal effects, trailer allowances, and privately owned vehicles of officers and warrant officers who are interned, missing, or captured provided no transoceanic travel is involved.

Enlisted. Covers PCS movements of (1) enlisted personnel to and from permanent duty stations located within the United States; (2) enlisted personnel to and from permanent duty stations within an overseas area when no transoceanic travel is involved; and (3) dependents, household goods, personal effects, trailer allowances, and privately owned vehicles of enlisted personnel who are interned, missing, or captured provided no transoceanic travel is involved.

**Part II - Justification of Funds Requested**

Operational moves are critical to the Army's ability to maintain readiness throughout the force. They are necessary to maintain units at required personnel readiness levels; support activations and inactivations; fill joint duty positions mandated under the Goldwater-Nichols DOD Reorganization Act of 1986; correct imbalances of skill and grade; support humanitarian, compassionate, and joint domicile needs; assign personnel to key positions in response to unprogrammed/unanticipated requirements, support Base Realignment and Closure actions and to fill high priority units.

The following table provides detailed cost computations:

PCS OPERATIONAL TRAVEL  
(AMOUNTS IN THOUSANDS OF DOLLARS)

	ACTUAL FY 2004			ESTIMATE FY 2005			ESTIMATE FY 2006			ESTIMATE FY 2007		
	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT
OFFICER												
MEMBER TRAVEL												
MILEAGE AND PER DIEM....	7,201	\$ 4,231	\$ 30,467	10,144	\$ 4,316	\$ 43,778	10,144	\$ 4,402	\$ 44,653	10,144	\$ 4,490	\$ 45,546
DEPENDENT TRAVEL												
MILEAGE DEPENDENTS.....	1,906	2,116	4,033	2,684	2,158	5,792	2,684	2,201	5,908	2,684	2,245	6,026
TRANSPORTATION OF HHG												
LAND SHIPMENT.....	5,761	9,117	52,522	4,129	9,299	38,396	5,173	9,485	49,067	3,956	9,684	38,311
DISLOCATION ALLOWANCE.....	6,553	2,006	13,147	7,608	2,076	15,798	8,115	2,141	17,373	7,608	2,214	16,841
TRAILER ALLOWANCE.....	18	568	10	0	580	0	0	591	0	0	604	0
SUBTOTAL.....			\$ 100,179			\$ 103,764			\$ 117,001			\$ 106,724
ENLISTED												
MEMBER TRAVEL												
MILEAGE AND PER DIEM....	19,379	\$ 839	\$ 16,254	14,385	\$ 856	\$ 12,307	14,385	\$ 873	\$ 12,553	14,385	\$ 890	\$ 12,804
DEPENDENT TRAVEL												
MILEAGE DEPENDENTS.....	10,960	839	9,193	3,807	856	3,257	3,807	873	3,322	3,807	890	3,389
TRANSPORTATION OF HHG												
LAND SHIPMENT.....	15,503	4,587	71,116	10,070	4,679	47,118	11,232	4,773	53,606	9,408	4,873	45,843
DISLOCATION ALLOWANCE.....	17,712	1,013	17,943	10,789	1,048	11,312	11,508	1,081	12,440	10,789	1,118	12,059
TRAILER ALLOWANCE.....	50	568	28	96	580	56	111	591	66	109	604	66
SUBTOTAL.....			\$ 114,534			\$ 74,050			\$ 81,987			\$ 74,161
TOTAL PCS OPERATIONAL TRAVEL.....			\$ 214,713			\$ 177,814			\$ 198,988			\$ 180,885



(AMOUNTS IN THOUSANDS OF DOLLARS)

ESTIMATE FY 2007	\$ 387,143
ESTIMATE FY 2006	\$ 410,789
ESTIMATE FY 2005	\$ 313,045
ACTUAL FY 2004	\$ 577,754

**Project: Rotational Travel**

**Part I - Purpose and Scope**

Officers. Covers PCS movements of officers and warrant officers (1) from permanent duty stations in CONUS to permanent duty stations overseas; (2) from permanent duty stations overseas to permanent duty stations in CONUS; (3) from permanent duty stations in one overseas area to permanent duty stations in another overseas area, but only when transoceanic travel is involved; and (4) dependents, household goods, personal effects, trailer allowance, and privately owned vehicles of officers and warrant officers who are interned, missing, or captured, but only when transoceanic travel is involved.

Enlisted. Covers PCS movements of enlisted personnel (1) from permanent duty stations in CONUS to permanent duty stations overseas; (2) from permanent duty stations overseas to permanent duty stations in CONUS; (3) from permanent duty stations overseas to permanent duty stations in another overseas area, but only when transoceanic travel is involved; and (4) dependents, household goods, personal effects, trailer allowances, and privately owned vehicles of enlisted personnel who are interned, missing, or captured, but only when transoceanic travel is involved.

**Part II - Justification of Funds Requested**

Rotational moves are driven by the commitment to station 25% of the force overseas in support of the National Military Strategy. The number of moves required is determined by overseas end strength and the average time actually served overseas, less the number of overwater Accession, Separation, and Unit moves.

The General Accounting Office (GAO) examined the Army's system of rotating soldiers to and from Europe. In their 1993 report to Congress GAO concluded that Army was using the most advantageous system to fill overseas positions.

PCS ROTATIONAL TRAVEL  
(AMOUNTS IN THOUSANDS OF DOLLARS)

	ACTUAL FY 2004			ESTIMATE FY 2005			ESTIMATE FY 2006			ESTIMATE FY 2007		
	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT
OFFICER												
MEMBER TRAVEL.....	9,911	12,357	\$ 122,471	8,000	12,597	\$ 100,774	9,000	12,862	\$ 115,755	8,600	13,078	\$ 112,475
DEPENDENT TRAVEL.....	556	8,216	4,568	448	8,384	3,756	504	9,550	4,813	671	9,288	6,232
TRANSPORTATION OF HHG												
- LAND & ITGBL.....	10,641	3,543	37,699	4,172	2,492	10,397	4,788	2,570	12,303	4,984	2,874	14,325
DISLOCATION ALLOWANCE.....	9,911	1,347	13,350	3,340	1,394	4,656	3,960	1,437	5,692	3,870	1,486	5,751
TRAILER ALLOWANCE.....	411	569	234	300	580	174	276	591	163	1,079	603	651
PRIVATELY OWNED VEHICLE...	5,120	2,981	15,263	640	3,491	2,234	904	4,150	3,752	2,253	4,233	9,537
PORT HANDLING (HHG).....	1,676	158	265	2,901	162	469	4,010	165	662	4,270	184	787
SUBTOTAL.....			\$ 193,850			\$ 122,460			\$ 143,140			\$ 149,758

PCS ROTATIONAL TRAVEL  
(AMOUNTS IN THOUSANDS OF DOLLARS)

	ACTUAL FY 2004			ESTIMATE FY 2005			ESTIMATE FY 2006			ESTIMATE FY 2007		
	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT
ENLISTED												
MEMBER TRAVEL.....	47,811	\$ 5,482	\$ 262,098	30,000	\$ 5,576	\$ 167,289	41,000	\$ 5,695	\$ 233,475	35,000	\$ 5,777	\$ 202,192
DEPENDENT TRAVEL.....	5,144	2,904	14,938	3,450	2,963	10,222	4,100	3,113	12,764	3,500	3,764	13,173
TRANSPORTATION OF HHG												
- LAND & ITGBL.....	25,244	1,907	48,133	3,990	1,903	7,591	6,253	1,919	12,000	4,706	1,971	9,275
DISLOCATION ALLOWANCE.....	47,811	473	22,604	6,150	489	3,009	8,713	505	4,396	5,250	522	2,739
TRAILER ALLOWANCE.....	192	573	110	23	565	13	44	591	26	119	605	72
PRIVATELY OWNED VEHICLE...	12,074	2,981	35,992	381	3,491	1,330	777	4,151	3,225	1,200	4,233	5,080
PORT HANDLING (HHG).....	170	171	29	6,506	174	1,131	9,927	178	1,763	4,375	1,109	4,854
SUBTOTAL.....			\$ 383,904			\$ 190,585			\$ 267,649			\$ 237,385
TOTAL PCS ROTATIONAL TRAVEL.....			\$ 577,754			\$ 313,045			\$ 410,789			\$ 387,143

(AMOUNTS IN THOUSANDS OF DOLLARS)

ESTIMATE FY 2007	\$ 174,342
ESTIMATE FY 2006	\$ 173,045
ESTIMATE FY 2005	\$ 154,083
ACTUAL FY 2004	\$ 115,401

**Project: Separation Travel**

**Part I - Purpose and Scope**

Officers. Covers PCS movements of officers and warrant officers upon separation from the service from their last permanent duty station to their home of record, point of entry into service, or to their home of selection when authorized by law.

