

**DEPARTMENT OF DEFENSE  
Amended  
FY 2008 Supplemental Request**

**FOR**

**OPERATION IRAQI FREEDOM (OIF) AND  
OPERATION ENDURING FREEDOM (OEF)**



**ARMY MILITARY PERSONNEL  
Amended  
September 2007**

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## MILITARY PERSONNEL OVERVIEW

The FY 2008 Global War on Terror (GWOT) submission requests funds so that the United States may continue security stabilization efforts in Iraq and Afghanistan and continue the global fight against terrorism. These efforts are in addition to ongoing daily military operations around the globe. Without additional funds in FY 2008, the Army would have to use funds from readiness and investment accounts to finance the continuing costs of military operations.

This request includes **\$13,753.5 million** for Army military personnel costs as shown in the following tables:

<b>Summary by Appropriation</b>	<b>FY 2008 <u>Total Estimate</u></b>	<b>Revised FY 2008 <u>Total Estimate</u></b>	<b>FY 2008 <u>Delta</u></b>
Military Personnel, Army	12,504,398	12,317,555	(186,843)
Reserve Personnel, Army	235,000	299,200	64,200
National Guard Personnel, Army	<u>476,584</u>	<u>1,136,747</u>	<u>660,164</u>
	<b>13,215,982</b>	<b>13,753,501</b>	<b>537,520</b>

	(\$ in Thousands)			
<b><u>FY 2008 Request</u></b>	<b><u>Active Army</u></b>	<b><u>Army Reserve</u></b>	<b><u>Army Guard</u></b>	<b><u>Total</u></b>
Reserve & Guard Mobilization & AC Deployment Costs	6,494,792			6,494,792
Active Overstrength Costs	2,343,493			2,343,493
Subsistence-In-Kind (SIK)	1,892,465			1,892,465
Recruiting and Retention	1,020,120	186,700	380,386	1,587,206
Permanent Change of Station	410,128			410,128
Casualty and Disability	343,400			343,400
Pre and Post Mobilization Training	-	48,300	96,198	144,498
<b>Total Military Personnel</b>	<b>12,504,398</b>	<b>235,000</b>	<b>476,584</b>	<b>13,215,982</b>

	(\$ in Thousands)			
<b><u>Revised FY 2008 Request</u></b>	<b><u>Active Army</u></b>	<b><u>Army Reserve</u></b>	<b><u>Army Guard</u></b>	<b><u>Total</u></b>
Reserve & Guard Mobilization & AC Deployment Costs	6,737,143			6,737,143
Active Overstrength Costs (includes other costs for base AC strength)	1,644,006			1,644,006
Subsistence-In-Kind (SIK)	1,872,577			1,872,577
Recruiting and Retention	1,426,509	186,700	380,386	1,993,595
Permanent Change of Station	265,420			265,420
Casualty and Disability	371,900			371,900
Pre and Post Mobilization Training	-	112,500	756,361	868,861
<b>Total Military Personnel</b>	<b>12,317,555</b>	<b>299,200</b>	<b>1,136,747</b>	<b>13,753,501</b>

	(\$ in Thousands)			
<b><u>FY 2008 Delta</u></b>	<b><u>Active Army</u></b>	<b><u>Army Reserve</u></b>	<b><u>Army Guard</u></b>	<b><u>Total</u></b>
Reserve & Guard Mobilization/Deployment Costs	242,351			242,351
Active Overstrength Costs	(699,486)			(699,486)
Subsistence-In-Kind (SIK)	(19,888)			(19,888)
Recruiting and Retention	406,389	-	-	406,389
Permanent Change of Station	(144,708)			(144,708)
Casualty and Disability	28,500			28,500
Pre and Post Mobilization Training	-	64,200	660,163	724,363
<b>Total Military Personnel</b>	<b>(186,843)</b>	<b>64,200</b>	<b>660,163</b>	<b>537,519</b>

The following table reflects mobilization and deployment assumptions as well as active overstrength estimates. Mobilization numbers include personnel deployed to theater as well as personnel remaining in CONUS supporting OEF and OIF.

	<u>Average Strength</u>	<u>Revised Strength</u>	<u>Delta</u>
	<u>FY 2008</u>	<u>FY 2008</u>	<u>FY 2008</u>
Active Army Deployment	155,387	163,746	8,359
Army Reserve Mobilization	34,202	33,000	(1,202)
Army National Guard Mobilization	49,193	41,000	(8,193)
Active Army Overstrength	38,033	29,077	(8,956)

In response to the terrorist attacks on the United States on September 11, 2001, the President invoked his authority (10 U.S.C 12302) to order to active duty Ready Reserve members and delegated his authority to the Secretary of Defense in Proclamation 7463 of September 14, 2001. This declaration of national emergency has been extended, thereby continuing the authority to order to active duty Ready Reserve members. In order to sustain current military operations, funding is requested to finance the incremental costs (i.e., pay, allowances, subsistence, and other personnel costs) for personnel mobilized for duty in support of OIF and OEF. This funding request prices the 2008 military pay raise at 3.0% rather than 3.5% as recommended by the House and Senate Appropriation Committees. This funding request includes no assumptions regarding accelerated growth of Active Component permanent end strength.

The Army’s current military personnel request of **\$13,753.5 million** is comprised of the following major costs:

**Reserve & Guard Mobilization/Deployment Costs (\$6,737.1 million)**

- Basic military pay and entitlements (i.e., Basic Pay, Basic Allowance for Housing (BAH), retired pay accrual, social security contributions, and incentive pays) for Reserve and National Guard members on active duty to provide essential military operation support or backfill for those active personnel deployed overseas in support of OIF and OEF.
- Special Pays for Mobilized Reserve, National Guard, and Active Component Personnel:
  - Hostile Fire Pay (HFP)/Imminent Danger Pay (IDP) (\$225 per month),
  - Family Separation Allowance (FSA) (\$250 per month),

- Hardship Duty-location Pay (\$100 per month if deployed for less than 12 months and \$300 per month if deployed for more than 12 months),
- Combat Related Injury Rehabilitation Pay (CIP) (\$430 per month, minus HFP/IDP).
- Basic Allowance for Subsistence (BAS) for all Reserve Component members in support of OIF and OEF.
- Additional Mobilization/Deployment Benefits for unemployment benefits to ex-service members who are discharged or released under honorable conditions; the Reserve Income Replacement Program (RIRP); and Interest on Uniformed Services Savings Deposits payments authorized by Section 1035 of 10 U.S.C.

**IMPACT IF NOT FUNDED:** The Army will be unable to adequately provide the necessary force mix to successfully meet mission requirements for both OEF and OIF. Furthermore, the Army will be unable to meet statutory obligations to provide pay and allowances to mobilized reserve component personnel. Without additional funds in FY 2008, the Army would have to use funds from readiness and investment accounts to finance the continuing costs of military operations.

**Active Overstrength Costs (\$1,644.0 million)**

- Funds personnel-related costs for an additional 29,077 (man years) Army military personnel maintained on active duty above the normal strength levels of 489,400 to sustain the readiness levels of deploying units. The Army anticipates ending FY 2008 with end strength of 525,400.

**IMPACT IF NOT FUNDED:** The Army will be unable to adequately provide the necessary force mix to successfully meet mission requirements for both OEF and OIF. Furthermore, the Army will be unable to meet statutory obligations to provide pay and allowances to active component personnel. Without additional funds in FY 2008, the Army would have to use funds from readiness and investment accounts to finance the continuing costs of military operations.

**Subsistence-In-Kind (SIK) Costs (\$1,872.6 million)**

- Funds requested provide Subsistence-in-Kind (SIK) (food and drink) to Soldiers while deployed in support of both OEF and OIF. SIK includes the cost of procuring subsistence for garrison dining facilities (Subsistence in Messes), operational rations, and augmentation rations. The Army provides subsistence in mess facilities and operational rations for members of all military services participating in OIF and OEF.

**IMPACT IF NOT FUNDED:** The Army will need to re-program funds from other appropriations to adequately feed Soldiers and other military service members deployed in support of both OEF and OIF. Without additional funds in FY 2008, the Army would have to use funds from readiness and investment accounts to finance the continuing costs of military operations.

**Recruiting and Retention (Active Component \$1,426.5 million; Reserve Component \$567.1million)**

- The Recruiting and Retention program pays for personnel incentives, bonuses, education benefits and retention bonuses. Payments are used as accession and retention incentives to fill critical Army Military Operational Skill (MOS) positions in Active, Army Reserve and National Guard units that are mobilized in support of GWOT.

**IMPACT IF NOT FUNDED:** The Army will be at risk of not achieving planned accession and retention goals. Failing to fund any portion of the FY 2008 Accession Action plan, which provides an integrated view of required resources to achieve the annual officer and enlisted accession and retention missions, will negatively impact Army troop strength objectives required to meet contingency mission requirements. In addition the Army will be at risk of not achieving mandated end strength objectives in the FY 2007 National Defense Authorization Act (NDAA) and modular force structure plans.

**Permanent Change of Station (\$265.4 million)**

- The Permanent Change of Station (PCS) program pays for travel, transportation, storage, and dislocation allowances for reassignment of military members and their families traveling individually or as part of an organized unit in support of both OEF and OIF. Costs are for the dislocation allowance, shipment of household goods, temporary and non-temporary storage of household goods, temporary lodging expense, and member mileage and per diem.

**IMPACT IF NOT FUNDED:** The Army will have insufficient funds to properly distribute the force. The Army will have to involuntarily extend Soldiers stationed overseas, prevent Soldiers from attending necessary career progression training/schooling, slow reset, and reduce unit manning readiness.

**Casualty and Disability Benefits (\$371.9 million)**

- Casualty Benefits – **\$371.9 million** for the following benefits associated with the death and traumatic injury of service members (T-SGLI) costs.
  - Death Gratuity payments to survivors of members dying on active duty (**\$96 million**).



- Funding for Service Member's Group Life Insurance (SGLI)/ Traumatic-SGLI insurance premiums that the Department of Defense pays on behalf of service members (**\$218.9 million**).
- Reimbursement of SGLI/T-SGLI premiums for deployed Soldiers (**\$57 million**).

**IMPACT IF NOT FUNDED:** The Army will be unable to provide compensation to the states for Soldiers that are drawing unemployment benefits. Reserve and National Guard Soldiers and their families will lose a substantial amount of income due to mobilization. The Army has a statutory obligation to provide this compensation to Soldiers and their families/survivors. Without additional funds in FY 2008, the Army would have to use funds from readiness and investment accounts to finance the continuing costs of military operations

**Pre and Post Mobilization Training (\$868.9 million)**

- Basic pay and allowance costs for a surge in training of members in alerted Guard and Reserve units prior to mobilization and post deployment training to re-certify skills not utilized during extended deployments.

**IMPACT IF NOT FUNDED:** Army Reserve and Army National Guard organizations will not have the capability to adequately train units to deploy in support of GWOT. Unit and individual training readiness will not be validated for deployment to either OEF or OIF.