Enlisted. Covers PCS movements of enlisted personnel upon separation from the service from last permanent duty station to their home of record, point of entry into service, or to their home of selection when authorized by law.

Cadets. Covers PCS movements of cadets separated from the academy to their home of record or point of entry into service.

**Part II - Justification of Funds Requested**

Separations are based on projected personnel losses.

Detailed cost computations are provided in the following table:

PCS SEPARATION TRAVEL  
(AMOUNTS IN THOUSANDS OF DOLLARS)

	ACTUAL FY 2004			ESTIMATE FY 2005			ESTIMATE FY 2006			ESTIMATE FY 2007		
	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT
OFFICER												
MEMBER TRAVEL.....	6,902	\$ 2,237	\$ 15,443	7,380	\$ 1,083	\$ 7,989	7,409	\$ 1,110	\$ 8,222	8,921	\$ 1,132	\$ 10,103
DEPENDENT TRAVEL.....	2,319	1,439	3,338	5,535	210	1,163	6,372	206	1,313	6,245	224	1,396
TRANSPORTATION OF HHG												
- LAND & ITGBL.....	3,624	4,190	15,183	7,675	2,638	20,245	8,090	2,778	22,472	8,073	2,807	22,657
TRAILER ALLOWANCE.....	24	568	14	0	580	0	0	591	0	0	604	0
PRIVATELY OWNED VEHICLE...	221	2,981	659	748	3,491	2,611	1,171	4,151	4,861	838	4,233	3,547
PORT HANDLING (HHG).....	0	95	0	487	97	47	489	99	48	523	101	53
SUBTOTAL.....			\$ 34,637			\$ 32,055			\$ 36,916			\$ 37,756
CADETS.....	286	\$ 1,235	\$ 353	182	\$ 1,030	\$ 187	182	\$ 1,049	\$ 191	182	\$ 1,069	\$ 195

PCS SEPARATION TRAVEL  
(AMOUNTS IN THOUSANDS OF DOLLARS)

	ACTUAL FY 2004			ESTIMATE FY 2005			ESTIMATE FY 2006			ESTIMATE FY 2007		
	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT
ENLISTED												
MEMBER TRAVEL.....	84,339	\$ 245	\$ 20,655	78,492	\$ 430	\$ 33,781	78,388	\$ 439	\$ 34,416	83,184	\$ 430	\$ 35,730
DEPENDENT TRAVEL.....	36,603	109	3,979	19,410	156	3,022	19,384	159	3,090	19,465	161	3,130
TRANSPORTATION OF HHG												
- LAND & ITGBL.....	22,350	2,199	49,151	48,665	1,621	78,869	54,386	1,693	92,049	53,404	1,728	92,272
TRAILER ALLOWANCE.....	51	568	29	55	580	32	59	591	35	58	604	35
PRIVATELY OWNED VEHICLE...	2,213	2,981	6,597	1,361	3,491	4,751	1,189	4,151	4,935	901	4,233	3,814
PORT HANDLING (HHG).....	0	80	0	17,008	81	1,386	16,983	83	1,413	16,620	85	1,410
SUBTOTAL.....			\$ 80,411			\$ 121,841			\$ 135,938			\$ 136,391
TOTAL PCS												
SEPARATION TRAVEL.....			\$ 115,401			\$ 154,083			\$ 173,045			\$ 174,342

(AMOUNTS IN THOUSANDS OF DOLLARS)

ESTIMATE FY 2007	\$ 3,636
ESTIMATE FY 2006	\$ 3,561
ESTIMATE FY 2005	\$ 3,492
ACTUAL FY 2004	\$ 5,707

**Project: Travel of Organized Units**

**Part I - Purpose and Scope**

Officers. Covers PCS movements (CONUS or overseas), of (1) officers and warrant officers directed to move as members of an organized unit movement and (2) officer and warrant officer fillers and replacements directed to move as part of the unit move.

Enlisted. Covers PCS movements (CONUS or overseas), of (1) enlisted personnel directed to move as members of an organized unit movement and (2) enlisted fillers and replacements directed to move as part of the unit move.

**Part II - Justification of Funds Requested**

Unit moves are required to support changes in force structure that necessitate realignment of forces to correct imbalances of support/command/control units, and to maintain unit tactical integrity. Costs are based on point-to-point unit moves. The numbers of unit moves are cyclical as the Army repositions the force structure in response to an evolving global focus, and the fielding of new equipment/units.

The following table provides detailed cost computations:

PCS ORGANIZED UNIT TRAVEL  
(AMOUNTS IN THOUSANDS OF DOLLARS)

	ACTUAL FY 2004			ESTIMATE FY 2005			ESTIMATE FY 2006			ESTIMATE FY 2007		
	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT
OFFICER												
MEMBER TRAVEL												
MILEAGE AND PER DIEM....	234	\$ 3,392	\$ 794	200	\$ 3,460	\$ 692	200	\$ 3,529	\$ 706	200	\$ 3,600	\$ 720
DEPENDENT TRAVEL												
MILEAGE DEPENDENTS.....	31	1,696	53	150	1,730	260	100	1,765	176	100	1,800	180
TRANSPORTATION OF HHG												
LAND SHIPMENT.....	234	9,908	2,318	97	10,106	980	92	10,308	948	92	10,524	968
DISLOCATION ALLOWANCE.....	128	1,134	145	110	1,174	129	118	1,210	143	142	1,251	178
TRAILER ALLOWANCE.....	7	568	4	6	580	3	5	591	3	5	604	3
SUBTOTAL.....			\$ 3,314			\$ 2,064			\$ 1,976			\$ 2,049
ENLISTED												
MEMBER TRAVEL												
MILEAGE AND PER DIEM....	828	\$ 782	\$ 647	400	\$ 798	\$ 319	400	\$ 814	\$ 325	400	\$ 830	\$ 332
DEPENDENT TRAVEL												
MILEAGE DEPENDENTS.....	379	391	148	400	399	160	160	407	65	160	415	66
TRANSPORTATION OF HHG												
LAND SHIPMENT.....	414	3,197	1,323	220	3,261	717	300	3,326	998	291	3,396	988
DISLOCATION ALLOWANCE.....	417	635	265	340	657	224	284	678	192	284	701	199
TRAILER ALLOWANCE.....	17	568	10	14	580	8	8	591	5	4	604	2
SUBTOTAL.....			\$ 2,393			\$ 1,428			\$ 1,585			\$ 1,587
TOTAL PCS ORGANIZED UNIT TRAVEL.....												
			\$ 5,707			\$ 3,492			\$ 3,561			\$ 3,636



PCS - NON-TEMPORARY STORAGE  
(AMOUNTS IN THOUSANDS OF DOLLARS)

	ACTUAL FY 2004 AMOUNT	ESTIMATE FY 2005 AMOUNT	ESTIMATE FY 2006 AMOUNT	ESTIMATE FY 2007 AMOUNT
NON-TEMPORARY STORAGE.....	\$ 27,912	\$ 31,387	\$ 34,883	\$ 35,133
TEMPORARY LODGING EXPENSE.....	18,427	21,011	25,036	24,121
TOTAL OBLIGATIONS.....	\$ 1,148,169	\$ 949,483	\$ 1,111,008	\$ 1,073,557
LESS: REIMBURSABLE OBLIGATIONS.....	10,634	2,129	2,173	2,219
TOTAL DIRECT OBLIGATIONS.....	\$ 1,137,535	\$ 947,354	\$ 1,108,835	\$ 1,071,338

Schedule of Increases and Decreases  
(Amounts in thousands of dollars)

Other Military Personnel Costs		
FY 2005 Direct Program		\$ 139,225
Increases:		
Pricing Increases:		
a.	Increase in rates for Apprehension of Deserters.	800
b.	Increase in rates for Interest on Soldiers Deposit.	1
c.	Increase in rates for Death Gratuities.	211
d.	Increase in rates for Unemployment Benefits.	84,548
	Total Pricing Increases	85,560
Program Increases:		
a.	Increase in Adoption Expense allowances.	4
b.	Increase in personnel receiving Mass Transit.	88
c.	New mission - ROTC added to active component.	82,933
d.	New mission - JROTC added to active component.	28,600
e.	Miscellaneous	133
	Total Program Increases	111,758
Total Increases		\$ 197,318
Decreases:		
Pricing Decreases:		
	Decrease in rate for Mass Transit Subsidy.	(88)
	Total Pricing Decreases	(88)
Program Decreases:		
a.	Decrease in the number of personnel receiving Interest on Soldiers Deposits.	(1,999)
b.	Decrease in number of personnel receiving Deaths Gratuities.	(99)
c.	Decrease in number of personnel receiving Unemployment Benefits.	(46,594)
d.	Decrease in number of personnel receiving Survivor Benefits.	(674)
e.	Decrease in number of personnel receiving Educational Benefits.	(5,000)
	Total Program Decreases	(54,366)
Total Decreases		\$ (54,454)
FY 2006 Direct Program		\$ 282,089