	(\$ in Thousands)		
	FY 2008	Revised FY 2008	FY 2008
	<u>Estimate</u>	<u>Estimate</u>	<u>Delta</u>
<b><u>MILITARY PERSONNEL, ARMY</u></b>			
<b>BUDGET ACTIVITY 1: PAY AND ALLOWANCES OF OFFICERS</b>			
BASIC PAY	946,612	1,142,768	274,212
RETIRED PAY ACCRUAL	195,864	230,280	31,040
BASIC ALLOWANCE FOR HOUSING	324,529	304,429	(20,100)
BASIC ALLOWANCE FOR SUBSISTENCE	33,773	38,324	4,551
SPECIAL PAYS	401,498	511,690	37,035
SOCIAL SECURITY TAX	72,416	87,416	13,477
<b>TOTAL BUDGET ACTIVITY 1</b>	<b>1,974,692</b>	<b>2,314,907</b>	<b>340,215</b>
<b>BUDGET ACTIVITY 2: PAY AND ALLOWANCES OF ENLISTED</b>			
BASIC PAY	3,209,775	2,747,209	(462,566)
RETIRED PAY ACCRUAL	716,791	598,216	(132,078)
BASIC ALLOWANCE FOR HOUSING	1,190,268	973,575	(216,693)
SPECIAL PAYS	1,981,636	2,490,342	216,078
SOCIAL SECURITY TAX	245,548	210,161	(41,502)
<b>TOTAL BUDGET ACTIVITY 2</b>	<b>7,344,018</b>	<b>7,019,503</b>	<b>(324,516)</b>
<b>BUDGET ACTIVITY 4: SUBSISTENCE OF ENLISTED PERSONNEL</b>			
BASIC ALLOWANCE FOR SUBSISTENCE	367,349	300,904	(66,445)
SUBSISTENCE-IN-KIND	1,892,466	1,872,577	(19,889)
<b>TOTAL BUDGET ACTIVITY 4</b>	<b>2,259,815</b>	<b>2,173,481</b>	<b>(86,334)</b>
<b>BUDGET ACTIVITY 5: PERMANENT CHANGE OF STATION TRAVEL</b>			
ACCESSION TRAVEL	7,162	11,472	4,310
TRAINING TRAVEL	-	9,537	9,537
OPERATIONAL TRAVEL	186,484	101,482	(85,002)
ROTATIONAL TRAVEL	216,482	126,759	(89,723)
SEPARATION TRAVEL	-	14,826	14,826
TRAVEL OF ORGANIZED UNITS	-	1,344	1,344
<b>TOTAL BUDGET ACTIVITY 5</b>	<b>410,128</b>	<b>265,420</b>	<b>(144,708)</b>
<b>BUDGET ACTIVITY 6: OTHER MILITARY PERSONNEL COSTS</b>			
INTEREST ON SOLDIERS DEPOSITS	21,780	21,780	-
RESERVE INCOME REPLACEMENT PROGRAM	8,200	8,200	-
UNEMPLOYMENT COMPENSATION	142,364	142,364	-
DEATH GRATUITIES	61,800	96,000	34,200
SGLI/TSGLI INSURANCE PREMIUM	51,200	56,984	5,784
SGLI EXTRA HAZARD PAYMENTS	219,400	202,356	(17,044)
TRAUMATIC INJURY PROTECTION COVERAGE (T-SGLI)	11,000	16,560	5,560
<b>TOTAL BUDGET ACTIVITY 6</b>	<b>515,744</b>	<b>544,244</b>	<b>28,500</b>
<b>TOTAL MILITARY PERSONNEL, ARMY</b>	<b>12,504,398</b>	<b>12,317,555</b>	<b>(186,843)</b>

	(\$ in Thousands)		
	<b>FY 2008</b>	<b>Revised</b>	
	<b><u>Estimate</u></b>	<b><u>Estimate</u></b>	<b><u>FY 2008</u></b>
			<b><u>Delta</u></b>
<b>RESERVE PERSONNEL, ARMY</b>			
<b>BUDGET ACTIVITY 1: RESERVE COMPONENT TRAINING AND SUPPORT</b>			
SPECIAL TRAINING (PRE/POST MOB TRAINING)	42,600	48,504	5,904
SPECIAL TRAINING (PRE/POST MOB TRAINING) (BAH)	5,700	7,896	2,196
PAY GROUP A TRAINING	-	-	-
PAY GROUP A TRAINING (BAH)	-	-	-
SCHOOL TRAINING (PRE/POST MOB TRAINING)	-	48,246	48,246
SCHOOL TRAINING (PRE/POST MOB TRAINING) (BAH)	-	7,854	7,854
RECRUITING AND RETENTION	186,700	186,700	-
DISABILITY AND DEATH GRATUITY	-	-	-
OTHER PROGRAMS	-	-	-
<b>TOTAL RESERVE PERSONNEL, ARMY</b>	<b>235,000</b>	<b>299,200</b>	<b>64,200</b>
<b>NATIONAL GUARD PERSONNEL, ARMY</b>			
<b>BUDGET ACTIVITY 1: RESERVE COMPONENT TRAINING AND SUPPORT</b>			
PAY GROUP A	-	124,400	124,400
UNIT TRAINING (BAH)	-	-	-
SPECIAL TRAINING (PRE/POST MOB TRAINING)	30,358	121,367	91,010
SPECIAL TRAINING (PRE/POST MOB TRAINING) (BAH)	4,140	68,931	64,791
SCHOOL TRAINING (PRE/POST MOB TRAINING)	54,296	404,704	350,408
SCHOOL TRAINING (PRE/POST MOB TRAINING) (BAH)	7,404	36,960	29,556
RECRUITING AND RETENTION	334,740	327,132	(7,608)
RECRUITING AND RETENTION (BAH)	45,646	53,254	7,608
DISABILITY AND DEATH GRATUITY	-	-	-
<b>TOTAL NATIONAL GUARD PERSONNEL, ARMY</b>	<b>476,584</b>	<b>1,136,747</b>	<b>660,163</b>
<b>GRAND TOTAL ARMY MILITARY PERSONNEL</b>	<b>13,215,981</b>	<b>13,753,501</b>	<b>537,520</b>

**RESERVE & GUARD MOBILIZATION**  
**ACTIVE DEPLOYMENT**  
**ACTIVE OVERSTRENGTH**

**Appropriation: Active Military Personnel**  
**Budget Activity 1: Pay and Allowances of Officers**  
**Budget Line Item: Basic Pay**

**FY 2008**  
**(\$ in Thousands)**  
**\$1,142,768**

**Part I - Purpose and Scope**

Funds provide for incremental basic compensation and length of service pay increments for mobilized reserve and active military officer personnel that are above baseline strength levels.

**Part II - Justification of Funds Required**

Funds provide basic compensation for mobilized Reserve, Guard, and active component overstrength officer personnel. The FY 2008 military pay raise reflects a 3.0 percent across-the-board pay raise effective January 1, 2008. Summary cost computations are provided in the following table:

<u>Total</u>	<u>FY 2008 Estimate</u>			<u>Revised FY 2008 Estimate</u>			<u>FY 2008 Delta</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>
Reserve/Guard Mobilization	11,903	\$66,747	794,489	14,425	\$70,809	1,021,437	2,522	\$4,062	226,948
Active Component Overstrength	2,399	\$63,411	152,123	1,929	\$62,898	121,331	(470)	(\$513)	(30,793)
<b>Total</b>	<b>14,302</b>		<b>946,612</b>	<b>16,354</b>		<b>1,142,768</b>	<b>2,052</b>		<b>196,155</b>

**Appropriation: Active Military Personnel**  
**Budget Activity 1: Pay and Allowances of Officers**  
**Budget Line Item: Retired Pay Accrual**

**FY 2008**  
**(\$ in Thousands)**  
**\$230,280**

**Part I - Purpose and Scope**

Funds provide for the Department of Army's contribution to its Military Retirement Fund, in accordance with 10 U.S.C 1466.

**Part II - Justification of Funds Required**

The budget estimates are derived as a product of:

- The total amount of the basic pay expected to be paid during the fiscal year.
- The actuary estimate assumes a part-time and full-time Normal Cost Percentage (NCP) at 19.1 percent and 29.0 percent of basic pay for FY 2008, respectively.

Funds provide Retired Pay Accrual payments for mobilized Reserve, Guard, and active component overstrength officer personnel. Summary cost computations are provided in the following table:

<u>Total</u>	<u>FY 2008 Estimate</u>			<u>Revised FY 2008 Estimate</u>			<u>FY 2008 Delta</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>
Reserve/Guard Mobilization	11,903	\$12,749	151,748	14,425	\$13,524	195,094	2,522	\$776	43,346
Active Component Overstrength	2,399	\$18,389	44,116	1,929	\$18,240	35,186	(470)	(\$149)	(8,930)
<b>Total</b>	<b>14,302</b>		<b>195,864</b>	<b>16,354</b>		<b>230,280</b>	<b>2,052</b>		<b>34,417</b>

**Appropriation: Active Military Personnel**  
**Budget Activity 1: Pay and Allowances of Officers**  
**Budget Line Item: Basic Allowance for Housing**

**FY 2008**  
**(\$ in Thousands)**  
**\$304,429**

**Part I - Purpose and Scope**

In the FY 1998 NDAA, Congress approved the payment of a Basic Allowance for Housing (BAH) to Soldiers. The Overseas Housing Allowance (OHA) payment, formerly located in overseas station allowances, moved into this section due to a change in Section 603 of P.L. 105-85, the NDAA for FY 1998. The continental United States, Alaska, and Hawaii BAH is termed BAH Domestic, while the overseas housing allowance is called BAH Overseas. Payment to Soldiers is authorized by 37 U.S.C. 403. The BAH inflation rate for FY 2008 is 3.9 percent.

**Part II - Justification of Funds Required**

This program provides a cash allowance to those Soldiers not provided with government quarters adequate for themselves and their family members. This allowance enables such personnel to obtain civilian housing as a substitute.

The funds provide the BAH allowance for mobilized Reserve, Guard, and active component overstrength officer personnel in support of operations directly associated with the Global War on Terrorism. Summary cost computations are provided in the following table:

<u>Total</u>	<u>FY 2008 Estimate</u>			<u>Revised FY 2008 Estimate</u>			<u>FY 2008 Delta</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>
Reserve/Guard Mobilization	11,903	\$22,915	272,759	14,425	\$18,566	270,717	2,522	(\$4,349)	(2,042)
Active Component Overstrength	2,399	\$21,580	51,770	1,783	\$18,909	33,711	(616)	(\$2,671)	(18,059)
<b>Total</b>	<b>14,302</b>		<b>324,529</b>	<b>16,208</b>		<b>304,429</b>	<b>1,906</b>		<b>(20,101)</b>

**Appropriation: Active Military Personnel**  
**Budget Activity 1: Pay and Allowances of Officers**  
**Budget Line Item: Basic Allowance for Subsistence**

**FY 2008**  
**(\$ in Thousands)**  
**\$38,324**

**Part I - Purpose and Scope**

Funds provide for a subsistence allowance authorized by 37 U.S.C. 402 and P.L. 96-343.

**Part II - Justification of Funds Required**

All officers, regardless of dependency status, deployment status, and pay grade, are paid a monthly Basic Allowance for Subsistence (BAS) at the same statutory rate. The BAS inflation rate is 2.8% for FY 2008.

Funds provide the BAS allowance for mobilized Reserve, Guard, and active component overstrength officer personnel in support of operations directly associated with the Global War on Terrorism. Summary cost computations are provided in the following table:

<u>Total</u>	<u>FY 2008 Estimate</u>			<u>FY 2008 Estimate</u>			<u>FY 2008 Delta</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>
Reserve/Guard Mobilization	11,903	\$2,361	28,108	14,425	\$2,361	33,769	2,522	-	5,661
Active Component Overstrength	2,399	\$2,361	5,665	1,929	\$2,361	4,555	(470)	-	(1,110)
<b>Total</b>	<b>14,302</b>		<b>33,773</b>	<b>16,354</b>		<b>38,324</b>	<b>2,052</b>		<b>4,551</b>



**Appropriation: Active Military Personnel**  
**Budget Activity 1: Pay and Allowances of Officers**  
**Budget Line Item: Special Pay and Allowances**

**FY 2008**  
**(\$ in Thousands)**  
**\$265,743**

### **Part I - Purpose and Scope**

Funds provide for payments to officers for the following special pays:

Family Separation Allowance: Paid at the rate of \$250 per month to members with dependents who are on duty away from home for a period of more than 30 continuous days (37 U.S.C. 427).

Hostile Fire/Imminent Danger Pay: Paid at the rate of \$225 per month to personnel subject to hostile fire or in an area in which they are in imminent danger of being exposed to hostile fire (37 U.S.C. 310).

Hardship Duty Pay: The monthly rate may *not exceed* \$750 per month. Funds provide additional payment to personnel performing duty in a location that is designated by the Secretary of Defense as hardship duty (37 U.S.C. 305).

Assignment Incentive Pay for 15 Month Deployment Policy: In May 2007, the Secretary of Defense implemented the 15 month “Boots on the Ground” deployment policy. Under this policy Soldiers are entitled to an additional payment of *not to exceed* \$3000 for each month exceeding 12 months of deployment.

Combat-Related Injury Pay (CIP): Paid at a rate of \$430 per month minus Hostile Fire/Imminent Danger Pay (HF/IDP) paid to the member for the month. CIP is payable each time a member is evacuated from the combat theater and hospitalized for treatment due to wounds, injuries or illness incurred in a combat operation or in a combat zone. CIP stops once T-SGLI is paid to the Soldier.

Other Pays and Allowances. These funds reflect other pays and allowances for mobilized Reserve, Guard, and active component overstrength officer personnel supporting contingency operations, OEF or OIF. Other pays and allowances include, incentive pays, other special pays, clothing allowances, and separation pay.

**Appropriation: Active Military Personnel**  
**Budget Activity 1: Pay and Allowances of Officers**  
**Budget Line Item: Special Pay and Allowances**

**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. Summary cost computations are provided by the following table:

<u>Mobilized Guard &amp; Reserve</u>	<u>FY 2008 Estimate</u>			<u>Revised FY 2008 Estimate</u>			<u>FY 2008 Delta</u>			
	<u>Total</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>
Family Separation Allowance		6,171	\$3,000	18,513	8,295	\$3,000	24,886	2,124	-	6,373
Hostile Fire Pay		8,640	\$2,700	23,328	3,093	\$2,700	8,352	(5,547)	-	(14,976)
Hardship Duty Pay		8,228	\$1,200	9,874	6,046	\$1,200	7,255	(2,182)	-	(2,619)
Assignment Incentive Pay & HDP Pay		-	-	-	-	-	-	-	-	-
Combat Related Injury Pay (CIP)		465	\$2,150	1,000	-	-	-	(465)	(\$2,150)	(1,000)
Incentive Pays		11,903	\$5,161	61,426	1,278	\$2,912	3,723	(10,625)	(\$2,249)	(57,703)
Other Special Pays		11,903	\$2,252	26,810	3,049	\$7,416	22,615	(8,854)	\$5,164	(4,195)
Convalescent Soldiers Clothing Allowance		750	\$250	188	206	\$205	42	(544)	(\$45)	(145)
Separation Pay		11,903	\$1,971	23,457	188	\$35,829	6,736	(11,715)	\$33,858	(16,721)
<b>Total</b>				<b>164,595</b>			<b>73,608</b>			<b>(90,986)</b>

<u>Active Component Deployed</u>	<u>FY 2008 Estimate</u>			<u>Revised FY 2008 Estimate</u>			<u>FY 2008 Delta</u>			
	<u>Total</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>
Family Separation Allowance		17,064	\$3,000	52,854	13,553	\$3,000	40,658	(3,511)	-	(12,196)
Hostile Fire Pay		24,007	\$2,700	66,509	17,794	\$2,700	48,043	(6,213)	-	(18,466)
Hardship Duty Pay		22,901	\$1,200	28,228	17,794	\$1,200	21,353	(5,107)	-	(6,876)
Assignment Incentive Pay & HDP Pay	-	-	-	-	6,000	\$12,000	72,000	6,000	\$12,000	72,000
Foreign Language Proficiency Pay	-	-	-	-	121	\$1,935	233	121	\$1,935	233
Combat Related Injury Pay (CIP)		465	\$2,150	1,000	-	-	-	(465)	(\$2,150)	(1,000)
Incentive Pays		5,252	\$5,826	14,368	391	\$5,110	1,996	(4,861)	(\$716)	(12,372)
Other Special Pays		5,252	\$2,542	6,270	947	\$7,621	7,215	(4,305)	\$5,079	945
Convalescent Soldiers Clothing Allowance		750	\$250	188	321	\$250	80	(429)	-	(108)
Separation Pay		5,252	\$2,225	5,486	243	\$2,287	557	(5,009)	\$62	(4,929)
<b>Total</b>				<b>174,903</b>			<b>192,135</b>			<b>17,232</b>
<b>Total Special and Incentive Pays and Allowances (Reserve Component Mobilization &amp; Active Component Deployment)</b>				<b>339,498</b>			<b>265,743</b>			<b>(73,755)</b>

**Appropriation: Active Military Personnel**  
**Budget Activity 1: Pay and Allowances of Officers**  
**Budget Line Item: Recruiting and Retention**

**FY 2008**  
**(\$ in Thousands)**  
**\$245,947**

### **Part I – Purpose and Scope**

Funding will cover personnel incentives, officer bonuses, education benefits and retention bonuses. Payments are used as accession and retention incentives to fill critical Army Military Operational Skill (MOS) positions.

Warrant Officer Accession and Retention Bonus: This incentive is authorized under the provisions of 37 U.S.C 324. As an accession tool, the Army may pay a Soldier up to \$60,000 if they accept a commission or appointment in a critical skill.

Company Grade Officer Critical Skill Retention Bonus (CSR): This incentive is authorized under the provisions of 37 U.S.C 323. As a retention tool, the Army may pay a Soldier in a critical skill up to a lifetime maximum of \$200,000 for at least a one year commitment to stay on active duty. During Sep 2007, the Secretary of Defense approved an expanded company grade retention program that pays a tiered lump sum bonus ranging from \$25,000 to \$35,000 based on branch of service and shortages associated with force structure growth.

Dentist Accession Bonus: The FY 2007 NDAA identified an additional accession bonus requirement for dentists from \$30,000 to \$200,000.

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

To meet end strength mandated by the FY 2007 NDAA, the Army increased its officer accession and retention missions. To help mitigate the additional GWOT challenges, the Army will use officer bonuses as a recruiting and retention tool. The Army will also add some new CSRs for FY 2008 (registered nurses, physician assistants, clinical psychologists, special operations forces and military intelligence officers).

If funding is not received, the Army will be at risk of not achieving planned accession and retention goals. Failing to fund any portion of the FY 2008 Accession Action plan, which provides an integrated view of required resources to achieve the annual officer and

**Appropriation: Active Military Personnel**  
**Budget Activity 1: Pay and Allowances of Officers**  
**Budget Line Item: Recruiting and Retention**

enlisted accession and retention missions, will negatively impact Army troop strength objectives required to meet contingency mission requirements. In addition the Army will be at risk of not achieving mandated end strength objectives in the FY 2007 NDAA and modular force structure plans.

<u>Total</u>	<u>FY 2008 Estimate</u>			<u>Revised FY 2008 Estimate</u>			<u>FY 2008 Delta</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>
Warrant Officer Accession and Retention Bonus	194	\$49,485	9,600	194	\$49,485	9,600	-	-	-
Company Grade Officer Critical Skill Retention Bont	2,590	\$20,000	51,800	11,787	\$20,000	235,747	-	-	-
Dentist Accession Bonus	3	\$200,000	600	3	\$200,000	600	-	-	-
<b>Total</b>			<b>62,000</b>			<b>245,947</b>			

**Appropriation: Active Military Personnel**  
**Budget Activity 1: Pay and Allowances of Officers**  
**Budget Line Item: Social Security Tax**

**FY 2008**  
**(\$ in Thousands)**  
**\$87,416**

**Part I - Purpose and Scope**

Funds 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 Required**

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 percent and the Hospital Insurance (HI) rate is 1.45 percent. The maximum amounts of earnings per individual on which tax is payable are:

<u>Calendar year</u>	<u>OASDI Base</u>	<u>Medicare Base</u>
2008	\$102,300	No upper limit

Funds provide the employer’s Social Security Tax payment for mobilized Reserve, Guard, and active component overstrength officer personnel in support of operations directly associated with the Global War on Terrorism. Summary cost computations are provided in the following table:

<u>Total</u>	<u>FY 2008 Estimate</u>			<u>Revised FY 2008 Estimate</u>			<u>FY 2008 Delta</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>
Reserve/Guard Mobilization	11,903	\$5,106	60,778	14,425	\$5,417	78,134	2,522	\$311	17,356
Active Component Overstrength	2,399	\$4,851	11,638	1,929	\$4,812	9,282	(470)	(\$39)	(2,356)
<b>Total</b>	<b>14,302</b>		<b>72,416</b>	<b>16,354</b>		<b>87,416</b>	<b>2,052</b>		<b>15,001</b>

**Appropriation: Active Military Personnel**  
**Budget Activity 2: Pay and Allowances of Enlisted**  
**Budget Line Item: Basic Pay**

**FY 2008**  
**(\$ in Thousands)**  
**\$2,747,209**

**Part I - Purpose and Scope**

Funds provide for incremental basic compensation and length of service pay increments for mobilized reserve and active military enlisted personnel that are above baseline strength levels.