Schedule of Increases and Decreases  
(Amounts in thousands of dollars)

Other Military Personnel Costs		
FY 2006 Direct Program		\$ 282,089
Increases:		
Pricing Increases:		
a. Increase in rates for Death Gratuities	224	
Total Pricing Increases	224	
Program Increases:		
a. Increase in number of Apprehension of Deserters	3	
b. Increase in the number of personnel receiving Unemployment Benefits.	16,005	
c. Increase in the number of personnel receiving Educational Benefits.	4	
d. Increase in number of personnel receiving Adoption Expense allocances.	298	
e. Increase in number personnel receiving ROTC allowances.	1,637	
f. Increase in number personnel receiving JROTC clothing and subsistence.	460	
Total Program Increases	18,407	
Total Increases		\$ 18,631
Decreases:		
Pricing Decreases:		
a. Decrease in rates for Apprehension of Deserters.	(4)	
b. Decrease in the rates for Unemployment Benefits.	(8,763)	
Total Pricing Decreases	(8,767)	
Program Decreases:		
a. Decrease in personnel receiving Death Gratuities.	(512)	
b. Decrease in personnel receiving Survivor benefits.	(330)	
c. Miscellaneous	(1)	
Total Program Decreases	(843)	
Total Decreases		\$ (9,610)
FY 2007 Direct Program		\$ 291,110

(AMOUNTS IN THOUSANDS OF DOLLARS)

ESTIMATE FY 2007	\$ 1,414
ESTIMATE FY 2006	\$ 1,416
ESTIMATE FY 2005	\$ 615
ACTUAL FY 2004	\$ 470

**Project: Apprehension of Deserters**

**Part I - Purpose and Scope**

The funds requested provide for expenses in connection with the apprehension of deserters, absentees, and escaped military prisoners and for their delivery to the control of the Department of Defense. Expenses are authorized by 10 U.S.C. section 956 "Deserters, Prisoners, Members Absent without Leave: Expenses and Rewards". Expenses include: 1. the transportation of escorts and prisoners, 2. lodging and subsistence of the escort, 3. subsistence while in civilian detention facilities, 4. rewards and 5. reimbursement of reasonable and actual expenses. Reimbursement may not be made for the same apprehension and detention or delivery for which a reward has been paid. Reimbursements or rewards cannot exceed \$75.00.

**Part II - Justification of Funds Requested**

Cost estimates are based on factors developed from current expenditure experience as applied against programmed manyears.

Detailed cost computations are provided by the following table:

OTHER MILITARY PERSONNEL COSTS  
 APPREHENSION OF DESERTERS  
 (AMOUNTS IN THOUSANDS OF DOLLARS)

	ACTUAL FY 2004 AMOUNT	ESTIMATE FY 2005 AMOUNT	ESTIMATE FY 2006 AMOUNT	ESTIMATE FY 2007 AMOUNT
TRAVEL AND OTHER EXPENSES INCIDENT TO THE APPREHENSION AND DELIVERY OF DESERTERS, PRISONERS AND SOLDIERS AWOL INCLUDING PAYMENT OF CONFINEMENT OF MILITARY PRISONERS IN NON-MILITARY FACILITIES.....	\$ 470	\$ 615	\$ 1,416	\$ 1,414

(AMOUNTS IN THOUSANDS OF DOLLARS)

ESTIMATE FY 2007	\$ 203
ESTIMATE FY 2006	\$ 203
ESTIMATE FY 2005	\$ 2,202
ACTUAL FY 2004	\$ 6,183

**Project: Interest on Soldier's Deposit**

**Part I - Purpose and Scope**

The National Defense Authorization Act for FY 1992 and FY 1993, Section 639 amends Section 1035 of Title 10 U.S.C. This section establishes a savings program for overseas members participating in temporary duty contingency operations. Vietnam era experience indicates that the Department of the Army will be required to fund the difference between ten percent paid and the average Treasury Bill rates.

**Part II - Justification of Funds Requested**

The amount budgeted is based on current experience in relation to the number of Army participants.

Detailed cost computations are provided by the following table:

OTHER MILITARY PERSONNEL COSTS  
INTEREST ON SOLDIERS' DEPOSIT  
(AMOUNTS IN THOUSANDS OF DOLLARS)

	ACTUAL FY 2004			ESTIMATE FY 2005			ESTIMATE FY 2006			ESTIMATE FY 2007		
	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT
INTEREST ON SOLDIERS' DEPOSIT												
OFFICER.....	10,100	\$ 296	\$ 2,990	3,571	\$ 296	\$ 1,057	331	\$ 296	\$ 98	333	\$ 295	\$ 98
ENLISTED.....	20,735	154	3,193	7,435	154	1,145	681	154	105	681	154	105
TOTAL.....	30,835		\$ 6,183	11,006		\$ 2,202	1,012		\$ 203	1,014		\$ 203

(AMOUNTS IN THOUSANDS OF DOLLARS)

ESTIMATE FY 2007	\$ 6,792
ESTIMATE FY 2006	\$ 7,080
ESTIMATE FY 2005	\$ 6,968
ACTUAL FY 2004	\$ 14,304

**Project: Death Gratuities**

**Part I - Purpose and Scope**

The funds requested are for the payment of enhanced death gratuities to beneficiaries of deceased military personnel as authorized by law. Enhanced death gratuities are composed of basic pay, incentive pay, and overseas pay, if applicable. The National Defense Authorization Act for FY 2004 section 646, and the Military Families Tax Relief Act of 2003, P.L. 108-121, section 102 amends Section 1478(a) of Title 10 U.S.C., increasing the amount payable. The National Defense Authorization Act for FY 2005 section 643, increases the death gratuity consistent with increases of rates of basic pay effective on the same date as the basic pay rates under section 204 of title 37 are increased.

**Part II - Justification of Funds Requested**

Fund requirements are based on the most recent mortality rates as applied against programmed manyears of personnel and the statutory gratuity payment.

Detailed cost computations are provided by the following table:



OTHER MILITARY PERSONNEL COSTS  
DEATH GRATUITIES  
(AMOUNTS IN THOUSANDS OF DOLLARS)

	ACTUAL FY 2004			ESTIMATE FY 2005			ESTIMATE FY 2006			ESTIMATE FY 2007		
	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT
DEATH GRATUITIES												
OFFICER.....	186	\$ 12,000	\$ 2,232	155	\$ 12,315	\$ 1,913	350	\$ 12,683	\$ 4,443	88	\$ 13,101	\$ 1,152
ENLISTED.....	1,004	12,000	12,048	408	12,315	5,030	205	12,683	2,599	429	13,101	5,614
CADETS.....	2	12,000	24	2	12,315	25	3	12,683	38	2	13,101	26
TOTAL.....	1,192		\$ 14,304	566		\$ 6,968	558		\$ 7,080	518		\$ 6,792

(AMOUNTS IN THOUSANDS OF DOLLARS)

ESTIMATE FY 2007	\$ 153,791
ESTIMATE FY 2006	\$ 146,549
ESTIMATE FY 2005	\$ 108,595
ACTUAL FY 2004	\$ 267,161

**Project: Unemployment Benefits Paid to Ex-Service Members**

**Part I - Purpose and Scope**

Funds are to pay unemployment benefits to ex-service members who are discharged or released under honorable conditions as prescribed in Paragraph (1) of Section 8521(a) of Title 5, United States Code. The Department of Labor is the executive agency for the program; however, program administration is accomplished by each state. Generally, an ex-servicemember is eligible if discharged or released under honorable conditions, and member completed his first full term of active service. Also eligible is one who was discharged or released before completing first term of service for the convenience of the Government, because of medical disqualification, hardship, personal disorders, or ineptitude, but only if the service was continuous for 365 days or more.

The Emergency Unemployment Compensation Act of 1991 (P.L. 102-164) extended unemployment compensation benefits for former military personnel up to 26 weeks with a one-week waiting period. The law also reduced the amount of active duty days required in a reserve status from 180 continuous days to 90 continuous days to be considered as "federal service" for claim purposes. The Job Creation and Worker Assistance Act of 2002 (P.L. 107-147) extended unemployment compensations benefits an additional 13 weeks for workers who had exhausted the original 26 weeks of benefits. The Temporary Extended Unemployment Compensation (TEUC) Act of 2002 (P.L. 108-1) extends the unemployment compensations benefits an additional 5 months for workers who had exhausted the original 26 weeks and the TEUC of 13 weeks.

**Part II - Justification of Funds Requested**

The estimated unemployment benefit payments are based on programmed separations from the Army's manpower program and average monthly benefit amounts of compensation actually disbursed in FY 2004. In addition, the Army's cost projections have incorporated U.S. Department of Labor's estimates.

Detailed cost computations are provided by the following table:

OTHER MILITARY PERSONNEL COSTS  
 UNEMPLOYMENT BENEFITS  
 (AMOUNTS IN THOUSANDS OF DOLLARS)

	ACTUAL FY 2004			ESTIMATE FY 2005			ESTIMATE FY 2006			ESTIMATE FY 2007		
	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT
UNEMPLOYMENT BENEFITS.....	22,621	\$ 11,810	\$ 267,161	19,454	\$ 5,582	\$ 108,595	11,107	\$ 13,194	\$ 146,549	12,320	\$ 12,483	\$ 153,791

(AMOUNTS IN THOUSANDS OF DOLLARS)

ESTIMATE FY 2007	\$ 3,394
ESTIMATE FY 2006	\$ 3,724
ESTIMATE FY 2005	\$ 4,398
ACTUAL FY 2004	\$ 4,309

**Project: Survivor Benefits**

**Part I - Purpose and Scope**

Funds are requested to provide for payments of restored social security and educational benefits to widows and orphans of deceased Army military personnel. Section 156 of Public Law 97-37, modified by Section 943 of the DOD Authorization Act, 1984, P.L. 98-94, Stat. 614, restored these Social Security benefits to survivors of military members, and directed the Department of Defense to budget for this requirement. Cost estimates from the Department of Veterans Affairs include P.L. 106-419, Subtitle B, Survivor's, and Dependent's Educational Assistance, Sec 111, Reinstatement Entitlement Program for Survivor's (REPS).

**Part II - Justification of Funds Requested**

Cost estimates from the Department of Veterans Affairs are based on average benefit payments and caseload for spouses and children in school.

The latest Department of Veterans Affairs cost estimates are provided in the following table:

OTHER MILITARY PERSONNEL COSTS  
SURVIVOR BENEFITS  
(AMOUNTS IN THOUSANDS OF DOLLARS)

	ACTUAL FY 2004 AMOUNT	ESTIMATE FY 2005 AMOUNT	ESTIMATE FY 2006 AMOUNT	ESTIMATE FY 2007 AMOUNT
SURVIVOR BENEFIT COSTS.....	\$ 4,309	\$ 4,398	\$ 3,724	\$ 3,394

(AMOUNTS IN THOUSANDS OF DOLLARS)

ESTIMATE FY 2007	\$ 4,272
ESTIMATE FY 2006	\$ 4,268
ESTIMATE FY 2005	\$ 9,268
ACTUAL FY 2004	\$ 4,723

**Project: Educational Benefits**

**Part I - Purpose and Scope**

This program is budgeted on an accrual basis by the Department of Defense. The DOD Board of Actuaries establishes per capita normal costs and amortization rates for each fiscal year. Actual benefit payments to individuals will be made by the Department of Veterans Affairs from funds transferred from the Trust Fund account.

The 1999 Strom Thurmond National Defense Authorization Act increased the maximum amount of educational benefits authorized to \$50,000. Beginning in FY 2000 OSD realigned funding for the College Fund to BA2 Enlisted Pay in order to enhance recruiting efforts. The amortization payment along with the post-Vietnam era voluntary and involuntary separatees costs remain in BA6.

Under 10 U.S.C. Sec 2006(f)(3, 4); (g)(2), the Secretary of Defense must determine an amortization methodology and schedule to liquidate any unfunded liability or surplus in the Fund, based on the most recent actuarial valuation. Also, the basic benefits of post-Vietnam era voluntary and involuntary separatees are not prefunded. The amortization payment for these benefits is based on the most recent valuation of the DOD Education Benefits Fund.

**PART II - Justification of Funds Requested**

The following table provides detailed cost computations:

OTHER MILITARY PERSONNEL COSTS  
 EDUCATIONAL BENEFITS (AMORTIZATION PAYMENTS)  
 (AMOUNTS IN THOUSANDS OF DOLLARS)

	ACTUAL FY 2004 AMOUNT	ESTIMATE FY 2005 AMOUNT	ESTIMATE FY 2006 AMOUNT	ESTIMATE FY 2007 AMOUNT
INVOLUNTARY SEPARATEES.....	\$ 4,268	\$ 9,268	\$ 4,268	\$ 4,272
UNFUNDED LIABILITY.....	455	0	0	0
TOTAL AMORTIZATION PAYMENTS..	\$ 4,723	\$ 9,268	\$ 4,268	\$ 4,272

(AMOUNTS IN THOUSANDS OF DOLLARS)

ESTIMATE FY 2007	\$ 750
ESTIMATE FY 2006	\$ 452
ESTIMATE FY 2005	\$ 448
ACTUAL FY 2004	\$ 458

**Project: Adoption Costs**

**Part I - Purpose and Scope**

Section 651 of the National Defense Authorization Act for FY 1992 and FY 1993 permanently established the adoption program to reimburse service members for adoption expenses of a child under the age of 18 years.

**Part II - Justification of Funds Required**

The average amount payable is \$2,000 per adoption. Expenses include public and private agency fees; legal fees; medical expenses associated with the child, biological mother, and adoptive parents; temporary foster care; and other expenses approved by the Department of Defense.

Detailed cost computations are provided by the following table:



OTHER MILITARY PERSONNEL COSTS  
ADOPTION EXPENSES  
(AMOUNTS IN THOUSANDS OF DOLLARS)

	ACTUAL FY 2004			ESTIMATE FY 2005			ESTIMATE FY 2006			ESTIMATE FY 2007		
	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT
ADOPTION EXPENSES.....	229	\$ 2,000	\$ 458	224	\$ 2,000	\$ 448	226	\$ 2,000	\$ 452	375	\$ 2,000	\$ 750

(AMOUNTS IN THOUSANDS OF DOLLARS)

ESTIMATE FY 2007	\$ 0
ESTIMATE FY 2006	\$ 0
ESTIMATE FY 2005	\$ 0
ACTUAL FY 2004	\$ 0

**Project: Special Compensation**

**Part I - Purpose and Scope**

Section 658 of the FY 2000 National Defense Authorization Act (P.L. 106-65) provided a new element of compensation for certain severely disabled retirees of the Uniformed Services. Payments will be made to military retirees who (1) possess a minimum VA disability rating of at least 70%, (2) receive the minimum disability rating within four years of retirement, (3) retire with a non-disability retirement, and (4) have 20-plus years of service for the purposes of computing retired pay. The FY 2001 National Defense Authorization Act (H.R. 4205) extended this special compensation to military retirees who retired for disability with 20 years of service beginning in FY 2002. Section 636 of the FY 2003 National Defense Authorization Act (P.L. 107-314) reduced Special Compensation for the Severely Disabled program and increased Special Compensation for Combat-Related Disabled program. For FY 2003 thru FY 2009 Special Compensation for the Severely Disabled program is reduced \$11.0 million per year. Section 641 of the FY 2004 National Defense Authorization Act repealed, Special Compensation for Severely Disabled, section 1413 of title 10, United States Code and changes source of funds for the Combat-Related Special Compensation (CSRC) from the Military Personnel accounts to the Military Retirement Fund effective October 1, 2003.

**Part II - Justification of Funds Requested**

OTHER MILITARY PERSONNEL COSTS  
SPECIAL COMPENSATION  
(AMOUNTS IN THOUSANDS OF DOLLARS)

	ACTUAL FY 2004 AMOUNT	ESTIMATE FY 2005 AMOUNT	ESTIMATE FY 2006 AMOUNT	ESTIMATE FY 2007 AMOUNT
SPECIAL COMPENSATION.....	\$ 0	\$ 0	\$ 0	\$ 0

(AMOUNTS IN THOUSANDS OF DOLLARS)

ESTIMATE FY 2007	\$ 2,500
ESTIMATE FY 2006	\$ 2,500
ESTIMATE FY 2005	\$ 2,500
ACTUAL FY 2004	\$ 798

**Project: Partial DLA**

**Part I - Purpose and Scope**

Section 636 of the FY 2002 National Defense Authorization Act (P.L. 107-107) provided a new entitlement for members of the uniformed service who have been ordered to vacate family housing provided by the United States to permit the privatization or renovation of the housing to be paid a Partial Dislocation Allowance of \$500. Effective on the same date that the monthly rates of basic pay for all members are increased under section 1009 of the NDAA the Secretary of Defense shall adjust the rate of the Partial Dislocation Allowance authorized by the average percentage increase in the basic pay rates.