**Part II - Justification of Funds Required**

Funds provide basic compensation for mobilized Reserve, Guard, and active component overstrength enlisted Soldiers. The FY 2008 military pay raise reflects a 3.0 percent across-the-board pay raise effective January 1, 2008. Summary cost computations are provided in the following table:

<u>Total</u>	<u>FY 2008 Estimate</u>			<u>Revised FY 2008 Estimate</u>			<u>FY 2008 Delta</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>
Reserve/Guard Mobilization	71,492	\$30,242	2,162,059	63,201	\$31,721	2,004,799	(8,291)	\$1,479	(157,260)
Active Component Overstrength	35,634	\$29,402	1,047,717	27,148	\$27,347	742,410	(8,486)	(\$2,055)	(305,307)
<b>Total</b>	<b>107,126</b>		<b>3,209,775</b>	<b>90,349</b>		<b>2,747,209</b>	<b>(16,777)</b>		<b>(462,566)</b>

**Appropriation: Active Military Personnel  
 Budget Activity 2: Pay and Allowances of Enlisted  
 Budget Line Item: Retired Pay Accrual**

**FY 2008  
 (\$ in Thousands)  
 \$598,216**

**Part I - Purpose and Scope**

Funds provide for the Department of Army's contribution to its Military Retirement Fund, in accordance with 10 U.S.C 1466.

**Part II - Justification of Funds Required**

The budget estimates are derived as a product of:

- The total amount of the basic pay expected to be paid during the fiscal year.
- The actuary estimate assumes a part-time and full-time Normal Cost Percentage (NCP) at 19.1 percent and 29.0 percent of basic pay for FY 2008, respectively.

Funds provide Retired Pay Accrual payments for mobilized Reserve, Guard, and active component overstrength enlisted Soldiers. Summary cost computations are provided in the following table:

<u>Total</u>	<u>FY 2008 Estimate</u>			<u>Revised FY 2008 Estimate</u>			<u>FY 2008 Delta</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>
Reserve/Guard Mobilization	71,492	\$5,776	412,953	63,201	\$6,059	382,917	(8,291)	\$283	(30,036)
Active Component Overstrength	35,634	\$8,527	303,838	27,148	\$7,931	215,299	(8,486)	(\$596)	(88,539)
<b>Total</b>	<b>107,126</b>		<b>716,791</b>	<b>90,349</b>		<b>598,216</b>	<b>(16,777)</b>		<b>(118,575)</b>



**Appropriation: Active Military Personnel**  
**Budget Activity 2: Pay and Allowances of Enlisted**  
**Budget Line Item: Basic Allowance for Housing**

**FY 2008**  
**(\$ in Thousands)**  
**\$973,575**

**Part I - Purpose and Scope**

In the FY 1998 NDAA, Congress approved the payment of a Basic Allowance for Housing (BAH) to Soldiers. The Overseas Housing Allowance (OHA) payment, formerly located in overseas station allowances, moved into this section due to a change in Section 603 of P.L. 105-85, the NDAA for FY 1998. The continental United States, Alaska, and Hawaii BAH is termed BAH Domestic, while the overseas housing allowance is called BAH Overseas. Payment to Soldiers is authorized by 37 U.S.C. 403. The BAH inflation rate for FY 2008 is 3.9 percent.

**Part II - Justification of Funds Required**

This program provides a cash allowance to those Soldiers not provided with government quarters adequate for themselves and their family members. This allowance enables such personnel to obtain civilian housing as a substitute.

Funds provide the BAH allowance for mobilized Reserve, Guard, and active component overstrength enlisted Soldiers in support of operations directly associated with the Global War on Terrorism. Summary cost computations are provided in the following table:

<u>Total</u>	<u>FY 2008 Estimate</u>			<u>FY 2008 Estimate</u>			<u>FY 2008 Delta</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>
Reserve/Guard Mobilization	71,492	\$11,247	804,049	63,201	\$12,315	744,050	(8,291)	\$1,068	(59,999)
Active Component Overstrength	35,634	\$10,839	386,219	16,428	\$13,971	229,525	(19,206)	\$3,133	(156,694)
<b>Total</b>	<b>107,126</b>		<b>1,190,268</b>	<b>79,629</b>		<b>973,575</b>	<b>(27,497)</b>		<b>(216,693)</b>

**Appropriation: Active Military Personnel**  
**Budget Activity 2: Pay and Allowances of Enlisted**  
**Budget Line Item: Special Pays and Allowances**

**FY 2008**  
**( \$ in Thousands)**  
**\$1,309,780**

### **Part I - Purpose and Scope**

Funds provide for payments to enlisted Soldiers for the following special pays:

Family Separation Allowance: Paid at the rate of \$250 per month to members with dependents who are on duty away from home for a period of more than 30 continuous days (37 U.S.C. 427).

Hostile Fire/Imminent Danger Pay: Paid at the rate of \$225 per month to personnel subject to hostile fire or in an area in which they are in imminent danger of being exposed to hostile fire (37 U.S.C. 310).

Hardship Duty Pay: The monthly rate may *not exceed* \$750 per month. Funds provide additional payment to personnel performing duty in a location that is designated by the Secretary of Defense as hardship duty (37 U.S.C. 305).

Assignment Incentive Pay for 15 Month Deployment Policy: In May 2007, the Secretary of Defense implemented the 15 month “Boots on the Ground” deployment policy. Under this policy Soldiers are entitled to an additional payment *not to exceed* \$3000 for each month exceeding 12 months of deployment

Combat-Related Injury Pay (CIP): Paid at a rate of \$430 per month minus Hostile Fire/Imminent Danger Pay (HF/IDP) paid to the member for the month. CIP is payable each time a member is evacuated from the combat theater and hospitalized for treatment due to wounds, injuries or illness incurred in a combat operation or in a combat zone. CIP stops once T-SGLI is paid to the Soldier.

Other Pays and Allowances. These funds reflect other pays and allowances for mobilized Reserve, Guard, and active component overstrength enlisted Soldiers supporting contingency operations, OEF or OIF. Other pays and allowances include, incentive pays, other special pays, clothing allowances, and separation pay.

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

The projected average number of enlisted Soldiers 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 enlisted personnel eligible for each type of payment and rate of payment. Summary cost computations are provided by the following table:

**Appropriation: Active Military Personnel  
 Budget Activity 2: Pay and Allowances of Enlisted  
 Budget Line Item: Special Pays and Allowances**

<u>Mobilized Guard &amp; Reserve</u> <u>Total</u>	<u>FY 2008 Estimate</u>			<u>Revised FY 2008 Estimate</u>			<u>FY 2008 Delta</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>
Family Separation Allowance	12,874	\$3,000	38,622	28,771	\$3,000	86,314	15,897	-	47,692
Hostile Fire Pay	22,530	\$2,700	60,831	17,982	\$2,700	48,551	(4,548)	-	(12,280)
Hardship Duty Pay	21,457	\$1,200	25,748	34,765	\$1,200	41,718	13,308	-	15,970
Assignment Incentive Pay & HDP Pay	-	-	-	-	-	-	-	-	-
Combat Related Injury Pay (CIP)	1,860	\$2,150	3,999	-	-	-	(1,860)	(\$2,150)	(3,999)
Incentive Pays	71,492	\$501	35,840	1,726	\$1,984	3,425	(69,766)	\$1,483	(32,415)
Other Special Pays	71,492	\$1,588	113,556	18,292	\$6,767	123,782	(53,200)	\$5,178	10,225
Convalescent Soldiers Clothing Allowance	3,000	\$257	771	3,592	\$257	923	592	-	152
Separation Pay	71,492	\$468	33,465	768	\$1,913	1,470	(70,724)	\$1,445	(31,995)
<b>Total</b>			<b>312,833</b>			<b>306,183</b>			<b>(6,650)</b>

<u>Active Component Deployed</u> <u>Total</u>	<u>FY 2008 Estimate</u>			<u>Revised FY 2008 Estimate</u>			<u>FY 2008 Delta</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>
Family Separation Allowance	61,111	\$3,000	183,333	73,051	\$3,000	219,154	11,940	-	35,821
Hostile Fire Pay	107,031	\$2,700	288,984	103,514	\$2,700	279,489	(3,517)	-	(9,495)
Hardship Duty Pay	102,178	\$1,200	122,614	103,514	\$1,200	124,217	1,336	-	1,604
Assignment Incentive Pay & HDP Pay	-	-	-	24,000	\$12,000	288,000	24,000	-	288,000
Foreign Language Proficiency Pay	-	-	-	790	1,775	1,402	790	-	1,402
Combat Related Injury Pay (CIP)	1,861	\$2,150	4,001	-	-	-	(1,861)	-	(4,001)
Incentive Pays	35,634	\$621	22,127	2,785	\$1,876	5,225	(32,849)	-	(16,902)
Other Special Pays	35,634	\$1,914	68,194	18,565	\$3,306	61,381	(17,069)	-	(6,813)
Convalescent Soldiers Clothing Allowance	3,000	\$257	771	44,975	\$257	11,559	41,975	-	10,788
Separation Pay	35,634	\$580	20,659	22,717	\$580	13,170	(12,917)	-	(7,489)
<b>Total</b>			<b>710,683</b>			<b>1,003,597</b>			<b>292,915</b>

**Total Special and Incentive Pays and Allowances (Reserve Component Mobilization & Active Component Deployment) 1,023,516 1,309,780 286,265**

**Appropriation: Active Military Personnel**  
**Budget Activity 2: Pay and Allowances of Enlisted**  
**Budget Line Item: Recruiting and Retention**

**FY 2008**  
**(\$ in Thousands)**  
**\$1,180,562**

### **Part I – Purpose and Scope**

Funding will cover enlisted personnel incentives, bonuses, education benefits and retention bonuses. Payments are used as accession and retention incentives to fill critical Army Military Operational Skill (MOS) positions.

Enlistment Bonus: This incentive is authorized under the provisions of 37 U.S.C 309. As an enlistment tool, the Army may pay anyone who enlists a maximum of \$40,000 for at least a two year enlistment.

Selective Reenlistment Bonus: This incentive is authorized under the provisions of 37 U.S.C 308. As a retention tool, the Army may pay a Soldier in a critical skill up to \$90,000 for at least a three year reenlistment.

Critical Skill Retention Bonus: This incentive is authorized under the provisions of 37 U.S.C 323. As a retention tool, the Army may pay a Soldier in a critical skill up to a lifetime maximum of \$200,000 for at least a one year reenlistment. In December 2004, the Department of Defense authorized \$150,000 for a six year commitment for Special Forces.

Army College Fund: This incentive is authorized under the provisions of 38 U.S.C 3015. As an enlistment tool, the Army may augment the basic Montgomery GI Bill benefit (MGIB) for a recruit that enlists in a critical skill. The maximum augmentation is \$950 per month for 36 months when the Soldier utilizes the Basic MGIB.

Loan Repayment Program: This incentive is authorized under the provisions of 10 U.S.C 2171. The Army may repay approved loans for a Soldier who enlists in a critical skill. The loans are paid over a three year period. Army policy limits the loan to \$65,000.

Montgomery GI Bill (MGIB) Transferability: This incentive is authorized under the provisions of 38 U.S.C 3020. As a retention tool, the Army may allow a Soldier in a critical skill to transfer 18 months of their MGIB to their spouse for a minimum of a four year reenlistment.

Referral Bonus: This incentive is authorized under the provisions of PL 109-163 Section 645(a), as augmented by the FY 2007 NDAA. To assist recruiting efforts, the Army may pay up to \$2,000 to a military member who refers a person to enlist in the Army.

**Appropriation: Active Military Personnel**  
**Budget Activity 2: Pay and Allowances of Enlisted**  
**Budget Line Item: Recruiting and Retention**

Matching Thrift Saving Plan: This incentive is authorized under the provisions of PL 109-163 Section 606, as augmented by the FY 2007 NDAA. To assist recruiting efforts, the Army is directed to offer matching thrift saving plan funds.

Active First Enlistment Program: This is a new program where the Army National Guard recruits for the AC. Upon entry in the active component a Soldier may receive up to \$15,000 for a 30 month enlistment or up to \$40,000 for a 48 month enlistment.

Assignment Incentive Pay: This incentive is authorized under the provisions of 37 U.S.C 307a. In FY 2006, the Army offered \$450 a month for 36 months for recruits that enlisted into selected units.

**Part II – Justification of Funds Requested**

Funds support an enlisted accession mission of 80,000 soldiers and a retention mission of 65,000 soldiers.

If funding is not received, the Army will be at risk of not achieving planned accession and retention goals. Failing to fund any portion of the FY 2008 Accession Action plan, which provides an integrated view of required resources to achieve the annual officer and enlisted accession and retention missions, will negatively impact Army troop strength objectives required to meet contingency mission requirements. In addition the Army will be at risk of not achieving mandated end strength objectives in the FY 2007 National Defense Authorization Act (NDAA) and modular force structure plans.

**Appropriation: Active Military Personnel  
 Budget Activity 2: Pay and Allowances of Enlisted  
 Budget Line Item: Recruiting and Retention**

<u>Total</u>	<u>FY 2008 Estimate</u>			<u>Revised FY 2008 Estimate</u>			<u>FY 2008 Delta</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>
Enlistment Bonus	38,295	\$11,149	426,953	58,246	\$11,149	649,381	19,950	-	222,427
Reenlistment Bonus	36,653	\$11,222	411,322	36,653	\$11,222	411,322	-	-	0
SOF Critical Skills Retention Bonus	350	\$71,000	24,850	350	\$71,000	24,850	-	-	-
Army College Fund	2,905	\$5,268	15,302	2,905	\$5,268	15,302	-	-	-
Loan Repayment	459	\$4,936	2,265	459	\$4,936	2,265	-	-	-
MGIB Transferability	12,000	\$3,000	36,004	12,000	\$3,000	36,004	-	-	-
Referral Bonus	3,300	\$2,000	6,600	3,300	\$2,000	6,600	-	-	-
Matching Thrift Saving Plan	3,600	\$500	1,800	3,600	\$500	1,800	-	-	-
Assignment Incentive Pay	6,071	\$5,442	33,038	6,071	\$5,442	33,038	-	-	-
<b>Total</b>			<b>958,134</b>			<b>1,180,562</b>			<b>222,428</b>

**Appropriation: Active Military Personnel**  
**Budget Activity 2: Pay and Allowances of Enlisted**  
**Budget Line Item: Social Security Tax**

**FY 2008**  
**(\$ in Thousands)**  
**\$210,160**

**Part I - Purpose and Scope**

Funds 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 Required**

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 percent and the Hospital Insurance (HI) rate is 1.45 percent. The maximum amounts of earnings per individual on which tax is payable are:

<u>Calendar year</u>	<u>OASDI Base</u>	<u>Medicare Base</u>
2008	\$102,300	No upper limit

Funds provide the employer’s Social Security Tax payment for mobilized Reserve, Guard, and active component overstrength officer personnel in support of operations directly associated with the Global War on Terrorism. Summary cost computations are provided in the following table:

<u>Total</u>	<u>FY 2008 Estimate</u>			<u>Revised FY 2008 Estimate</u>			<u>FY 2008 Delta</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>
Reserve/Guard Mobilization	71,492	\$2,314	165,397	63,201	\$2,427	153,366	(8,291)	\$113	(12,031)
Active Component Overstrength	35,634	\$2,249	80,150	27,148	\$2,092	56,794	(8,486)	(\$157)	(23,356)
<b>Total</b>	<b>107,126</b>		<b>245,548</b>	<b>87,088</b>		<b>210,161</b>	<b>(16,777)</b>		<b>(35,387)</b>

**Appropriation: Active Military Personnel**  
**Budget Activity 4: Subsistence of Enlisted Personnel**  
**Budget Line Item: Basic Allowance for Subsistence/Subsistence-in-Kind (SIK)**

**FY 2008**  
**(\$ in Thousands)**  
**\$2,173,481**

### **Part I - Purpose and Scope**

Funds provide for the payment of authorized Basic Allowance for Subsistence (BAS) and Subsistence-in-Kind (SIK). SIK includes the cost of procuring subsistence (food and drink) for garrison dining facilities (Subsistence in Messes), operational rations, and augmentation rations. The Army provides subsistence in mess facilities and operational rations for members of all military services participating in OIF and OEF.

**Basic Allowance for Subsistence** is linked to the Department of Agriculture food plan indices. All enlisted members (except recruits and holdees) are entitled to BAS. Members continue to receive BAS while deployed. The BAS inflation rate is 2.8% for FY 2008.

**Subsistence-in-Messes** is the cost of bulk subsistence for dining facilities operated in support of OIF and OEF. This requirement is dependent on the number of personnel using the dining facilities and the cost of food. This is an additional cost above the BAS since members are authorized to continue receiving their BAS even though food is provided in theater.

**Operational Rations** are rations used for field subsistence. Operational rations include the Meal-Ready-to-Eat (MRE), Unitized Group Rations (UGR) that include “heat and serve” and A-ration varieties, and other operational rations, such as Cold Weather Rations. The SIK funds the cost of operational rations for both officers and enlisted Soldiers. The number of active duty personnel and the type of operational rations served determine costs for operational rations.

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

This budget activity includes the Basic Allowance for Subsistence (BAS) paid to the mobilized Reserve, Guard, and active component overstrength enlisted Soldier supporting OEF/OIF. BAS is paid under the following conditions: (1) when authorized to mess separately, (2) while on authorized leave, and (3) when subsistence-in-kind is not available. All mobilized and active component overstrength enlisted Soldiers are paid their full BAS entitlement.

Summary cost computations are provided in the following table:



**Appropriation: Active Military Personnel**  
**Budget Activity 4: Subsistence of Enlisted Personnel**  
**Budget Line Item: Basic Allowance for Subsistence/Subsistence-in-Kind (SIK)**

<b>Enlisted Basic Allowance for Subsistence (BAS)</b>	<b><u>FY 2008 Estimate</u></b>			<b><u>Revised FY 2008 Estimate</u></b>			<b><u>FY 2008 Delta</u></b>		
	<b><u>Strength</u></b>	<b><u>Rate</u></b>	<b><u>Amount</u></b>	<b><u>Strength</u></b>	<b><u>Rate</u></b>	<b><u>Amount</u></b>	<b><u>Strength</u></b>	<b><u>Rate</u></b>	<b><u>Amount</u></b>
<b>Total</b>									
Reserve/Guard Mobilization	71,492	\$3,429	245,155	60,601	\$3,429	\$207,810	(10,891)	-	(37,345)
Active Component Overstrength	35,634	\$3,429	122,194	27,148	\$3,429	\$93,094	(8,486)	-	(29,100)
<b>Total</b>	<b>107,126</b>		<b>367,349</b>	<b>87,088</b>		<b>\$300,904</b>	<b>(19,377)</b>		<b>(66,445)</b>

  

<b>Subsistence-In-Kind (SIK)</b>	<b><u>FY 2008 Estimate</u></b>			<b><u>FY 2008 Estimate</u></b>			<b><u>FY 2008 Delta</u></b>		
	<b><u>Strength</u></b>	<b><u>Rate</u></b>	<b><u>Amount</u></b>	<b><u>Strength</u></b>	<b><u>Rate</u></b>	<b><u>Amount</u></b>	<b><u>Strength</u></b>	<b><u>Rate</u></b>	<b><u>Amount</u></b>
Subsistence in Messes	159,580	\$10,673	1,703,220	205,746	\$8,056	1,657,562	46,166	(\$2,617)	(45,658)
Meals Ready to Eat (MRE)	159,580	\$593	94,623	7,979	\$11,432	91,213	(151,601)	\$10,839	(3,410)
Unitized Group Rations	159,580	\$593	94,623	15,958	\$7,758	123,801	(143,622)	\$7,165	29,178
<b>Total</b>	<b>478,740</b>		<b>1,892,466</b>	<b>229,683</b>		<b>1,872,577</b>			<b>(19,889)</b>

  

<b>Total Subsistence of Enlisted Personnel</b>			<b>2,259,815</b>			<b>2,173,481</b>			<b>(86,335)</b>
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# **PERMANENT CHANGE OF STATION**

**Appropriation: Active Military Personnel**  
**Budget Activity 5: Permanent Change of Station (PCS)**  
**Budget Line Item: Permanent Change of Station (PCS)**

**FY 2008**  
**(\$ in Thousands)**  
**\$265,420**

### **Part I – Purpose and Scope**

The Permanent Change of Station (PCS) program pays for travel, transportation, storage, and dislocation allowances for reassignment of military members and their families traveling individually or as part of an organized unit in support of OIF and OEF. Costs are for the dislocation allowance, shipment of household goods, temporary and non-temporary storage of household goods, temporary lodging expense, and member mileage and per diem.

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

FY 2008 President's base budget does not include funding to ensure the Army meets its increased end strength requirements and distributes the correct grade and skill mix for units deploying in support of the Global War on Terrorism. Accession moves are necessary to ensure the Army meets end strength requirements and distributes the correct grade and skill mix for units deploying in support of GWOT. There are also increased costs for moves to support transition teams and deploying units to Iraq and Afghanistan. These moves fully man deploying units to authorized strength levels and provide military advisors to the Iraqi and Afghanistan governments. Additional moves are also required to reset the forces in support of deploying units for OIF and OEF, for Soldiers retained due to over strength/stop loss, and for Soldiers separating after returning from deployment after stop loss. Summary cost computations are provided in the following table:

**Appropriation: Active Military Personnel**  
**Budget Activity 5: Permanent Change of Station (PCS)**  
**Budget Line Item: Permanent Change of Station (PCS)**

<b>Total</b>	<u>FY 2008 Estimate</u>			<u>FY 2008 Estimate</u>			<u>FY 2008 Delta</u>		
	<b>Strength</b>	<b>Rate</b>	<b>Amount</b>	<b>Strength</b>	<b>Rate</b>	<b>Amount</b>	<b>Strength</b>	<b>Rate</b>	<b>Amount</b>
Accession Moves	3,179	\$2,253	7,162	3,872	\$2,963	11,472	693	\$710	4,310
Training Moves				1,430	\$6,671	9,537	1,430	\$6,671	9,537
Operational Moves	19,943	\$9,351	186,484	9,795	\$10,361	101,482	(10,148)	\$1,010	(85,002)
Rotational Moves	24,445	\$8,856	216,482	10,492	\$12,081	126,759	(13,952)	\$3,225	(89,723)
Separation Moves				4,772	\$3,107	14,826	4,772	\$3,107	14,826
Unit Moves				619	\$3,447	1,344	619	\$3,447	1,344
<b>Total</b>	<b>47,566</b>		<b>410,128</b>	<b>25,589</b>		<b>265,420</b>	<b>(16,587)</b>		<b>(144,708)</b>

# **CASUALTY AND DISABILITY BENEFITS**

**Appropriation: Active Military Personnel**  
**Budget Activity 6: Other Military Personnel Costs**  
**Budget Line Item: Casualty and Disability Benefits**

**FY 2008**  
**(\$ in Thousands)**  
**\$371,900**

### **Part I – Purpose and Scope**

Fund benefits associated with the death and traumatic injury of service members.