**Part II - Justification of Funds Requested**

Cost estimates are based on an estimated number of participants and rate data.

OTHER MILITARY PERSONNEL COSTS  
PARTIAL DLA EXPENSES  
(AMOUNTS IN THOUSANDS OF DOLLARS)

	ACTUAL FY 2004			ESTIMATE FY 2005			ESTIMATE FY 2006			ESTIMATE FY 2007		
	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT
PARTIAL DLA EXPENSES.....	1,595	\$ 500	\$ 798	5,000	\$ 500	\$ 2,500	5,000	\$ 500	\$ 2,500	5,000	\$ 500	\$ 2,500

(AMOUNTS IN THOUSANDS OF DOLLARS)

ESTIMATE FY 2007	\$ 0
ESTIMATE FY 2006	\$ 0
ESTIMATE FY 2005	\$ 0
ACTUAL FY 2004	\$ 5,642

**Project: SGLI Extra Hazard Payments**

**Part I - Purpose and Scope**

These payments are required under section 1969(b) of title 38, United States Code, when actual mortality rates exceed peacetime mortality rates.

**Part II - Justification of Funds Requested**

The funds are required to make extra hazard payment to the Department of Veterans Affairs to cover an increase in the number of SGLI death claims for policy year 2004/2005.

The following table provides detailed cost computations:

OTHER MILITARY PERSONNEL COSTS  
SGLI EXTRA HAZARD PAYMENTS  
(AMOUNTS IN THOUSANDS OF DOLLARS)

	ACTUAL FY 2004 AMOUNT	ESTIMATE FY 2005 AMOUNT	ESTIMATE FY 2006 AMOUNT	ESTIMATE FY 2007 AMOUNT
SGLI EXTRA HAZARD PAYMENTS...	\$ 5,642	\$ 0	\$ 0	\$ 0

(AMOUNTS IN THOUSANDS OF DOLLARS)

ESTIMATE FY 2007	\$ 84,570
ESTIMATE FY 2006	\$ 82,933
ESTIMATE FY 2005	\$ 0
ACTUAL FY 2004	\$ 0

**Project: ROTC**

**Part I - Purpose and Scope**

**Part II - Justification of Funds Requested**

Provides for Senior ROTC cadets' pay and allowances as part of the Army's officer accession requirements. MPA funds scholarship and non-scholarship cadet pay, stipends, travel, subsistence and uniforms.



OTHER MILITARY PERSONNEL COSTS  
 ROTC  
 (AMOUNTS IN THOUSANDS OF DOLLARS)

	ACTUAL FY 2004 AMOUNT	ESTIMATE FY 2005 AMOUNT	ESTIMATE FY 2006 AMOUNT	ESTIMATE FY 2007 AMOUNT
ROTC.....	\$ 0	\$ 0	\$ 80,733	\$ 82,370
CONTRACTS.....	0	0	2,200	2,200
TOTAL ROTC.....	\$ 0	\$ 0	\$ 82,933	\$ 84,570

MILITARY PERSONNEL, ARMY  
RESERVE OFFICER TRAINING CANDIDATES (ROTC) ENROLLMENT

	FY04 Actual			FY05 Estimate			FY06 Estimate*			FY07 Estimate		
	Begin	Average	End	Begin	Average	End	Begin	Average	End	Begin	Average	End
<u>Senior ROTC (Excluding Scholarship Program)</u>												
First Year							10,570	9,632	8,904	10,736	9,783	9,044
Second Year							5,260	4,736	4,511	5,342	4,810	4,581
<b>Total Basic ROTC</b>							<b>15,830</b>	<b>14,368</b>	<b>13,415</b>	<b>16,078</b>	<b>14,593</b>	<b>13,625</b>
Third Year							3,490	3,374	3,240	3,545	3,427	3,291
Fourth Year							2,807	2,675	2,615	2,851	2,717	2,656
Total Advanced ROTC							6,297	6,049	5,855	6,396	6,144	5,947
<b>Total Senior ROTC Enrollment</b>							<b>22,127</b>	<b>20,417</b>	<b>19,270</b>	<b>22,474</b>	<b>20,737</b>	<b>19,572</b>
<u>Scholarship Program</u>												
First Year							788	878	985	800	892	1,000
Second Year							2,173	2,194	2,214	2,207	2,228	2,249
Total Basic ROTC							2,961	3,072	3,199	3,007	3,120	3,249
Third Year							3,305	3,298	3,222	3,330	3,298	3,272
Fourth Year							3,685	3,541	3,410	3,714	3,541	3,410
Total Advanced ROTC							6,990	6,839	6,632	7,044	6,839	6,682
<b>Total Scholarship Enrollment</b>							<b>9,951</b>	<b>9,911</b>	<b>9,831</b>	<b>10,051</b>	<b>9,959</b>	<b>9,931</b>
<u>Total Enrollment</u>												
First Year							11,358	10,510	9,889	11,536	10,675	10,044
Second Year							7,433	6,930	6,725	7,549	7,038	6,830
<b>Total Basic ROTC</b>							<b>18,791</b>	<b>17,440</b>	<b>16,614</b>	<b>19,085</b>	<b>17,713</b>	<b>16,874</b>
Third Year							6,795	6,672	6,462	6,875	6,725	6,563
Fourth Year							6,492	6,216	6,025	6,565	6,258	6,066
Total Advanced ROTC							13,287	12,888	12,487	13,440	12,983	12,629
<b>Total ROTC Enrollment</b>							<b>32,078</b>	<b>30,328</b>	<b>29,101</b>	<b>32,525</b>	<b>30,696</b>	<b>29,503</b>
Completed ROTC and Commissioned:							0	4,500	0	0	4,500	0
Completed ROTC Commissioned Deferred:												

\*Active component assumed control FY06

**NOTE:** ROTC enrollment data for Guaranteed Reserve Forced Duty (GRFD) scholarship for accessing officers into the Army Reserve and Army National Guard should be provided on a separate exhibit from that of the regular active duty ROTC program.

MILITARY PERSONNEL, ARMY  
RESERVE OFFICER TRAINING CANDIDATES (ROTC)

**Senior ROTC (Non-Scholarship Program)**

Funds requested provided military personal cost for students enrolled in the Reserve Officers Training Corps Senior program authorized by 10 U.S.C 2101-2111. The estimate includes funds for a subsistence allowance, uniforms, pay and allowances, and subsistence-in-kind while performing Active Duty for Training.

**Stripend:** Funds requested are to provide an allocation of \$350 per month for MS III and \$400 per month for MS IV to students enrolled in Military Science MS III and IV courses in accordance with the provisions of 37 U.S.C. 209.

	FY04 Actual			FY05 Estimate			FY06 Estimate*			FY07 Estimate		
	Strength	Rate	Amount	Strength	Rate	Amount	Strength	Rate	Amount	Strength	Rate	Amount
Advance							5,013	3,563	17,861	5,013	3,563	17,861

**Uniforms, Issue-in-Kind:** Funds are requested to provide uniform issues, including replacement items.

	FY04 Actual			FY05 Estimate			FY06 Estimate*			FY07 Estimate		
	Strength	Rate	Amount	Strength	Rate	Amount	Strength	Rate	Amount	Strength	Rate	Amount
Basic Course							13,964	237	3,310	13,964	242	3,376
Advanced Camp							5,572	790	4,402	6,200	806	4,997
Total							19,536		7,712	20,164		8,373

**Uniforms, Commutation-in-Lieu:** Funds requested are to provide commutation in lieu of uniforms. Students attending military institutions receive a monetary allowance in lieu of uniforms-in-kind to procure such uniforms from the installation.

	FY04 Actual			FY05 Estimate			FY06 Estimate*			FY07 Estimate		
	Strength	Rate	Amount	Strength	Rate	Amount	Strength	Rate	Amount	Strength	Rate	Amount
Basic Course												
Male							2,062	918	1,892	2,062	936	1,930
Female							229	922	211	229	940	216
Advanced Camp												
Male										299	2,809	840
Female							33	2,765	91	33	2,821	93
Total							2,623		3,018	2,623		3,079

MILITARY PERSONNEL, ARMY  
RESERVE OFFICER TRAINING CANDIDATES (ROTC)

**Pay & Allowances:** Funds requested are to provide basic pay and social security payment to members attending summer training.