- The Service Members' Group Life Insurance (SGLI) program is a low cost group life insurance for service members on active duty. These payments are required to the Department of Veterans Affairs, under section 1969(b) of title 38, United States Code, when actual mortality rates exceed peacetime mortality rates.
- The Traumatic Service Members' Group Life Insurance (T-SGLI) program is a relatively new program that provides automatic traumatic injury coverage to all service members covered under the Service Members' Group Life Insurance (SGLI) program. Every member who has SGLI also has T-SGLI, effective December 1, 2005.
- Death gratuity payments are made to survivors of members dying on active duty. The amount payable was increased from \$12,000 to \$100,000 in Section 664 of the FY 2006 NDAA.

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

- Funds are required to make extra hazard payment to the Department of Veterans Affairs to finance the increased number of SGLI death claims for the remaining portion of policy year 2007, which is not on a fiscal year basis (policy year based on July 1 – June 30), and a portion of policy year 2008. The average claim in policy year 2007 was \$391,608 and the estimated average claim in policy year 2008 is \$396,000.
- Funds are required to make benefit payments to military personnel who incur a traumatic injury in support of OIF and OEF.
- Section 606 of the FY 2007 NDAA directs the Department to pay the full premium for coverage under the SGLI program during service in Operation Iraqi Freedom (OIF) or Operation Enduring Freedom (OEF). This amount the Department pays is \$29.00 per month for each member.

**Appropriation: Active Military Personnel**  
**Budget Activity 6: Other Military Personnel Costs**  
**Budget Line Item: Casualty and Disability Benefits**

<u>Total</u>	<u>FY 2008 Estimate</u>			<u>FY 2008 Estimate</u>			<u>FY 2008 Delta</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>
SGLI			\$219,400			\$202,356			(17,044)
T-SGLI			\$11,000			\$16,560			5,560
SGLI/T-SGLI Insurance Premium	147,126	\$349	\$51,200	163,746	\$348	56,984	16,620	(1)	5,784
Death Gratuity (Combat Deaths)	618	\$100,000	\$61,800	960	\$100,000	96,000	342	-	34,200
<b>Total</b>	<b>148,293</b>		<b>\$343,400</b>	<b>165,407</b>		<b>371,900</b>	<b>17,114</b>		<b>28,500</b>

# **ADDITIONAL MOBILIZATION/DEPLOYMENT COSTS**



**Appropriation: Active Military Personnel**  
**Budget Activity 6: Other Military Personnel Costs**  
**Budget Line Item: Additional Mobilization/Deployment Costs**

**FY 2008**  
**(\$ in Thousands)**  
**\$172,344**

### **Part I – Purpose and Scope**

Funds provide benefits associated with disability and other mobilization/deployment costs.

- Unemployment Benefits: Payments 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 as amended by Section 301, PL. 102-164.
- Reserve Income Replacement Program (RIRP): The Congress authorized payments in the FY 2006 NDAA to Reserve and Guard Soldiers who are involuntarily mobilized and experiencing a monthly active duty income differential as a result of extended or frequent mobilizations.
- Interest on Uniformed Services Savings Deposits: Is a program authorized by Section 1035 of 10 U.S.C. This is a savings program for overseas members participating in temporary duty contingency operations.

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

- Eligibility for unemployment benefits is defined as active service in the armed forces where an individual was discharged under honorable conditions and had completed their first full term of active service; or was discharged before completing their first term under an early release program, because of hardship, for medical reasons, for personality disorders, or ineptitude (but only if the service was continuous for 365 days or more).
- RIRP costs are primarily the result of Reserve Component mobilization and provide the necessary compensation to qualified Reserve and Guard Soldiers serving an involuntary mobilization tour on active duty and who would otherwise be earning more income if they were serving in their normal civilian occupation. Payment for the RIRP is capped at \$3,000 per month.
- Funds are required to provide Interest on Uniformed Services Savings Deposits to fund the difference between a 10 percent annual rate of return paid under this program and average Treasury bill rates.

**Appropriation: Active Military Personnel**  
**Budget Activity 6: Other Military Personnel Costs**  
**Budget Line Item: Additional Mobilization/Deployment Costs**

	<u>FY 2008 Estimate</u>			<u>Revised FY 2008 Estimate</u>			<u>FY 2008 Delta</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>
<b><u>Total</u></b>									
Unemployment Benefits	10,361	\$13,741	\$142,364	10,361	\$13,741	142,364	-	-	-
Reserve Income Replacement Program (RIRP)	9,964	\$823	\$8,200	9,964	\$823	8,200	-	-	-
Services Savings Deposits	14,796	\$1,472	\$21,780	14,796	\$1,472	21,780	-	-	-
<b>Total</b>	<b>35,120</b>		<b>\$172,344</b>	<b>35,120</b>		<b>172,344</b>			<b>-</b>

# **PRE/POST MOBILIZATION TRAINING**

**Appropriation: Reserve Personnel, Army**  
**Budget Activity 1: Reserve Component Training and Support**  
**Budget Line Item: Special Training**

**FY 2008**  
**(\$ in Thousands)**  
**\$56,400**

### **Part I – Purpose and Scope**

Program provides funding for pre-mobilization training to deploying units. The Army Reserve has limited mandays to accomplish the train, mobilize, deploy paradigm and must therefore rely on extensive additional mandays to train and support the training of mobilizing units. Key unit personnel require additional mandays to prepare next deploying units for mobilization. These additional mandays will maximize pre-mobilization training and minimize time at the mobilization station. Each unit in the Ready cycle of Army Force Generation (ARFORGEN) will receive one evaluator to validate pre-mobilization training and support training readiness, certification, and validation requirements to include updating training databases.

Foreign Army Training Command (FA TRAC) units train Iraqi and Afghani forces. Soldiers assigned to FA TRAC units receive pre-mobilization training prior to deployment. Global War on Terrorism (GWOT) funds are needed to adequately support Foreign Area Training Command pre-mobilization training.

Strong Bonds focuses on reuniting Soldiers and their spouses, in order to ease the stress of mobilizations. During pre- and post-deployment training, Soldiers and their spouses are afforded support during deployment and during their reintegration back into their family and communities through voluntary education and marriage enrichment workshops.

Ready Response Reserve Unit (R3U) is a test program of select units of volunteer Soldiers available to deploy to execute short or no-notice global missions and surge requirements without being mobilized. The increased mandays provide for increased training to support a high level of readiness for these Army Reserve units.

**Appropriation: Reserve Personnel, Army**  
**Budget Activity 1: Reserve Component Training and Support**  
**Budget Line Item: Special Training**

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

**Pre-mobilization Training (\$43.1 million):** Funding for pre-mobilization training directly supports readiness training strategies as a result of the 12-month mobilization policy. Funds will provide an additional 17 days of training for approximately 20,000 Soldiers in the Ready cycle to conduct pre-mobilization training for up to 130 tasks previously conducted in post mobilization status. Training includes convoy training, Improvised Explosive Device (IED) training, security training, first aid, map reading, weapons qualification, personnel search, react to indirect fire, country orientation, medical threat, Combat Life Saver Training, rules of engagement, and collective training (training, either in institutions or units, that prepare cohesive teams and units to accomplish their missions). Under the train, mobilize, deploy pattern, Reserve Component forces must be completely trained prior to reaching the mobilization station to maximize boots on ground during deployment. To support deploying units, the Army Reserve will standup five Regional Training Centers (RTC) with a staff of 40 Soldiers each. Soldiers assigned to RTCs will require 14 additional days to training and support the Operating Force units in the Ready cycle as they conduct pre-mobilization training. Funding supports one Soldier placed on duty to load/unload equipment at the RTC in preparation for the unit's arrival and conduct of pre-deployment training. Army Reserve Soldiers in both the Operating and Generating force will need additional mandays to support ARFORGEN readiness. Key unit personnel requires additional full-time equivalent (FTE) mandays to prepare next deploying units for mobilization to include the activities of maintenance, supply, medical, administration, planning, pay, logistics, and other categories of mobilization support. With limited mandays to accomplish the requirements to train, mobilize, and deploy under the ARFORGEN paradigm, Army Reserve must rely on extensive additional mandays to help train and support the training of mobilizing units. Funds will also provide additional mandays to validate pre-mobilization training tasks as a result of the 12-month mobilization policy. Each of the 220 units in the Ready cycle will receive one evaluator/validator to support training readiness, certification and validation requirement to include updating training databases. Training or preparation prior to date on the mobilization order must be paid with Reserve Component funding.

**Foreign Army Training Command (FA TRAC), (\$4.5 million):** Provides pre-mobilization training for Army Reserve (AR) units selected to train Iraq and Afghanistan forces. The AR will send approximately 500 Soldiers to participate in 30 to 40 days of pre-mobilization training at two or more locations. The resources will fund travel, per diem, and pay and allowances. Selected Soldier-instructors will be deploying to Iraq and Afghanistan to train foreign Soldiers to an adequate level of combat readiness in order to

**Appropriation: Reserve Personnel, Army**  
**Budget Activity 1: Reserve Component Training and Support**  
**Budget Line Item: Special Training**

enable them to assume combat roles without U.S. assistance. Pre-mobilization training includes theater-specific training, weapons (marksmanship), tactics, land navigation, rules of land warfare, IED recognition, cultural awareness training, and other theater-specific requirements. Soldiers will also prepare to instruct these same tasks to Iraqi and Afghan Soldiers.

**Strong Bonds (\$3 million):** The Chaplain Strong Bonds program is an Army level program focused on reuniting Soldiers and their spouses, in order to ease the stress of mobilizations. During post-deployment training, Soldiers and their spouses are afforded support during their reintegration back into their family and communities through voluntary education and marriage enrichment workshops. Research indicates training, such as Strong Bonds, helps families stay intact by reducing the risk of abuse and divorce. Similar programs contributed to a 23% decline in divorce rates among participants. Program funding supports Chaplain-instructor pay, allowances for planning, conducting training and the pay of Army Reserve Soldiers who attend.

**Ready Response Reserve Unit (R3U), (\$5.8 million):** The R3U is a pilot program to test a method for gaining assured, predictable deployable access to RC capabilities. Select units will require volunteers who are available to deploy with units to execute short or no-notice global mission and surge requirements without being mobilized. This test program will allow the Army Reserve to gain better access to its capabilities by leveraging volunteerism to fill Army capabilities during the first 30 days of a contingency. The three units participating in this test will require additional training mandays to bring the unit to a C1 level of readiness. Units will train on company level deployment exercises, company level field training exercises, platoon lanes and situational exercises. Funds will cover pay, allowances, travel and per diem for approximately 269 Soldiers for about 16,500 mandays. R3U will provide quick and responsive support to Combatant Commander for Global contingencies.

	FY 2008 Estimate			Revised FY 2008 Estimate			FY 2008 Delta		
	Mandays	Rate	Amount	Mandays	Rate	Amount	Mandays	Rate	Amount
<b>Total</b>									
Officers	59,882	\$399.00	23,893	61,978	\$ 364.00	22,560	2,096	\$ (35.00)	(1,333)
Enlisted	106,117	\$230.00	24,407	166,700	\$ 203.00	33,840	60,582	\$ (27.00)	9,433
<b>Total</b>	<b>166,000</b>		<b>48,300</b>	<b>228,678</b>		<b>56,400</b>	<b>62,678</b>		<b>8,100</b>

**Appropriation: Reserve Personnel, Army**  
**Budget Activity 1: Reserve Component Training and Support**  
**Budget Line Item: Schools Training**

**FY 2008**  
**(\$ in Thousands)**  
**\$56,100**

**Part I – Purpose and Scope**

Funds support Soldiers requiring Duty Military Occupational Skill Qualification (DMOSQ) in preparation for deployment.

**Part II – Justification of Funds Requested**

**Pre-mobilization Skills Training, (\$56.1 million):** Funds will provide additional mandays for Soldiers to attend Duty Military Occupational Specialty Qualification (DMOSQ) training. This funding will provide mandays necessary to achieve 90% unit DMOSQ for units in the Ready cycle and 95% of Soldiers for DMOSQ training at the start of the Available cycle in support of ARFORGEN and the 12-month mobilization policy. Soldiers must be DMOS qualified to deploy with their unit. This requirement supports the DMOSQ for 5,676 Soldier.

	FY 2008 Estimate			Revised FY 2008 Estimate			FY 2008 Delta		
	<u>Mandays</u>	<u>Rate</u>	<u>Amount</u>	<u>Mandays</u>	<u>Rate</u>	<u>Amount</u>	<u>Mandays</u>	<u>Rate</u>	<u>Amount</u>
<b>Total</b>									
Officers				10,531	\$ 352.00	3,707	10,531	\$ 352.00	3,707
Enlisted				329,516	\$ 159.00	52,393	329,516	\$ 159.00	52,393
<b>Total</b>				<b>340,047</b>		<b>56,100</b>	<b>340,047</b>		<b>56,100</b>

# **RECRUITING AND RETENTION**



**Appropriation: Reserve Personnel, Army**  
**Budget Activity 1: Reserve Component Training and Support**  
**Budget Line Item: Recruiting and Retention**

**FY 2008**  
**(\$ in Thousands)**  
**\$186,700**

### **Part I – Purpose and Scope**

Funds are required for recruiting and retention bonuses to mitigate recruiting and retention challenges generated by the Global War on Terrorism (GWOT). These bonuses will help the Army Reserve meet accession and retention goals to fill critical Army Military Operational Skill (MOS), basic branch, and Areas of Consideration (AOC) positions. Funds were reduced in the FY08 Supplemental Request as a result of an increase in FY08 Base Budget funding for the Incentive Program.

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

**Selected Reserve Incentive Program:** The funding requested will provide recruiting and retention incentives to enlist and retain sufficient Soldiers to man Army Reserve units with the correct grades and military occupational specialties. In addition, these enhanced incentives are critical to access and retain trained and ready Soldiers and to achieve end strength objectives. The current challenging recruiting and retention environment has increased the incentive cost per accession.

**Non-Prior Service (NPS), Prior Service (PS) Enlistment Bonus and Enlisted Affiliation Bonus:** This incentive is authorized under the provisions of 10 USC. As an enlistment tool, the Army can pay anyone who enlists a maximum of \$20,000 for a six year enlistment.

**Officer Affiliation and Accession Bonus:** These incentives are authorized in the FY 2005 and FY 2006 NDAA. As an officer strength management tool, the Army can pay a \$10,000 bonus to officers accepting Army Reserve commissions.

**Referral Bonus:** This incentive is authorized under the provisions of PL 109-163 Section 645(a) by the FY 2007 NDAA. To assist recruiting efforts, the Army can pay up to \$2,000 to a military member who refers a person to enlist in the Army.

**Selected Reenlistment Bonus:** This incentive is authorized under the provisions of 10 USC. As a retention tool, the Army can pay a Soldier in a critical skill up to \$20,000 for at least a six year reenlistment.

**Critical Skill Retention Bonus:** This incentive is authorized under provisions of the FY 2006 NDAA. As a retention tool, the Army can pay a Soldier in a critical skill \$10,000 for a three year commitment.

**MOS Conversion Bonus:** Program provides a lump sum payment of \$2,000 to Soldiers to voluntarily elect to reclassify from an overage MOS to a shortage MOS. Payment made once the Soldiers receives their MOS award letter

<b>Total</b>	<b>FY 2008 Estimate</b>			<b>Revised FY 2008 Estimate</b>			<b>FY 2008 Delta</b>		
	<b>Strength</b>	<b>Rate</b>	<b>Amount</b>	<b>Strength</b>	<b>Rate</b>	<b>Amount</b>	<b>Strength</b>	<b>Rate</b>	<b>Amount</b>
Enlistment Bonus	6,876	\$7,200	49,506	7,254	\$6,825	49,506	0	\$6,825	0
Prior Service Bonus	3,057	\$5,800	17,731	2,364	\$7,500	17,731	0	\$7,500	0
Officer Accession	360	\$10,000	3,600	360	\$10,000	3,600	0	\$10,000	0
Recruitment Referral Bonus	1,500	\$2,000	3,000	1,500	\$2,000	3,000	0	\$2,000	0
Enlisted Affiliation	2,833	\$7,200	20,398	3,563	\$5,725	20,398	0	\$5,725	0
Officer Affiliation	240	\$10,000	2,400	240	\$10,000	2,400	0	\$10,000	0
Reenlistment Bonus	7,551	\$6,545	49,421	6,197	\$7,975	49,421	0	\$7,975	0
AGR Reenlistment Bonus	744	\$10,000	7,440	744	\$10,000	7,440	0	\$10,000	0
Critical Skills Assignment Retention	6,154	\$5,000	30,770	3,077	\$10,000	30,770	0	\$10,000	0
AGR Recruiter CSRB	65	\$37,077	2,410	65	\$37,000	2,410	0	\$37,000	0
MOS Conversion	12	\$2,000	24	12	\$2,000	24	0	\$2,000	0
<b>Total</b>	<b>29,392</b>		<b>186,700</b>	<b>25,376</b>		<b>186,700</b>	<b>0</b>		<b>0</b>

# **PRE/POST MOBILIZATION TRAINING**

**Appropriation: National Guard Personnel, Army**  
**Budget Activity 1: Pay Group A Training**  
**Budget Line Item: Annual Training and Inactive Duty Training**

**FY 2008**  
**(\$ in Thousands)**  
**\$124,400**

### **Part I – Purpose and Scope**

Provides pre-mobilization training and increased readiness to units in order to reduce post mobilization training and maximize soldier in theater time (boots on the ground) in support of the GWOT. The new training strategy is a direct result of the SECDEF RC Utilization policy signed on 19 January 2007. The benefits of shifting to a 12 month mobilization time for ARNG units allows them to have more time at home station and contact time with employers as well as families. This will build the required readiness of a unit at home station rather than at the mobilization station by providing the additional increase levels of mandays, training, support, and schools, compared to the base budget requirements, prior to the units being mobilized. Units in the first and second years prior to mobilization are required to accomplish and be certified for full spectrum operations in individual and collective training in order to maximize the use of the unit in the 12 month mobilization time. Given this new strategy, only 2 to 3 months of additional training for the units specified mission in theater will be required which will allow for 9 to 10 months in theater combat time

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

The Annual Training/Inactive Duty Training periods are for instruction and training of personnel in the Army National Guard. Individual and collective training are conducted during these periods. These periods of instruction prepare Soldiers for all phases of the unit mission. The Reserve Component Utilization policy requires that units are "more ready" in terms of soldier training, administrative readiness, and medical readiness than in years past. This is due to the shortening of the time available at the mobilization stations under this policy. In past years, units spent from 4-6 months at mobilization stations. Under the new mobilization policy, mobilization station time and mission time, "boots on the ground", and demobilization must not exceed 12 months total. Therefore, units must now arrive at the mobilization station more ready so that the unit can accomplish 9-10 months boots on the ground executing their assigned mission.

	<b>FY 2008 Estimate</b>			<b>Revised FY 2008 Estimate</b>			<b>FY 2008 Delta</b>		
	<b>Mandays</b>	<b>Rate</b>	<b>Amount</b>	<b>Mandays</b>	<b>Rate</b>	<b>Amount</b>	<b>Mandays</b>	<b>Rate</b>	<b>Amount</b>
<b>Total</b>									
Officer	-		-	125,386	275	34,421	125,386	275	34,421
Enlisted	-		-	958,753	94	89,979	958,753	94	89,979
<b>Total</b>	-		-	<b>1,084,139</b>		<b>124,400</b>	<b>1,084,139</b>		<b>124,400</b>

**Appropriation: National Guard Personnel, Army**  
**Budget Activity 1: Reserve Pre and Post Mobilization Training**  
**Budget Line Item: Special Training**

**FY 2008**  
**(\$ in Thousands)**  
**190,298**

**Part I – Purpose and Scope**

Provides pre-mobilization training and increased readiness to units in order to reduce post mobilization training and maximize soldier in theater time (boots on the ground) in support of the GWOT. The new training strategy is a direct result of the SECDEF RC Utilization policy signed on 19 January 2007. The benefits of shifting to a 12 month mobilization time for ARNG units allows them to have more time at home station and contact time with employers as well as families. This will build the required readiness of a unit at home station rather than at the mobilization station by providing the additional increase levels of mandays, training, support, and schools, compared to the base budget requirements, prior to the units being mobilized. Units in the first and second years prior to mobilization are required to accomplish and be certified for full spectrum operations in individual and collective training in order to maximize the use of the unit in the 12 month mobilization time. Given this new strategy, only 2 to 3 months of additional training for the units specified mission in theater will be required which will allow for 9 to 10 months in theater combat time

**Part II – Justification of Funds Requested**

Based on the requests for forces, ARNG requires increased funding to support organizing, administration, instruction, training and unit readiness of BCTs supporting OEF/OIF. Funding will assist the impacted Brigades in meeting training requirements for increased readiness, certification of training, and bring on full time soldiers to do preparatory, administration, logistical, and coordination for collective training events.