	<u>FY04 Actual</u>			<u>FY05 Estimate</u>			<u>FY06 Estimate*</u>			<u>FY07 Estimate</u>		
	<u>Strength</u>	<u>Rate</u>	<u>Amount</u>	<u>Strength</u>	<u>Rate</u>	<u>Amount</u>	<u>Strength</u>	<u>Rate</u>	<u>Amount</u>	<u>Strength</u>	<u>Rate</u>	<u>Amount</u>
Basic Camp							1,428	858	1,225	1,428	875	1,250
Advanced Camp							2,240	947	2,121	2,240	966	2,163
Cadet Troop Leader							351	740	260	351	755	265
Total							4,019		3,606	4,019		3,678

**Subsistence of Reserve Officer Candidates:** Funds requested are to provide subsistence for members attending summer training.

	<u>FY04 Actual</u>			<u>FY05 Estimate</u>			<u>FY06 Estimate*</u>			<u>FY07 Estimate</u>		
	<u>Strength</u>	<u>Rate</u>	<u>Amount</u>	<u>Strength</u>	<u>Rate</u>	<u>Amount</u>	<u>Strength</u>	<u>Rate</u>	<u>Amount</u>	<u>Strength</u>	<u>Rate</u>	<u>Amount</u>
Field Rations												
Basic Camp							1,428	238	340	1,428	243	347
Advanced Camp							2,240	222	497	2,240	226	507
Professional Development							868	247	214	868	252	218
Cadet Troop Training							351	148	52	351	151	53
Practical Field Training							12,545	17	215	12,545	17	219
Total							17,432		1,319	17,432		1,345
<b>TOTAL NON-SCHOLARSHIP PROGRAM</b>							<b>48,623</b>		<b>33,516</b>	<b>49,251</b>		<b>34,336</b>

MILITARY PERSONNEL, ARMY  
RESERVE OFFICER TRAINING CANDIDATES (ROTC)

**Senior ROTC (Scholarship Program)**

Funds requested provided military personal cost for students enrolled in the Reserve Officers Training Corps Scholarship program authorized by 10 U.S.C 2107. The estimate includes funds for a subsistence allowance, uniforms, pay and allowances, and subsistence-in-kind while performing Active Duty for Training.

**Stripend:** Funds requested are to provide an allocation of \$250 per month for MS I, \$300 per month for MS II, \$350 per month for MS III, and \$400 per month for MS IV to students enrolled in Military Science MS III and MS IV courses in accordance with the provisions of 37 U.S.C. 209.

	FY04 Actual			FY05 Estimate			FY06 Estimate*			FY07 Estimate		
	Strength	Rate	Amount	Strength	Rate	Amount	Strength	Rate	Amount	Strength	Rate	Amount
Basic							3,062	2,611	7,994	3,062	2,611	7,995
Advanced							7,269	3,563	25,899	7,269	3,563	25,899
Total							10,331		33,894	10,331		33,894

**Uniforms, Issue-in-Kind:** Funds are requested to provide uniform issues, including replacement items.

	FY04 Actual			FY05 Estimate			FY06 Estimate*			FY07 Estimate		
	Strength	Rate	Amount	Strength	Rate	Amount	Strength	Rate	Amount	Strength	Rate	Amount
Basic							3,370	791	2,664	3,370	806	2,718
Advanced Camp							5,366	791	4,242	6,048	806	4,877
Total							8,736		6,907	9,418		7,595

MILITARY PERSONNEL, ARMY  
RESERVE OFFICER TRAINING CANDIDATES (ROTC)

**Uniforms, Commutation-in-Lieu:** Funds requested are to provide commutation in lieu of uniforms. Students attending military institutions receive a monetary allowance in lieu of uniforms-in-kind to procure such uniforms from the installation.

	<u>FY04 Actual</u>			<u>FY05 Estimate</u>			<u>FY06 Estimate*</u>			<u>FY07 Estimate</u>		
	<u>Strength</u>	<u>Rate</u>	<u>Amount</u>	<u>Strength</u>	<u>Rate</u>	<u>Amount</u>	<u>Strength</u>	<u>Rate</u>	<u>Amount</u>	<u>Strength</u>	<u>Rate</u>	<u>Amount</u>
Basic Course												
Male	193	918	177				2,062	918	1,892	2,062	936	1,930
Female	21	922	19				229	922	211	229	940	216
Advanced Camp												
Male	388	2,754	1,069							299	2,809	840
Female	43	2,765	119				33	2,765	91	33	2,821	93
Total	645		1,384				2,623		3,018	2,623		3,079

**Pay & Allowances:** Funds requested are to provide basic pay and social security payment to members attending summer training.

	<u>FY04 Actual</u>			<u>FY05 Estimate</u>			<u>FY06 Estimate*</u>			<u>FY07 Estimate</u>		
	<u>Strength</u>	<u>Rate</u>	<u>Amount</u>	<u>Strength</u>	<u>Rate</u>	<u>Amount</u>	<u>Strength</u>	<u>Rate</u>	<u>Amount</u>	<u>Strength</u>	<u>Rate</u>	<u>Amount</u>
Advanced Camp							3,360	947	3,182	3,360	966	3,245
Cadet Troop Leader							527	740	390	527	755	398
Total							3,887		3,571	3,887		3,643

**Subsistence of Reserve Officer Candidates:** Funds requested are to provide subsistence for members attending summer training.

	<u>FY04 Actual</u>			<u>FY05 Estimate</u>			<u>FY06 Estimate*</u>			<u>Strength</u>	<u>FY07 Estimate</u>	
	<u>Strength</u>	<u>Rate</u>	<u>Amount</u>	<u>Strength</u>	<u>Rate</u>	<u>Amount</u>	<u>Strength</u>	<u>Rate</u>	<u>Amount</u>	<u>Strength</u>	<u>Rate</u>	<u>Amount</u>
Field Rations												
Basic Camp							955	52	49	942	53	50
Advanced Camp							3,360	216	726	3,360	220	741
Professional Development							1,303	247	322	1,303	252	328
Cadet Troop Leader Training							527	247	130	527	252	133
Practical Field Training							6,723	35	234	6,723	35	239
<b>Total</b>							<b>12,868</b>		<b>1,461</b>	<b>12,855</b>		<b>1,490</b>
<b>TOTAL SCHOLARSHIP PROGRAM</b>							<b>38,445</b>		<b>48,851</b>	<b>39,114</b>		<b>49,701</b>
<b>TOTAL ROTC PROGRAM</b>							<b>87,068</b>		<b>82,367</b>	<b>88,365</b>		<b>84,037</b>

MILITARY PERSONNEL, ARMY  
RESERVE OFFICER TRAINING CANDIDATES (ROTC)

Number of schools, civilian and military personnel associated with the ROTC program follow:

	<u>FY 2004</u>	<u>FY 2005</u>	<u>FY 2006</u>	<u>FY 2007</u>
Schools			272	272
Civilian Personnel (End Strength)			542	542
Military Personnel (End Strength)			1,606	1,606

(AMOUNTS IN THOUSANDS OF DOLLARS)

ESTIMATE FY 2007	\$ 29,060
ESTIMATE FY 2006	\$ 28,600
ESTIMATE FY 2005	\$ 0
ACTUAL FY 2004	\$ 0

**Project: JROTC**

**Part I - Purpose and Scope**

**Part II - Justification of Funds Requested**

JROTC remains one of the most successful Army programs enabling our ability to have a positive presence & foster citizenship programs in our high schools & communities. MPA funds provide core-level resources to operate the Army's JROTC program in CONUS and OCONUS locations as mandated by the U.S. Congress. It funds costs of unit supplies and equipment to include cadet issue-in-kind uniforms, accoutrements, meals and laundry/alterations. Without these resources, the Army could not continue its JROTC program, which has strong public support.



OTHER MILITARY PERSONNEL COSTS  
JROTC  
(AMOUNTS IN THOUSANDS OF DOLLARS)

	ACTUAL FY 2004 AMOUNT	ESTIMATE FY 2005 AMOUNT	ESTIMATE FY 2006 AMOUNT	ESTIMATE FY 2007 AMOUNT
JROTC.....	\$ 0	\$ 0	\$ 28,600	\$ 29,060

MILITARY PERSONNEL, ARMY  
 JUNIOR RESERVE OFFICER TRAINING CANDIDATES (JROTC)

*Funds are requested to provide uniforms and subsistence for students enrolled in the Junior ROTC program at secondary education institutions as provided for in 10 U.S.C. 2031.*

**Uniforms, Issue-in-Kind:** *Funds are requested to provide uniforms, including replacement items to members of the Junior ROTC program.*

<u>FY04 Actual</u>			<u>FY05 Estimate</u>			<u>FY06 Estimate*</u>			<u>FY07 Estimate</u>		
<u>Strength</u>	<u>Rate</u>	<u>Amount</u>	<u>Strength</u>	<u>Rate</u>	<u>Amount</u>	<u>Strength</u>	<u>Rate</u>	<u>Amount</u>	<u>Strength</u>	<u>Rate</u>	<u>Amount</u>
						288,070	97	27,885	286,960	99	28,333

**Subsistence of Reserve Officer Candidates:** *Funds requested are to provide subsistence for members attending summer training.*

	<u>FY04 Actual</u>			<u>FY05 Estimate</u>			<u>FY06 Estimate*</u>			<u>FY07 Estimate</u>		
	<u>Strength</u>	<u>Rate</u>	<u>Amount</u>	<u>Strength</u>	<u>Rate</u>	<u>Amount</u>	<u>Strength</u>	<u>Rate</u>	<u>Amount</u>	<u>Strength</u>	<u>Rate</u>	<u>Amount</u>
Field Rations							3,147	139	437	3,137	142	445
Operational Rations							3,147	88	278	3,137	90	282
Total							6,294		715	6,273		727
<b>TOTAL JROTC PROGRAM</b>							<b>288,070</b>		<b>27,885</b>	<b>286,960</b>		<b>28,333</b>

(AMOUNTS IN THOUSANDS OF DOLLARS)

ESTIMATE FY 2007	\$ 4,364
ESTIMATE FY 2006	\$ 4,364
ESTIMATE FY 2005	\$ 4,364
ACTUAL FY 2004	\$ 4,370

**Project: Mass Transit Subsidy**

**Part I - Purpose and Scope**

Executive Order 13150 entitled, "Federal Workforce Transportation," Section One, required Federal Agencies to establish transportation benefit program for personnel using mass transportation or qualified vanpools.

**Part II - Justification of Funds Requested**

Cost estimates are based on an estimated number of Military participants in the National Capital Region and qualified CONUS locations and rate data.

OTHER MILITARY PERSONNEL COSTS  
 MASS TRANSIT EXPENSES  
 (AMOUNTS IN THOUSANDS OF DOLLARS)

	ACTUAL FY 2004			ESTIMATE FY 2005			ESTIMATE FY 2006			ESTIMATE FY 2007		
	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT
MASS TRANSIT EXPENSES.....	3,582	\$ 1,220	\$ 4,370	3,506	\$ 1,245	\$ 4,364	3,577	\$ 1,220	\$ 4,364	3,577	\$ 1,220	\$ 4,364
TOTAL DIRECT OMPC OBLIGATION AMOUNTS.....			\$ 308,269			\$ 139,225			\$ 282,089			\$ 291,110

Section 5  
Military Personnel, Army  
Defense Working Capital Funds (DWCF) Reimbursements

**Introduction**

The Defense Management Resource Decision (DMRD) 971 established the Defense Working Capital Funds (DWCF) (formerly the Defense Business Operations Fund (DBOF)) in order to expand the use of business-like financial management practices. DWCF was initiated to improve the tools available to managers of the support establishment by collecting all costs related to goods and services, including military costs. Prior to DMRD 971 DWCF activities did not pay for the cost of military support. Reimbursements requested are for the cost of base pay and entitlements for military personnel assigned to DWCF activities.

**Justification of Funds Requested**

The estimated reimbursements are based on the Under Secretary of Defense (Comptroller) guidance. Estimated manpower reflects the number of workyears for each DWCF business area.

Detailed cost by DWCF activity is provided by the following table:

SECTION 5  
SCHEDULE OF MILITARY PERSONNEL ASSIGNED OUTSIDE DOD (END STRENGTH)

	ACTUAL FY 2004			ESTIMATE FY 2005			ESTIMATE FY 2006			ESTIMATE FY 2007		
	OFFICER	ENLISTED	TOTAL	OFFICER	ENLISTED	TOTAL	OFFICER	ENLISTED	TOTAL	OFFICER	ENLISTED	TOTAL
NONREIMBURSABLE												
CLASSIFIED ACTIVITIES.....	0	0	0	0	0	0	0	0	0	0	0	0
CONGRESSIONAL FELLOWS.....	12	0	12	12	0	12	12	0	12	12	0	12
DENTAL HYGIENE PROGRAM.....	0	11	11	0	11	11	0	11	11	0	11	11
DEPARTMENT OF ENERGY.....	8	0	8	8	0	8	8	0	8	8	0	8
DEPARTMENT OF JUSTICE.....	8	0	8	8	0	8	8	0	8	8	0	8
DEPARTMENT OF STATE.....	29	1	30	29	1	30	29	1	30	29	1	30
DRUG ENFORCEMENT AGENCY.....	3	1	4	3	1	4	3	1	4	3	1	4
FBI.....	1	1	2	1	1	2	1	1	2	1	1	2
FEMA.....	1	1	2	1	1	2	1	1	2	1	1	2
LAW ENFORCEMENT												
SUPPORT OFFICE.....	3	2	5	3	2	5	3	2	5	3	2	5
MILITARY OBSERVERS.....	7	0	7	7	0	7	7	0	7	7	0	7
NSC.....	3	1	4	3	1	4	3	1	4	3	1	4
OFFICE OF NATIONAL DRUG												
CONTROL POLICY.....	10	0	10	10	0	10	10	0	10	10	0	10
PRESIDENTIAL CON PROGRAM.....	1	9	10	1	9	10	1	9	10	1	9	10
SSC FELLOWSHIP.....	30	0	30	30	0	30	30	0	30	30	0	30
TRAINING WITH INDUSTRY.....	109	0	109	109	0	109	109	0	109	109	0	109
WHITE HOUSE												
COMMUNICATIONS AGENCY.....	31	401	432	31	401	432	31	401	432	31	401	432
WHITE HOUSE FELLOWS.....	2	0	2	2	0	2	2	0	2	2	0	2
WHITE HOUSE												
MILITARY OFFICE.....	18	6	24	18	6	24	18	6	24	18	6	24
WHITE HOUSE												
SERVICES AGENCY.....	13	67	80	13	67	80	13	67	80	13	67	80
WHITE HOUSE												
TRANSPORTATION AGENCY.....	0	0	0	0	0	0	0	0	0	0	0	0
OTHER AGENCIES.....	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL NONREIMBURSABLE....	289	501	790	289	501	790	289	501	790	289	501	790

SECTION 5  
SCHEDULE OF MILITARY PERSONNEL ASSIGNED OUTSIDE DOD (END STRENGTH)

	ACTUAL FY 2004			ESTIMATE FY 2005			ESTIMATE FY 2006			ESTIMATE FY 2007		
	OFFICER	ENLISTED	TOTAL	OFFICER	ENLISTED	TOTAL	OFFICER	ENLISTED	TOTAL	OFFICER	ENLISTED	TOTAL
REIMBURSABLE												
AMERICAN BATTLE MONUMENTS COMM.....	0	0	0	0	0	0	0	0	0	0	0	0
CLASSIFIED ACTIVITIES.....	13	11	24	13	11	24	13	11	24	13	11	24
DEPARTMENT OF STATE.....	5	0	5	5	0	5	5	0	5	5	0	5
FBI.....	2	0	2	2	0	2	2	0	2	2	0	2
INS.....	0	0	0	0	0	0	0	0	0	0	0	0
LAW ENFORCEMENT												
SUPPORT OFFICE.....	2	0	2	2	0	2	2	0	2	2	0	2
NASA.....	6	0	6	6	0	6	6	0	6	6	0	6
SELECTIVE SERVICE SYSTEM...	7	0	7	7	0	7	7	0	7	7	0	7
US CUSTOMS.....	0	0	0	0	0	0	0	0	0	0	0	0
WHITE HOUSE												
COMMUNICATIONS AGENCY.....	0	35	35	0	35	35	0	35	35	0	35	35
PARTNERSHIP FOR FISCAL INTEGRITY (PFI).....	61	32	93	61	32	93	61	32	93	61	32	93
AIRFORCE SECURITY MISSION (AFS).....	1	0	1	1	0	1	1	0	1	1	0	1
TOTAL REIMBURSABLE.....	97	78	175	97	78	175	97	78	175	97	78	175
TOTAL OUTSIDE DOD.....	386	579	965	386	579	965	386	579	965	386	579	965

SECTION 5  
SCHEDULE OF MILITARY PERSONNEL ASSIGNED OUTSIDE DOD (END STRENGTH)