Total	FY 2008 Estimate			Revised FY 2008 Estimate			FY 2008 Delta		
	Mandays	Rate	Amount	Mandays	Rate	Amount	Mandays	Rate	Amount
Officer	28,621	241	6,884	351,801	241	84,784	323,180	0	77,900
Enlisted	166,506	166	27,613	635,627	166	105,514	469,121	0	77,901
<b>Total</b>	<b>195,127</b>		<b>34,498</b>	<b>987,428</b>		<b>190,298</b>	<b>792,301</b>		<b>155,801</b>

**Appropriation: National Guard Personnel, Army**  
**Budget Activity 1: Reserve Component Training and Support**  
**Budget Line Item: School Training for Soldiers scheduled for GWOT Deployment**

**FY 2008**  
**(\$ in Thousands)**  
**\$441,663**

### **Part I – Purpose and Scope**

The funding requested for School training will cover National Guard Pay and Allowance (NGPA) incremental costs due to FY 2008 deployments that are above the base School Training budget. This funding is required to support a training capability gap generated as a direct result of deployments for the Global War on Terror (GWOT).

The requested NGPA School funding will provide for basic pay, travel and per diem, retired pay accrual, special pays (flight pay, Special Operations Forces (SOF) pay and foreign language pay), Basic Allowance for Subsistence (BAS), Basic Allowance for Housing (BAH), and government's share of Federal Insurance Contribution Act (FICA). Included in this amount is the Family Separation Allowance (FSA) for attendance in courses over 30 days, and Permanent Change of Station (PCS) costs for school.

The FY 2008 incremental NGPA request is divided into the following: Initial Skills Acquisition, Refresher and Proficiency, and Career Development training.

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

**Initial Skill Acquisition Training:** These funds support the incremental training costs for Soldiers being deployed in support of OIF/OEF to attend schools for initial skills acquisition courses to support requirements in country for Coalition Forces Land Component Command (CFLCC). These schools are in addition to Basic Training or Initial Entry Training.

Initial Skills training will be provided to prior service Soldiers that are being assigned to a unit different than what they have been previously trained for. Example is a unit that will be completely reclassified for a different military mission. Instance may be such as changing an artillery unit to a military police unit.

Funding will also be used for additional Initial Entry Rotary Wing Aviation training seats and for sending pilots and aviation personnel to Survival, Evasion, Resistance, and Escape (SERE) training. During FY 2008, the implementation and fitting of modern aircraft with new airframes has caused an un-programmed transformational training requirement for aviation units deploying in support of OEF/OIF (e.g., AH-64D Longbow).

	<u>FY 2008 Estimate</u>			<u>Revised FY 2008 Estimate</u>			<u>FY 2008 Delta</u>		
	<b>Mandays</b>	<b>Rate</b>	<b>Amount</b>	<b>Mandays</b>	<b>Rate</b>	<b>Amount</b>	<b>Mandays</b>	<b>Rate</b>	<b>Amount</b>
<b>Total</b>									
Officer	40,153	356	14,300	134,490	367	49,300	35,000	10	35,000
Enlisted	126,113	214	27,000	677,608	220	149,324	122,324	6	122,324
<b>Total</b>	<b>166,266</b>		<b>41,300</b>	<b>812,098</b>		<b>198,624</b>	<b>157,324</b>		<b>157,324</b>



**Appropriation: National Guard Personnel, Army**  
**Budget Activity 1: Reserve Component Training and Support**  
**Budget Line Item: School Training for Soldiers scheduled for GWOT Deployment**

**Refresher and Proficiency Training:** These funds support the incremental training costs for Soldiers being deployed for OIF/OEF in FY 2008 to achieve and maintain proficiency in specific military occupational specialties. They also provide doctrinal updates in concert with force modernization efforts of new techniques, weapon systems, changing missions, refresher pilot training, and new equipment training. Required personnel will attend additional skills or special qualification training with this funding. Training includes Combat Life Saver, Medical Proficiency training, and sustainment (Combat Medic, Sniper, Ranger, Pathfinder, Duty Military, counter IED training, Infantry Mortar Leader Course, Bradley Gunner Proficiency Training, and Convoy Live Fire Training) to support requirements in country for Coalition Forces Land Component Command (CFLCC).

	FY 2008 Estimate			Revised FY 2008 Estimate			FY 2008 Delta		
	Mandays	Rate	Amount	Mandays	Rate	Amount	Mandays	Rate	Amount
<b>Total</b>									
Officer			-	6,985	209	10,230	6,985	209	10,230
Enlisted			-	418,474	97	40,517	53,515	97	36,270
<b>Total</b>			-	<b>425,459</b>		<b>50,747</b>	<b>60,500</b>		<b>46,500</b>

**Appropriation: National Guard Personnel, Army**  
**Budget Activity 1: Reserve Component Training and Support**  
**Budget Line Item: School Training for Soldiers scheduled for GWOT Deployment**

**Refresher and Proficiency Training School Training (DMOSQ):** These funds support the incremental training costs for Soldiers being deployed for OIF/OEF in FY 2008 to achieve and maintain proficiency in specific military occupational specialties. They also provide doctrinal updates in concert with force modernization efforts of new techniques, weapon systems, changing missions, refresher pilot training, and new equipment training. Required personnel will attend additional skills or special qualification training with this funding. Training includes Combat Life Saver, Medical Proficiency training, and sustainment (Combat Medic, Sniper, Ranger, Pathfinder, Duty Military Occupational Skill Qualification (DMOSQ), counter IED training, Infantry Mortar Leader Course, Bradley Gunner Proficiency Training, and Convoy Live Fire Training) to support requirements in country for Coalition Forces Land Component Command (CFLCC).

	FY 2008 Estimate			Revised FY 2008 Estimate			FY 2008 Delta		
	Mandays	Rate	Amount	Mandays	Rate	Amount	Mandays	Rate	Amount
<b>Total</b>									
Officer	12,916	356	4,600	146,685	234	34,276	133,769	(122)	29,676
Enlisted	31,762	214	6,800	1,255,340	108	135,752	1,223,578	(106)	128,952
<b>Total</b>	<b>44,678</b>		<b>11,400</b>	<b>1,402,025</b>		<b>170,028</b>	<b>1,357,347</b>		<b>158,628</b>

**Appropriation: National Guard Personnel, Army**  
**Budget Activity 1: Reserve Component Training and Support**  
**Budget Line Item: School Training for Soldiers scheduled for GWOT Deployment**

**Career Development Training:** These funds support formal professional education programs of varying lengths for positions of greater responsibility for Soldiers being deployed for OIF/OEF in FY 2008.

This funding supports the level of education recognized under the military education system which enhances a member’s value to the ARNG. Courses are to include the Captains Career Course (CCC), Officer/Warrant Officer Advance Courses, Reserve Component Non-Commission Officer Education School (RCNCOES) and the Sergeant Major Academy.

ARNG members completing these courses will lead the ARNG to be better balanced and to successfully complete its GWOT missions.

	<u>FY 2008 Estimate</u>			<u>Revised FY 2008 Estimate</u>			<u>FY 2008 Delta</u>		
	Mandays	Rate	Amount	Mandays	Rate	Amount	Mandays	Rate	Amount
<b>Total</b>									
Officer	8,424	356	3,000	8,184	367	3,000	(240)	10	-
Enlisted	28,025	214	6,000	87,418	220	19,264	59,393	6	13,264
<b>Total</b>	<b>36,449</b>		<b>9,000</b>	<b>95,602</b>		<b>22,264</b>	<b>59,153</b>		<b>13,264</b>

# **RECRUITING AND RETENTION**

**Appropriation: National Guard Personnel, Army**  
**Budget Activity 1: Reserve Component Training and Support**  
**Budget Line Item: Recruiting and Retention**

**FY 2008**  
**(\$ in Thousands)**  
**\$380,386**

### **Part I – Purpose and Scope**

The requirements will fund Recruiting and Retention enablers such as Enlistment Bonuses, Retention Bonuses, Military Operational Skill (MOS) Conversion Bonuses, Recruiter Incentive Program (RIP), and Recruiter Mandays (Active Duty Special Work – ADSW). Funding these requirements will facilitate the Army National Guard’s (ARNG) Recruiting and Retention efforts and achieve readiness goals.

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

Enlistment, reenlistment and MOS bonuses are vital incentives to achieved accessions and retentions to fill critical Army National Guard MOS’s. Enlistment and reenlistment bonuses are key factors in retaining Soldiers and attracting new Soldiers to the ARNG.

The Recruiter Incentive Program (RIP) is to increase volume and quality of enlistments and officer accessions into the Army National Guard by sustained overproduction of the recruiting force. The Army National Guard has developed, in conjunction with Active Army, a pilot program which will enhance recruiting by encouraging recruiters to overproduce against monthly mission.

The ADSW Recruiter Mandays requirements will fund additional officer and non-commissioned officer recruiting and retention personnel, to augment existing State and Territory Recruiting and Retention efforts. These additional personnel will enable the ARNG to meet its full end strength by the end of FY 2008. Additional ADSW recruiters are a critical component of the overall ARNG Recruiting and Retention strategy to achieve and maintain our congressionally mandated end strength of 350,000, in order to ensure full readiness for and support of essential National Security missions, including the Global War on Terror and homeland defense/disaster response contingencies.

Funding these requirements will facilitate the Army National Guard’s (ARNG) Recruiting and Retention efforts and achieve unit readiness goals to support the Global War on Terrorism.

**Appropriation: National Guard Personnel, Army**  
**Budget Activity 1: Reserve Component Training and Support**  
**Budget Line Item: Recruiting and Retention**

	<u>FY 2008 Estimate</u>			<u>Revised FY 2008 Estimate</u>			<u>FY 2008 Delta</u>		
	<b>Strength</b>	<b>Rate</b>	<b>Amount</b>	<b>Strength</b>	<b>Rate</b>	<b>Amount</b>	<b>Strength</b>	<b>Rate</b>	<b>Amount</b>
<b>Total</b>									
Enlistment Bonus	13,687	8,000	109,496	13,687	8,000	109,496	-	-	-
Reenlistment Bonus	19,223	8,000	153,780	19,223	8,000	153,780	-	-	-
MOS Conversion	200	2,000	400	200	2,000	400	-	-	-
Recruitment Referral Bonus	26,047	296	7,710	26,047	296	7,710	-	-	-
Recruiter Mandays (ADSW)	1,772	61,511	109,000	1,722	63,313	109,000	(50)	1,802	-
<b>Total</b>	<b>60,929</b>		<b>380,386</b>	<b>60,879</b>		<b>380,386</b>	<b>(50)</b>	<b>-</b>	<b>-</b>