	ACTUAL FY 2004			ESTIMATE FY 2005			ESTIMATE FY 2006			ESTIMATE FY 2007		
	E/S OFFICER	E/S ENLISTED	TOTAL	E/S OFFICER	E/S ENLISTED	TOTAL	E/S OFFICER	E/S ENLISTED	TOTAL	E/S OFFICER	E/S ENLISTED	TOTAL
ASSIGN TO DOD IN SUPPORT NON-DOD FUNCTIONS												
FOREIGN MILITARY SALES....	204	191	395	204	191	395	204	191	395	204	191	395
ASSIGN TO DOD IN SUPPORT OF DOD FUNCTIONS												
DEPOT MAINT.....	18	5	23	19	5	24	19	5	24	19	5	24
INFO SERVICES.....	0	0	0	0	0	0	0	0	0	0	0	0
ORDNANCE.....	15	6	21	15	6	21	15	6	21	15	6	21
SUPPLY MGMT.....	10	6	16	10	6	16	10	6	16	10	6	16
OTHER.....	0	0	0	0	0	0	0	0	0	0	0	0
SUBTOTAL AWCF.....	43	17	60	44	17	61	44	17	61	44	17	61
DECA.....	9	1	10	10	1	11	10	1	11	10	1	11
DFAS.....	54	196	250	60	195	255	60	195	255	60	195	255
DISA.....	6	12	18	6	12	18	6	12	18	6	12	18
DLA.....	130	66	196	130	66	196	130	66	196	130	66	196
TRANSCOM.....	125	126	251	125	25	150	125	25	150	125	25	150
OTHER.....	0	0	0	0	0	0	0	0	0	0	0	0
SUBTOTAL DWCF.....	324	401	725	331	299	630	331	299	630	331	299	630
DEFENCE HEALTH PROGRAM.....	0	0	0	0	0	0	0	0	0	0	0	0
OTHER AGENCIES.....	258	4,953	5,211	258	575	833	258	575	833	258	575	833
ENLISTED SUBSISTENCE.....	0	0	0	0	0	0	0	0	0	0	0	0
PCS.....	0	0	0	0	0	0	0	0	0	0	0	0
OMPC.....	0	0	0	0	0	0	0	0	0	0	0	0
MISCELLANEOUS.....	0	0	0	0	0	0	0	0	0	0	0	0
SUBTOTAL OTHER NON-STRENGTH.....	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL ASSIGN TO DOD IN SUPPORT OF DOD FUNCTIONS.....	625	5,371	5,996	633	891	1,524	633	891	1,524	633	891	1,524
TOTAL REIMB.....	926	5,640	6,566	934	1,160	2,094	934	1,160	2,094	934	1,160	2,094
TOTAL NONREIMB.....	289	501	790	289	501	790	289	501	790	289	501	790
GRAND TOTAL.....	1,215	6,141	7,356	1,223	1,661	2,884	1,223	1,661	2,884	1,223	1,661	2,884



SECTION 5  
REIMBURSABLES FOR BUDGET REVIEWS  
(IN THOUSANDS OF DOLLARS)

	ACTUAL FY 2004			ESTIMATE FY 2005			ESTIMATE FY 2006			ESTIMATE FY 2007		
	OFFICER	ENLISTED	TOTAL	OFFICER	ENLISTED	TOTAL	OFFICER	ENLISTED	TOTAL	OFFICER	ENLISTED	TOTAL
OUTSIDE DOD REIMBURSABLE												
AMERICAN BATTLE												
MONUMENTS COMM.....	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
CLASSIFIED ACTIVITIES.....	1,290	536	1,826	1,360	563	1,923	1,788	585	2,373	1,848	606	2,454
DEPARTMENT OF STATE.....	496	0	496	523	0	523	688	0	688	710	0	710
FBI.....	198	0	198	209	0	209	275	0	275	284	0	284
INS.....	0	0	0	0	0	0	0	0	0	0	0	0
LAW ENFORCEMENT												
SUPPORT OFFICE.....	198	0	198	209	0	209	275	0	275	284	0	284
NASA.....	595	0	595	627	0	627	825	0	825	852	0	852
SELECTIVE SERVICE SYSTEM...	695	0	695	732	0	732	963	0	963	994	0	994
US CUSTOMS.....	0	0	0	0	0	0	0	0	0	0	0	0
WHITE HOUSE												
COMMUNICATIONS AGENCY.....	0	1,709	1,709	0	1,991	1,991	0	1,861	1,861	0	1,927	1,927
PARTNERSHIP FOR												
FISCAL INTGRITY (PFI).....	73,210	59,260	132,470	0	1,791	1,791	0	1,791	1,791	0	1,791	1,791
AIR FORCE												
SECURITY MISSION (AFS).....	99	0	99	105	0	105	137	1,861	1,998	142	0	142
TOTAL OUTSIDE												
DOD REIMBURSABLE.....	\$ 76,781	\$ 61,505	\$ 138,286	\$ 3,765	\$ 4,345	\$ 8,110	\$ 4,951	\$ 6,098	\$ 11,049	\$ 5,114	\$ 4,324	\$ 9,438

SECTION 5  
REIMBURSABLES FOR BUDGET REVIEWS  
(IN THOUSANDS OF DOLLARS)

	ACTUAL FY 2004			ESTIMATE FY 2005			ESTIMATE FY 2006			ESTIMATE FY 2007		
	OFFICER	ENLISTED	TOTAL	OFFICER	ENLISTED	TOTAL	OFFICER	ENLISTED	TOTAL	OFFICER	ENLISTED	TOTAL
ASSIGN TO DOD IN SUPPORT OF NON-DOD FUNCTIONS												
FOREIGN MILITARY SALES....	\$ 39,122	\$ 16,554	\$ 55,676	\$ 35,810	\$ 27,153	\$ 62,963	\$ 35,729	\$ 17,768	\$ 53,497	\$ 37,163	\$ 20,499	\$ 57,662
ASSIGN TO DOD IN SUPPORT OF DOD FUNCTIONS												
DEPOT MAINT.....	\$ 1,539	\$ 710	\$ 2,249	\$ 1,582	\$ 733	\$ 2,315	\$ 1,582	\$ 733	\$ 2,315	\$ 1,582	\$ 733	\$ 2,315
INFO SERVICES.....	0	0	0	0	0	0	0	0	0	0	0	0
ORDNANCE.....	1,152	259	1,411	1,184	265	1,449	1,184	265	1,449	1,184	265	1,449
SUPPLY MGMT.....	813	280	1,093	833	292	1,125	833	292	1,125	833	292	1,125
OTHER.....	0	0	0	0	0	0	0	0	0	0	0	0
SUBTOTAL AWCf.....	3,504	1,249	4,753	3,599	1,290	4,889	3,599	1,290	4,889	3,599	1,290	4,889
DECA.....	\$ 641	\$ 51	\$ 692	\$ 665	\$ 30	\$ 695	\$ 692	\$ 31	\$ 723	\$ 719	\$ 32	\$ 751
DFAS.....	4,026	12,074	16,100	3,655	10,963	14,618	3,798	11,390	15,188	3,946	11,834	15,780
DISA.....	666	534	1,200	537	431	968	558	448	1,006	580	465	1,045
DLA.....	12,094	2,466	14,560	12,565	2,563	15,128	13,055	2,663	15,718	13,564	2,767	16,331
TRANSCOM.....	8,884	4,416	13,300	11,918	5,924	17,842	12,383	6,155	18,538	12,866	6,396	19,262
OTHER.....	0	0	0	0	0	0	0	0	0	0	0	0
SUBTOTAL DWCF.....	26,311	19,541	45,852	29,340	19,911	49,251	30,486	20,687	51,173	31,675	21,494	53,169
DEFENCE HEALTH PROGRAM....	\$ 102,313	\$ 41,961	\$ 144,274	\$ 102,313	\$ 41,961	\$ 144,274	\$ 106,718	\$ 34,347	\$ 141,065	\$ 120,531	\$ 33,852	\$ 154,383
OTHER AGENCIES.....	\$ 4,631	\$ 59,571	\$ 64,202	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
ENLISTED SUBSISTENCE.....	\$ 0	\$ 32,528	\$ 32,528	\$ 0	\$ 24,440	\$ 24,440	\$ 0	\$ 34,463	\$ 34,463	\$ 0	\$ 35,808	\$ 35,808
PCS.....	3,190	7,444	10,634	639	1,490	2,129	652	1,521	2,173	666	1,553	2,219
OMPC.....	0	0	0	0	133	133	0	0	0	0	0	0
MISCELLANEOUS.....	0	0	0	0	0	0	0	0	0	0	0	0
SUBTOTAL OTHER NON-STRENGTH.....	3,190	39,972	43,162	639	26,063	26,702	652	35,984	36,636	666	37,361	38,027
TOTAL ASSIGN TO DOD IN SUPPORT OF DOD FUNCTIONS.....	139,949	162,294	302,243	135,891	89,225	225,116	141,455	92,308	233,763	156,471	93,997	250,468
GRAND TOTAL.....	\$ 255,852	\$ 240,353	\$ 496,205	\$ 175,466	\$ 120,723	\$ 296,189	\$ 182,135	\$ 116,174	\$ 298,309	\$ 198,748	\$ 118,820	\$ 317,568